

Manufacturers Of Quality PET Bottles and Preforms



# CONDENSED INTERIM FINANCIAL STATEMENTS

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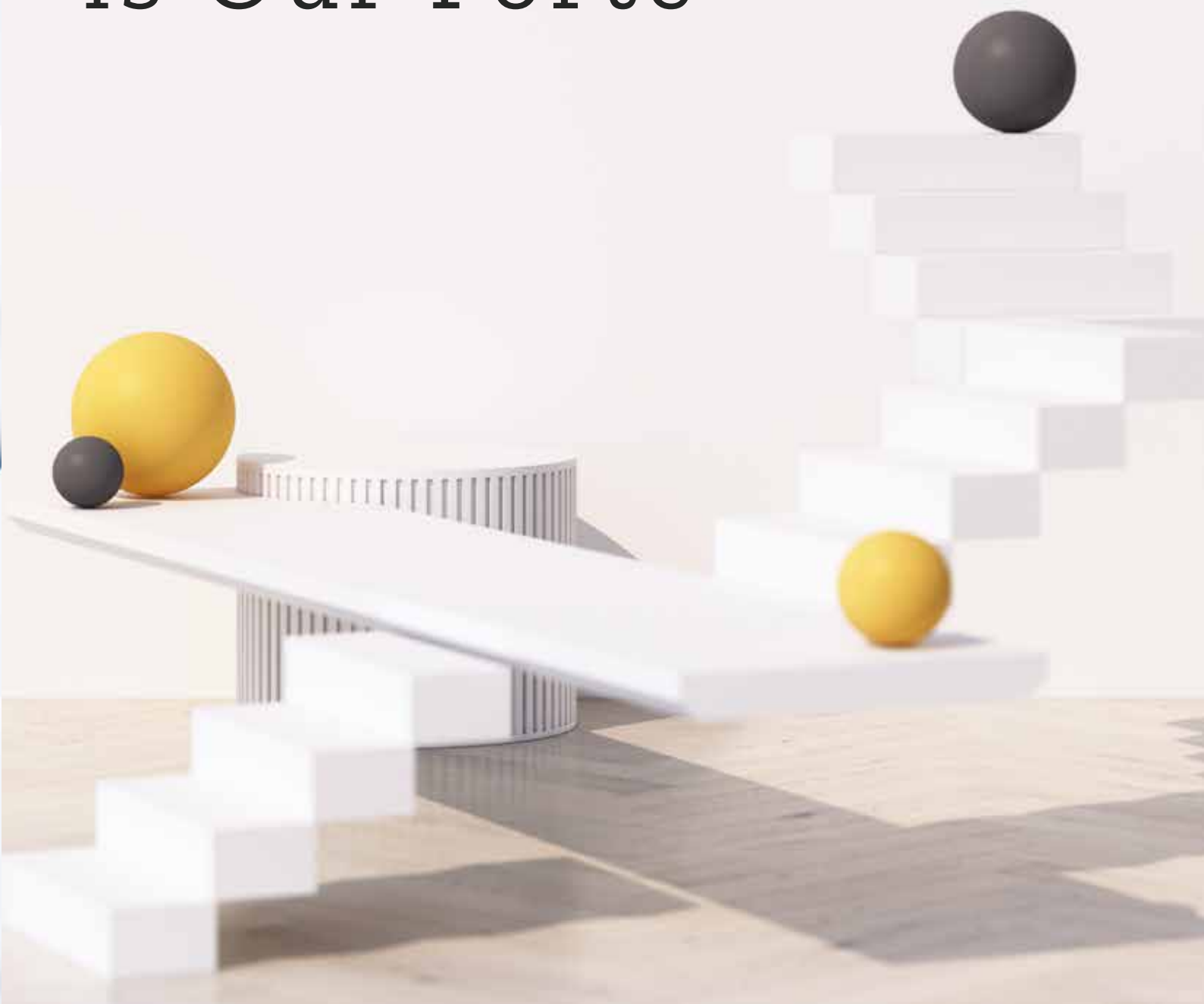
FOR THE NINE-MONTH PERIOD ENDED  
**MARCH 31, 2021** (UN-AUDITED)

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# QUALITY

is Our Forté



# Vision & Mission Statement

To Systematically and cost effectively manufacture and supply consistently high quality products and services thus achieving customer satisfaction profitably, thereby ensuring the financial well being of the company and maximum returns to the shareholders



A conceptual image featuring two hands holding two identical wooden puzzle pieces against a solid red background. The hands are positioned vertically, with the top hand holding the top piece and the bottom hand holding the bottom piece. The puzzle pieces are light-colored wood with a natural grain. The bottom hand is wearing a blue ribbed sweater cuff. The overall composition is clean and minimalist, symbolizing strategy and problem-solving.

# Corporate Strategy

Retain market share  
leadership through quality  
and price competitiveness  
while creating value as a  
low cost producer



# Company Information

## BOARD OF DIRECTORS

Mr. Amar Zafar Khan  
 Mr. Hussain Jamil  
 Mr. Ahsan Jamil  
 Mr. Ali Jamil  
 Mr. Asad Ali Sheikh  
 Mr. Rehan Jamil  
 Mrs. Sonya Jamil

Chairman  
 Chief Executive Officer  
 Non-Executive Director  
 Non-Executive Director  
 Non-Executive Director  
 Non-Executive Director  
 Non-Executive Director

## AUDIT COMMITTEE

Mr. Asad Ali Sheikh  
 Mr. Amar Zafar Khan  
 Mr. Ahsan Jamil  
 Mr. Ali Jamil

Chairman  
 Member  
 Member  
 Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Amar Zafar Khan  
 Mr. Hussain Jamil  
 Mr. Ahsan Jamil  
 Mrs. Sonya Jamil  
 Mr. Asad Ali Sheikh

Chairman  
 Member  
 Member  
 Member  
 Member

## CHIEF FINANCIAL OFFICER

Mr. Muhammed Ali Adil

## COMPANY SECRETARY

Mr. Awais Imdad

## BANKERS

Bank Al-Habib Limited  
 JS Bank Limited  
 Askari Bank Limited

Habib Bank Limited  
 Bank of Khyber  
 Pak Oman Investment Company Limited

## AUDITORS

KPMG Taseer Hadi & Co.

Chartered Accountants

## SHARE REGISTRAR

M/s THK Associates (Pvt.) Limited  
 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi 75400, Pakistan

Ballotter, Share Registrar & Transfer Agent

## LEGAL ADVISOR

M/s. FGE Ebrahim Hosain

Advocate & Corporate Counsel

## REGISTERED OFFICE AND FACTORY

112-113, Phase V, Hattar Industrial Estate, Hattar, District Haripur, Khyber Pakhtunkhwa  
 Tel: (0995) 617720 & 23, 617347 Fax: (0995) 617074, [www.ecopack.com.pk](http://www.ecopack.com.pk)

# DIRECTORS' REPORT

The Board of Directors of EcoPack Limited is pleased to present it's Directors' Report along with the unaudited financial statements for the 9 month period ended 31<sup>st</sup> March 2021:

## OVERVIEW

After closing a tumultuous FY2020 wracked by the advent of the worldwide Covid-19 pandemic on the back of a massive slowdown of the Pakistan economy, your company is back on course to make a substantial recovery. The last 9 months of the current FY were significantly assisted by the belated but welcome support by the State Bank of Pakistan (SBP) to industry and business, mainly via substantial decrease in bank interest rates, payroll support at concessional mark-up rates & extended tenure, concessional financing (TERF) of new loans/BMR, etc., as well as a one year deferment of 'long term debt' (LTD) repayments. This was a much needed shot in the arm for industry and your company availed of the opportunity deriving considerable relief. Your management further augmented this by it's own inhouse effort to streamline and minimize costs across the board especially in payroll (voluntary reduction in salaries by senior management) via right sizing & multi-tasking. Furthermore, effective and timely Supply-Chain measures leading to prudent procurement of raw materials plus strenuous efforts for margin protection are key focus areas in a strong inflationary environment.

As businesses picked up as an outcome of strict SOP's and the advent of several vaccines internationally, a super-cycle in commodity prices was witnessed which was exacerbated by runaway shipping freight rates as containers got stuck in various destinations of the world. This caused an acute bottle-neck in logistics hitherto unseen in the shipping trade. Your company's management was vigilant in such uncertain times and took the necessary steps for timely and effective coverage of it's essential raw & packing materials, thus ensuring stability of supply and fulfillment of its commitments with long term customers. This was a major step towards recovery of financial losses made in the prior year, as our results indicate thus far.

## SALES & FINANCIAL HIGHLIGHTS

Topline revenue increased from Rs. 1.87 billion to Rs. 1.99 billion during the first nine months i.e., an increase of 6% as compared with the same period last year. This increase was achieved mainly due to growth in Preforms sale by 18% (in value terms), however, Bottles sales decreased by 5% (in value terms). Preforms sales volume increased by 30% (in unit terms) while Bottles sales decreased by 4% (in unit terms) against the same period last year. An enormous increase in Gross profit has been witnessed i.e., from Rs. 10 million to Rs. 200 million against the corresponding period last year. Similarly, Operating profit of Rs. 83.90 million has been achieved against the Operating loss of Rs. 75.09 million. There is a significant turnaround in the Operating profit by Rs. 159 million mainly due to the higher volumes of Preform sale as well as other timely & beneficial supply-chain measures.

Financial charges significantly decreased by 45% i.e., from Rs. 118.61 million to Rs. 65.33 million, a reduction of Rs. 53.27 million against same period last year. The main reason of this decrease is the reduction in KIBOR by 45% due to a huge reduction in SBP's policy rate (discount rate) as compared to the same period last year. Your management also obtained a decrease in mark-up spread from 25 BPS to 50 BPS from its lending banks, which also contributed to a reduction in overall borrowing costs.

Pre-tax profit is recorded at Rs. 18.57 million against a pre-tax loss of Rs. 193.71 million in the corresponding period last year. However, Post-tax profit comes to Rs. 13.10 million against a post-tax loss of Rs. 152.54 million in the same period last year. Thus, your Company recorded an improvement in the bottom line by 109% i.e., by Rs. 165.65 million.

Earnings per share (basic and diluted) for the first nine month period ended March 31, 2021 is Rs. 0.34 per share against Rs. 4.00 loss per share for the comparable period last year.

## FUTURE OUTLOOK

The last quarter of the summer season always is the main recovery and profitable period of the year. Your company is well poised to reap a good harvest as summer sales grow exponentially and fixed costs are spread on high volumes of production and are increasingly diluted per unit, thereby increasing contribution to profit. With the month of Ramzan being the best sales period for the company falling in the midst of the peak summer season, your management is optimistic about a strong recovery, substantially reversing the losses incurred in the previous year.

Our recently installed Large Bottle & Container project, which was severely impacted due to Covid related delays in start-up last year, both at our end as well as our customers, is now making positive strides as the company's order book grows to achieve better capacity utilization. This augurs very well for your company's profitability going forward, as this is a relatively high margin low volume business which your company has recently embarked on.

## RISKS

As the company enters the last and most robust summer quarter of this financial year, a rising third wave of the Covid-19 pandemic is a source of concern as 'smart lockdowns' and selective market closures are imposed. Restrictions on inter-city transport are also creating logistical issues with important "on the go sales" by a mobile public could dampen sales outlook.

As the GOP is compelled to meet harsh IMF conditionalities to receive much needed funding under the agreed Program, fears of sharp rises in inflation on account of raising taxes, levies on petroleum products, electricity tariff and bank interest are some of the main challenges for industry in general in the near term.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS'



**HUSSAIN JAMIL**  
CEO



**ASAD ALI SHEIKH**  
Director

April 24, 2021



## “ANNEXURE A” TO THE DIRECTORS’ REPORT

1. The total number of Directors are seven as follows:

- |    |        |   |    |
|----|--------|---|----|
| a. | Male   | : | 06 |
| b. | Female | : | 01 |

2. The composition of the Board is as follows:

a) **Independent Directors**

- |                         |                     |
|-------------------------|---------------------|
| (1) Mr. Amar Zafar Khan | (2) Mr. Ahsan Jamil |
|-------------------------|---------------------|

b) **Non-executive Directors**

- |                     |                   |                     |
|---------------------|-------------------|---------------------|
| (1) Mr. Ahsan Jamil | (2) Mr. Ali Jamil | (3) Mr. Rehan Jamil |
|---------------------|-------------------|---------------------|

(c) **Executive Directors**

- (1) Mr. Hussain Jamil

(d) **Female Director**

- (1) Mrs. Sonya Jamil (Non-executive Director)

3. The Board has formed committees comprising members as given below:

a) **Audit Committee**

- |                         |   |          |
|-------------------------|---|----------|
| (1) Mr. Asad Ali Sheikh | - | Chairman |
| (2) Mr. Amar Zafar Khan | - | Member   |
| (3) Mr. Ahsan Jamil     | - | Member   |
| (4) Mr. Ali Jamil       | - | Member   |

b) **Human Resource and Remuneration (HR & R) Committee**

- |                         |   |          |
|-------------------------|---|----------|
| (1) Mr. Amar Zafar Khan | - | Chairman |
| (2) Mr. Hussain Jamil   | - | Member   |
| (3) Mr. Ahsan Jamil     | - | Member   |
| (4) Mr. Asad Ali Sheikh | - | Member   |
| (5) Mrs. Sonya Jamil    | - | Member   |

4. The Board has approved the Remuneration Policy of Directors and significant features are as follows:

- The Board of Directors (“BOD”) shall, from time to time, determine and approve the remuneration of the members of the BOD for attending Board Meetings. Such level of remuneration shall be appropriate and commensurate with the level of responsibility and expertise offered by the members of the BOD, and shall be aimed at attracting and retaining members needed to govern the Company successfully and creating value addition.
- No single member of the BOD shall determine his/her own remuneration.

For & on behalf of the Board of Directors



**HUSSAIN JAMIL**  
CEO



**ASAD ALI SHEIKH**  
Director

April 24, 2021

## ڈائریکٹرز رپورٹ

لیکو بیک لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2021 کو ختم ہونے والی نو ماہی کے لیے ڈائریکٹرز کی رپورٹ کو غیر آڈٹ شدہ مالیاتی گوشواروں کے ساتھ مسرت سے پیش کیا جا رہا ہے:

### جائزہ

غیر یقینی مالی سال 2020 کے اختتام کے بعد جو کہ دنیا بھر میں COVID 19 کی وباء کی وجہ سے پاکستان میں بڑے پیمانے پر ست روی کی شکار معیشت کی وجہ سے شدید متاثر تھا، آپ کی کمپنی بڑی حد تک بحالی کے راستے پر دوبارہ چل پڑی ہے۔ موجودہ مالی سال کے آخری نو مہینوں میں سٹیٹ بینک آف پاکستان کی جانب سے صنعت و کاروبار کو تاخیر سے مگر اچھی اعانت سے واضح طور پر مدد ملی تھی جس میں شرح سود میں بڑی حد تک کمی لائی گئی، رعایتی بینک نرخوں پر اور اضافی مدت کے لیے تنخواہوں کی ادائیگی میں مدد دی گئی اور اس کے علاوہ رعایتی نرخوں پر نئے قرضے (TERF) اور BMR وغیرہ کی صورت میں اعانت کی گئی تھی اور اس کے ساتھ ساتھ طویل المدت قرضے کی دوبارہ ادائیگی میں ایک سال کا التواء دیا گیا تھا۔ اس وقت یہ صنعت کے لیے شدید ضروری اعانت تھی اور آپ کی کمپنی نے اس موقع سے فائدہ اٹھاتے ہوئے خاطر خواہ سہولت حاصل کی۔ آپ کی انتظامیہ نے اندرون خانہ ہر سطح پر اخراجات میں کمی لانے بالخصوص رائٹ سائزنگ اور ملٹی ٹاسکنگ کے ذریعے تنخواہوں میں کمی (سیئر انتظامیہ کی جانب سے رضاکارانہ تنخواہوں میں کمی) کے اقدامات کیے۔ مزید برآں سپلائی چین کے بروقت اور موثر اقدامات جن کے نتیجے میں خام مال کی محتاط خریداری کے اقدامات کیے گئے اور اس کے ساتھ نفع کے تحفظ کے لیے انتھک کوششیں مہنگائی کے شدید عرصے میں توجہ کے حامل اہم امور ہیں۔

بین الاقوامی سطح پر متعدد ویکسینیں سامنے آنے اور ہلے اوپیز پر سختی سے عمل درآمد کے نتیجے میں کاروبار دوبارہ کھلنا شروع ہوئے تو مصنوعات کی قیمتوں میں شدید چڑھاؤ دیکھنے میں آیا جس میں دنیا بھر کے مختلف مقامات میں کنٹینرز کے پھنسنے سے بے قابو ہوتے شپنگ فریٹ ریٹس کی وجہ سے مزید خرابی آئی۔ اس سے لاجسٹکس میں شدید درجے کی رکاوٹیں پیدا ہوئیں جو پہلے کبھی بھی بحری تجارت میں دیکھنے میں نہ آئیں تھیں۔ آپ کی کمپنی انتظامیہ ایسے غیر یقینی اوقات کے لیے ہوشیار تھی اور اپنے لازمی خام و پیکنگ میٹیریل کی بروقت اور موثر انداز میں ضرورت پوری کرنے کے لیے ضروری اقدامات کر لیے تھے اور اس طرح سپلائی کو برقرار رکھا اور اپنے طویل مدتی صارفین کے ساتھ اپنے وعدوں کو پورا کیا۔ یہ گزشتہ سال ہونے والی مالیاتی نقصانات کے ازالے کے لیے بڑا قدم تھا جیسا کہ ہمارے نتائج سے پتہ چلتا ہے۔

### فروخت اور مالیات کے اہم نقاط

ابتدائی نو مہینوں کے دوران ٹاپ لائن ریونیو 1.87 بلین سے بڑھ کر 1.99 بلین روپے رہا اور اس طرح گزشتہ سال کی اسی مدت کی نسبت 6 فیصد کا اضافہ ہوا۔ یہ اضافہ بنیادی طور پر PREFORMS کی فروخت میں قدری طور پر 18 فیصد زیادہ فروخت کی وجہ سے ممکن ہوا تاہم بوتلوں کی فروخت قدری طور پر 5 فیصد کم ہوئی۔ PREFORMS کی فروخت کا حجم اکائیوں کے طور پر 30 فیصد بڑھا جبکہ اکائیوں کے طور پر بوتلوں کی فروخت میں گزشتہ سال کی اسی مدت کی نسبت 4 فیصد کمی ہوئی۔ مجموعی نفع میں ایک بڑا اضافہ دیکھنے میں آیا یعنی منافع گزشتہ سال کی اسی مدت کی نسبت 10 بلین سے بڑھ کر 200 ملین روپے ہوا۔ اسی طرح آپریٹنگ نقصان 75.09 ملین روپے کے مقابلے میں 83.90 ملین روپے کا آپریٹنگ نفع دیکھنے میں آیا۔ آپریٹنگ نفع میں 159 ملین روپے کا واضح فرق پڑا جس کی بنیادی وجہ PREFORMS کی فروخت کے بڑے حجم تھے اور اس کے ساتھ ساتھ سپلائی چین کے دیگر بروقت اور فائدہ مند اقدامات تھے۔

مالیاتی اخراجات واضح طور پر 45 فیصد کم ہوئے یعنی 118.61 ملین سے کم ہو کر 65.33 ملین روپے ہوئے اور اس طرح گزشتہ سال کی اسی مدت کی نسبت 53.27 ملین روپے کی کمی ہوئی۔ اس کی بنیادی وجہ گزشتہ سال اسی مدت کی نسبت سٹیٹ بینک آف پاکستان کے پالیسی ریٹ (رعایتی نرخ) میں بڑی کمی کی وجہ KIBOR میں 45 فیصد کمی تھی۔ آپ کی انتظامیہ نے اپنے قرض دہندہ بینکوں سے مارک اپ پھیلاؤ میں 25 BPS تا 50 BPS کی کمی بھی کروائی اور اس سے بھی قرضے کی مجموعی لاگتوں میں کمی واقع ہوئی۔

قبل از ٹیکس نفع 18.57 ملین روپے ریکارڈ کیا گیا جبکہ گزشتہ سال اسی مدت میں قبل از ٹیکس نقصان 193.71 ملین روپے تھا۔ تاہم بعد از ٹیکس منافع 13.10 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران بعد از ٹیکس نقصان 152.54 ملین روپے تھا۔ لہذا آپ کی کمپنی نے چلی سطح پر 109 فیصد یعنی 165.65 ملین روپے کی بہتری دیکھی۔

31 مارچ 2021 کو ختم ہونے والی نو ماہی کے دوران فی شیئر (Basic & Diluted) آمدن 0.34 روپے فی شیئر رہی جبکہ گزشتہ سال اسی عرصے میں 4 روپے فی شیئر کا نقصان ہوا تھا۔

## مستقبل کے امکانات

موسم گرما کی آخری سہ ماہی ہمیشہ ہی سال کی سب سے اہم نفع آور اور بحالی کی مدت ہوتی ہے۔ آپ کی کمپنی اس دوران فائدہ اٹھانے کے لیے بھرپور تیار ہے کہ موسم گرما کی فروخت تیزی سے بڑھتی ہے اور طے شدہ لاگتیں زیادہ پیداواری حجم پر محیط ہیں اور اکائی کی بنیاد پر ہیں اور ان سے نفع میں بمطابق اثر پڑتا ہے۔ عروج والے موسم گرما کے وسط میں بہترین فروخت والے ماہ رمضان جو کہ کمپنی کے لیے فروخت کا بہترین عرصہ ہوتا ہے، آپ کی انتظامیہ ایک مضبوط بحالی کے لیے پر امید ہے جس سے گذشتہ سال ہونے والے نقصانات کا خاطر خواہ ازالہ ہو سکے گا۔

ہمارے حالیہ نصب شدہ بڑی بوتلوں اور کنٹینرز کے منصوبے اور ہمارے صارفین دونوں پر گذشتہ سال کے آغاز میں کووڈ کی وجہ سے ہونے والی تاخیروں سے شدید اثر پڑا تھا جس نے اب مثبت اثرات سامنے لانے شروع کر دیئے ہیں کیونکہ کمپنی کی آرڈر بک میں بہتر پیداواری گنجائش کے استعمال کے لیے بہتری آرہی ہے۔ اس سے آپ کی کمپنی کے مستقبل میں نفع کے اضافے کے امکانات دکھائی دے رہے ہیں کیونکہ نسبتاً اس کاروبار میں کم حجم کے ساتھ زیادہ نفع ہے اور اس پر آپ کی کمپنی انحصار کر رہی ہے۔

## خطرات

جبکہ کمپنی اس مالی سال کے آخری اور سب سے تیز موسم گرما کی سہ ماہی میں داخل ہو چکی ہے تو اس دوران کووڈ 19 کی وباء کی تیسری ابھرتی ہوئی لہر باعث فکر ہے کیونکہ سمارٹ لاک ڈاؤن کے ساتھ منتخب مارکیٹوں کو بند کرنے کا عمل جاری ہے۔ شہروں کے درمیان چلنے والی ٹرانسپورٹ پر پابندیاں بھی لاجسٹک مسائل پیدا کر رہی ہیں اور اس طرح سفری عوام کو دوران سفر کی جانے والی فروخت کے امکانات متاثر ہو رہے ہیں۔

چونکہ حکومت پاکستان طے شدہ پروگرام کے تحت انتہائی شدت سے درکار مالی امداد وصول کرنے کے لیے آئی ایم ایف کی سخت شرائط کو پورا کرنے پر مجبور ہے تو ٹیکسوں میں اضافہ، پٹرولیم مصنوعات پر ٹیکسوں کا نفاذ، بجلی کی قیمت میں اضافہ اور بینکوں کے سود میں اضافہ قریبی مدت میں عمومی طور پر صنعت کو درپیش بڑے چیلنج ہیں۔

برائے اور منجانب بورڈ آف ڈائریکٹر



اسد علی شیخ  
ڈائریکٹر



حسین جمیل  
چیف ایگزیکٹو آفیسر

## ڈائریکٹرز رپورٹ کا ضمیمہ الف

1. ڈائریکٹرز کی کل تعداد سات ہے جس کی تفصیل ذیل میں ہے:

الف۔	مرد	:	06
ب۔	عورت	:	01

2. بورڈ آف ڈائریکٹرز کی ہیئت از ذیل ہے:

الف۔	خود مختار ڈائریکٹرز	(1)	جناب عامر ظفر خان	(2)	جناب اسد علی شیخ
ب۔	نان ایگزیکٹو ڈائریکٹرز	(1)	جناب احسن جمیل	(2)	جناب علی جمیل
پ۔	ایگزیکٹو ڈائریکٹرز		جناب حسین جمیل		جناب ریحان جمیل

ت۔ خاتون ڈائریکٹر  
محترمہ سونیا جمیل (نان ایگزیکٹو ڈائریکٹر)

بورڈ نے مندرجہ ذیل اراکین پر مشتمل کمیٹیاں تشکیل دی ہیں:

### آڈٹ کمیٹی

(1)	جناب اسد علی شیخ	-	چیئرمین
(2)	جناب عامر ظفر خان	-	رکن
(3)	جناب احسن جمیل	-	رکن
(4)	جناب علی جمیل	-	رکن

### انسانی وسائل اور معاوضہ جات (HR & R) کی کمیٹی

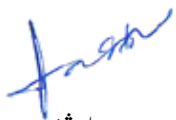
(1)	جناب عامر ظفر خان	-	چیئرمین
(2)	جناب حسین جمیل	-	رکن
(3)	جناب احسن جمیل	-	رکن
(4)	جناب اسد علی شیخ	-	رکن
(5)	محترمہ سونیا جمیل	-	رکن

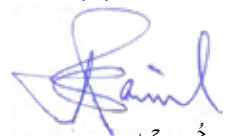
بورڈ نے ڈائریکٹرز کے لیے معاوضے کی پالیسی منظور کی ہے جس کے نمایاں پہلو مندرجہ ذیل ہیں:

بورڈ آف ڈائریکٹرز (BOD) وقتاً فوقتاً بورڈ آف ڈائریکٹرز کے اراکین کے لیے بورڈ اجلاسوں میں شرکت کے عوض معاوضے کا تعین اور منظوری دے گا۔ ایسا معاوضہ ذمہ داری کی سطح اور BOD اراکین کی پیش کردہ مہارت کے ہم پلہ ہو گا اور اس کا مقصد ایسے اراکین کو اپنی طرف کشش دلانا اور اپنے ساتھ رکھنا جنکی کمپنی کو کامیابی سے چلانے اور قدرتی قیمت پیدا کرنے کے لیے ضرورت ہے۔

BOD کا کوئی رکن انفرادی طور پر اپنے معاوضے کا تعین نہیں کرے گا۔

برائے اور منجانب بورڈ آف ڈائریکٹرز

  
اسد علی شیخ  
ڈائریکٹر

  
حسین جمیل  
چیف ایگزیکٹو آفیسر

## Condensed Interim Statement of Financial Position

As at March 31, 2021

		Un-Audited March 31, 2021	Audited June 30, 2020
	Note	----- Rupees in '000' -----	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	5	1,312,883	1,408,042
Intangibles		5,495	6,105
Long-term deposits		12,209	12,209
		<u>1,330,587</u>	<u>1,426,356</u>
<b>Current Assets</b>			
Inventories	6	599,988	297,598
Trade debts		341,240	214,694
Loans and advances	8	103,317	31,183
Deposits, prepayments and other receivables		30,443	7,381
Advance tax - net		51,561	77,433
Short term investments	9	7,125	-
Cash and bank balances		55,715	20,278
		<u>1,189,389</u>	<u>648,567</u>
<b>Total assets</b>		<u><u>2,519,976</u></u>	<u><u>2,074,923</u></u>
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		381,489	381,489
Revaluation surplus on operating fixed assets		124,342	138,582
Unappropriated profits		309,333	284,558
		<u>815,164</u>	<u>804,629</u>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Long term loans	9	124,209	91,816
Lease liabilities	10	170,242	195,660
Employee benefits		-	1,179
Deferred liabilities	11	31,243	52,434
		<u>325,694</u>	<u>341,089</u>
<b>Current Liabilities</b>			
Trade and other payables		486,674	343,370
Unclaimed dividend		2,723	2,719
Short term borrowings	12	716,148	525,209
Current portion of non-current liabilities		173,573	57,907
		<u>1,379,118</u>	<u>929,205</u>
<b>Total equity and liabilities</b>		<u><u>2,519,976</u></u>	<u><u>2,074,923</u></u>

## CONTINGENCIES AND COMMITMENTS

13

The annexed notes 1 to 26 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

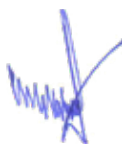
Director

## Condensed Interim Statement of Profit or Loss (Un-Audited)

For the nine-month period ended March 31, 2021

	Nine-months ended		Three-months ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- Rupees in '000' -----			
	<i>Reclassified</i>		<i>Reclassified</i>	
Sales - net	<b>1,994,555</b>	1,875,153	<b>1,068,957</b>	807,706
Cost of sales	<b>(1,794,419)</b>	(1,864,818)	<b>(877,579)</b>	(734,570)
<b>Gross profit</b>	<b>200,136</b>	10,335	<b>191,378</b>	73,136
Other income	<b>7,485</b>	14,188	<b>4,783</b>	222
Selling expenses	<b>(20,654)</b>	(21,765)	<b>(7,129)</b>	(7,674)
Administrative expenses	<b>(73,854)</b>	(75,124)	<b>(26,901)</b>	(22,728)
Other expenses	<b>(26,291)</b>	(2,133)	<b>(2,110)</b>	(222)
Impairment loss on trade debts	<b>(2,848)</b>	(598)	-	-
<b>Operating profit / (loss)</b>	<b>83,974</b>	(75,097)	<b>160,021</b>	42,734
Finance costs	<b>(65,332)</b>	(118,608)	<b>(25,477)</b>	(45,101)
<b>Profit / (loss) before taxation</b>	<b>18,642</b>	(193,705)	<b>134,544</b>	(2,367)
Income tax credit	<b>(5,487)</b>	41,161	<b>(37,791)</b>	(7,356)
<b>Profit / (loss) after taxation</b>	<b>13,155</b>	(152,544)	<b>96,753</b>	(9,723)
Earnings per share	<b>0.34</b>	(4.00)	<b>2.54</b>	(0.25)

The annexed notes 1 to 26 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

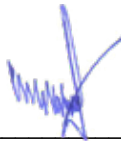


## Condensed Interim Statement of Other Comprehensive Income (Un-Audited)

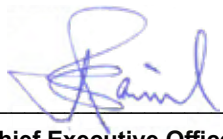
For the nine-month period ended March 31, 2021

	Nine-months ended		Three-months ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- Rupees in '000' -----			
<b>Profit / (loss) after taxation</b>	<b>13,155</b>	<b>(152,544)</b>	<b>96,753</b>	<b>(9,723)</b>
<b>Other Comprehensive Income for the period</b>				
Reversal of surplus on recognition of impairment loss on machinery	(3,690)	-	-	-
Related deferred tax	1,070	-	-	-
	(2,620)	-	-	-
<b>Total comprehensive income for the period</b>	<b>10,535</b>	<b>(152,544)</b>	<b>96,753</b>	<b>(9,723)</b>

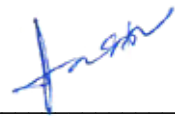
The annexed notes 1 to 26 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

## Condensed Interim Statement of Changes In Equity (Un-Audited)

For the nine-month period ended March 31, 2021

	Share Capital	Revaluation surplus on Property and plant	Revenue Reserve- Accumulated Profit	Total Equity
	----- (Rupees in '000') -----			
<b>Balance as at July 1, 2019</b>	<b>346,809</b>	<b>144,962</b>	<b>415,651</b>	<b>907,422</b>
<b>Total comprehensive income for the period</b>				
- Loss after taxation for the period	-	-	(152,544)	(152,544)
- Other comprehensive income for the period	-	-	-	-
	-	-	(152,544)	(152,544)
- Transfer of incremental depreciation net of deferred tax	-	(10,601)	10,601	-
<b>Transactions with members recorded directly in equity</b>				
<i>Distribution to members</i>				
- Issuance of bonus shares @ 10%	34,681	-	(34,681)	-
- Final dividend @ 5% for the year ended June 30, 2019	-	-	(17,340)	(17,340)
	34,681	-	(52,021)	(17,340)
<b>Balance as at March 31, 2020</b>	<b>381,490</b>	<b>134,361</b>	<b>221,687</b>	<b>737,538</b>
<b>Balance as at July 1, 2020</b>	<b>381,489</b>	<b>138,582</b>	<b>284,558</b>	<b>804,629</b>
<b>Total comprehensive income for the period</b>				
- Loss after taxation for the period	-	-	13,155	13,155
- Other comprehensive income for the period	-	(2,620)	-	(2,620)
	-	(2,620)	13,155	10,535
Transfer of incremental depreciation net of deferred tax	-	(11,620)	11,620	-
<b>Balance as at March 31, 2021</b>	<b>381,489</b>	<b>124,342</b>	<b>309,333</b>	<b>815,164</b>

The annexed notes 1 to 26 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

## Condensed Interim Statement of Cash Flows (Un-Audited)

For the nine-month period ended March 31, 2021

	Un-Audited March 31, 2021	Un-Audited March 31, 2020
Note	----- Rupees in '000' -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	18,642	(193,705)
<i>Adjustments for:</i>		
Depreciation and amortization	94,331	101,323
Loss on disposal of operating fixed assets	12,161	-
Provision for slow moving stocks	1,495	-
Impairment loss on trade debts	-	598
Charge for staff retirement benefit - gratuity	13,714	19,849
Cash settled share-based payment transaction	1,644	(474)
Finance costs	65,332	118,608
	<b>207,319</b>	<b>46,199</b>
<i>Changes in:</i>		
Inventories	(303,885)	(138,584)
Trade debts	(126,546)	171,804
Loans and advances	(72,134)	79,087
Deposits, prepayments and other receivables	(23,062)	(19,457)
Trade and other payables	163,646	(28,155)
	<b>(361,981)</b>	<b>64,695</b>
<b>Cash generated from operating activities</b>	<b>(154,662)</b>	<b>110,894</b>
Finance cost paid - short-term borrowings	(47,843)	(79,000)
Contributions to gratuity fund / gratuity paid	(35,700)	(4,415)
Workers' profit participation fund paid	-	(5,742)
Income taxes paid	(4,111)	(16,866)
<b>Net cash (used in) / generated from operating activities</b>	<b>(242,316)</b>	<b>4,871</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(29,378)	(89,455)
Short term investments made	(7,125)	-
Proceeds from disposal of operating fixed assets	16,291	-
<b>Net cash used in investing activities</b>	<b>(20,212)</b>	<b>(89,455)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal repayment of lease liabilities	(6,567)	(44,570)
Leases obtained	34,015	-
Proceeds from short-term borrowings	1,297,044	2,155,153
Repayment of short term borrowings	(1,072,792)	(1,951,315)
Proceeds from long-term loans	104,014	-
Repayment of long-term loans	(6,788)	(65,000)
Dividend paid	-	(16,860)
Finance cost paid on long-term loans and lease liabilities	(23,715)	(42,659)
<b>Net cash generated from / (used in) financing activities</b>	<b>325,211</b>	<b>34,749</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>62,683</b>	<b>(49,835)</b>
Cash and cash equivalents at beginning of the period	(20,093)	22,148
<b>Cash and cash equivalents at end of the period</b>	<b>42,590</b>	<b>(27,687)</b>

The annexed notes 1 to 25 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

## Notes to the Condensed Interim Financial Statements (Un-Audited)

For the period ended 31 March 2021

### 1. STATUS AND NATURE OF BUSINESS

Ecopack Limited ("the Company") is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and is listed on Pakistan Stock Exchange Limited. The registered office and manufacturing facility of the Company is located at Hattar Industrial Estate, Khyber Pakhtunkhwa. The principal business activity of the Company is manufacturing and sale of Polyethylene Terephthalate (PET) bottles and preforms for the market of beverages and other liquid packaging industry.

### 2. BASIS OF PREPARATION

These condensed interim financial statements ("interim financial statements") have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures in the interim financial statements do not include the information reported for full audited annual financial statements and should therefore be read in conjunction with the audited annual financial statements for the year ended June 30, 2020. Comparative statement of financial position is extracted from audited annual financial statements as of June 30, 2020, whereas comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are stated from un-audited condensed interim financial statements for the nine-month period ended March 31, 2020.

These interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange.

### 3. USE OF JUDGEMENTS AND ESTIMATES

In preparation of condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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 described in the last annual financial statements.

#### Measurement of fair values

The Company has an established controlled framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements including Level 3 values.

The management regularly reviews significant unobservable inputs, if relevant, and valuation adjustments. If third party information, such as broker codes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that their valuations meet the requirements of approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Audit Committee.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into following levels of fair value hierarchy based on the inputs used in valuation techniques:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### **4. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES**

The accounting and financial risk management policies and the methods of computation adopted in preparation of these interim financial statements are the same as those applied in preparation of audited annual financial statements for the year ended June 30, 2020 except for the change as indicated below:

##### **Presentation of payable to gratuity fund**

Previously, Company's payable to gratuity fund was presented as non-current liability in the financial statements. On constitution of approved gratuity fund, the Company has now chosen to change presentation of this payable from non-current liabilities to current liabilities. In accordance with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", this change in accounting policy has been applied retrospectively. Refer note 23.2 for details of effect on statement of financial position as of June 30, 2020.

#### **4.1 Provision for Minimum Tax**

Previously, no provision for Minimum Tax was recognized in the Company's financial statements on the grounds that minimum tax is adjustable against the future years' tax liability. Recently, the Accounting Standard Board (the Board) of the Institute of Chartered Accountants of Pakistan (ICAP) issued an Opinion whereby the Board concluded that; the minimum tax levied under section 113 of the Income Tax Ordinance, 2001 should be recognized as current tax expense; and a deferred tax asset should be recognised for the amount of minimum tax paid for a period in excess of tax based on taxable income subject to the probability of availability of future taxable profits against which the unused tax losses and unused tax credits can be utilized.

In line with the Board's opinion, the Company has recognized provision for minimum tax and related deferred tax asset in the financial statements. In accordance with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", this change has been applied retrospectively. Refer note 23.2 for details of effect on statement of financial position as of June 30, 2020.

#### **4.2 Standards, interpretations and amendments to approved accounting and reporting standards that are not yet effective**

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2021:

Amendments to IFRS-3 Reference to the Conceptual Framework	01 January 2022
Amendments to IFRS-4 Expiry date of deferral approach	01 January 2023
Amendments to IFRS-9, IAS-39, IFRS-7, IFRS-4 and IFRS-16 - Interest rate benchmark reform	01 January 2021
Amendments to IAS-1 Classification of liabilities as current or non-current and disclosure of accounting policies	01 January 2023
Amendments to IAS-8 Definition of accounting estimates	01 January 2023
Amendments to IAS-16 Proceeds before intended use	01 January 2022
Amendments to IAS-37 Onerous Contracts - Cost of fulfilling a contract	01 January 2022
Amendments to IAS-41, IFRS-9 and IFRS-16 Annual Improvements to IFRS Standards 2018-2020	01 January 2022

The above amendments are not likely to have an impact on the Company's interim financial statements.

		Un-Audited March 31, 2021	Audited June 30, 2020
		----- Rupees in '000' -----	
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Carrying amount of operating assets at beginning of the period / year		1,384,078	1,409,907
Additions during the period / year		27,996	112,342
Written down value of assets disposed		(33,575)	(663)
Revaluation surplus		-	21,701
Impairment loss on idle machine		-	(24,663)
Depreciation charge for the period		(93,720)	(134,546)
Carrying amount of operating assets at beginning of the period / year		1,284,779	1,384,078
Capital work in progress		1,379	935
Capital machines' spares - net		26,725	23,029
		1,312,883	1,408,042
<b>6. INVENTORIES</b>			
Stores, spares and loose tools		105,244	95,664
Raw material		119,269	74,183
Packing material		22,645	14,874
Work in process		318,682	99,846
Finished goods		73,955	48,077
		639,795	332,644
Provision for obsolete stocks		(13,082)	(11,587)
		626,713	321,057
Capital spares transferred to property, plant and equipment		(26,725)	(23,459)
		599,988	297,598
<b>7. LOANS AND ADVANCES</b>			
Advance to suppliers - <i>unsecured</i>		97,083	22,772
Advances for expenses		4,264	3,879
Loans to employees - <i>secured</i>		1,970	4,532
		103,317	31,183
<b>8. SHORT TERM INVESTMENTS</b>			
This represents amount being held with Bank Al Habib limited as term deposits receipts as margin against guarantee of Rs. 57 million extended to the Company in favour of SNGPL. TDR is carrying markup of 6.05% per annum.			
		Un-Audited March 31, 2021	Audited June 30, 2020
		----- Rupees in '000' -----	
<b>9. LONG TERM LOANS</b>			
<i>Loans from banking companies - secured</i>			
- Bank Al-Habib Limited-I	9.1	72,000	72,000
- Bank Al-Habib Limited-II	9.2	30,246	-
- Askari Bank Limited	9.3	50,000	-
- JS Bank Limited	9.3	45,400	32,795
		197,646	104,795
<b>Less: current portion of long term loans</b>		(73,437)	(12,979)
		124,209	91,816



- 9.1** This represents term loan obtained in year 2019 to release import documents under letter of credit arrangements for the capital expenditure. Tenor of the loan is five years, including six months grace period. This is repayable in 20 equal quarterly installments started from 24 May 2019. It carries mark-up at 3 months KIBOR plus 1.5% p.a. payable on quarterly basis. This loan is secured by specific (first exclusive) charge of Rs. 171 million over imported / purchased machinery.
- 9.2** This represents subsidized rate term loan obtained in year 2020 under Temporary Economic Refinance Facility (TERF) of State Bank of Pakistan (SBP) to release import documents under letter of credit arrangements for the capital expenditure. Tenor of the loan is six years, including one year grace period. This is repayable in 20 equal quarterly installments started from 01 October 2021. It carries mark-up at 5% p.a. payable on quarterly basis. This loan is secured by specific (first exclusive) charge of Rs. 60 million over imported / purchased machinery. Loan proceeds of subsidized loans have been recognized at present value of future cashflows discounted at market interest rate. The difference between loan proceeds and the present value of future cashflows has been recognized as deferred grant.
- 9.3** These represent subsidized rate Term Finance obtained under State Bank of Pakistan's (SBP) Refinance Scheme for Payment of Wages and Salaries to combat effect of COVID 19. Tenor of the loan is 2 years and 6 months (inclusive of 6 month grace period starting from July 2020). The loan are repayable in 8 equal quarterly installments. These carries mark-up at SBP Rate plus 2% to 3% p.a. payable quarterly. In case of active tax payer, rebate equal to SBP rate to be allowed as per SBP policy as incentive. The loan are secured by Joint Pari Passu on fixed assets (plant & machinery) of the Company. Loan proceeds of subsidized loans have been recognized at present value of future cashflows discounted at market interest rate. The difference between loan proceeds and the present value of future cashflows has been recognized as deferred grant.

Un-Audited March 31, 2021	Audited June 30, 2020
----- Rupees in '000' -----	

#### 10. LEASE LIABILITIES

Balance at beginning of period / year	235,880	280,330
Leases obtained during the period / year	36,773	1,985
Payments made during the period / year	(6,567)	(46,435)
	<b>266,086</b>	235,880
Less: Current portion shown under current liabilities	<b>(95,844)</b>	(40,220)
	<b>170,242</b>	195,660

- 10.1** This represents machines acquired under finance lease agreements with Habib Bank Limited and Bank Of Khyber. Interest rate used as discounting factor ranges from 8.57% to 10.07% (2020: 9.67% to 15.66%) per annum. Taxes, repair, replacements and insurance are borne by the Company. Under the terms of arrangement, the Company has an option to acquire leased assets at the end of respective lease terms and intends to exercise the option. There are no restrictions imposed on the Company under the term of leases.

March 31, 2021	June 30, 2020
----- Rupees in '000' -----	

#### 11. DEFERRED LIABILITIES

Deferred grant	7,497	3,123
Deferred taxation	23,746	49,311
	<b>31,243</b>	52,434

## 12. SHORT TERM BORROWINGS - secured

Short-term running finance and other facilities are obtained under mark-up arrangements from various commercial banks and one Non-Banking Finance Company (NBFC) carrying mark-up ranging from 3 Months KIBOR plus 1.25% to 1.5% (June 2020: 3 Months KIBOR plus 1.5%) per annum calculated on daily product basis. These facilities are secured by first pari passu and ranking hypothecation charges of entire present and future current assets and equitable mortgage of property of the Company.

## 13. CONTINGENCIES AND COMMITMENTS

- 13.1** On 20 May 2020, 'Deputy Commissioner Inland Revenue, Audit-I, Zone-I, Haripur' ("CIR") passed an order against the Company regarding inadmissibility of sales tax input amounting to Rs. 35.9 million relating to tax year 2017. On 14 December 2020 Commissioner Appeals upheld the order of CIR. The Company is in process of filing appeal against the decision of CIRA before Appellate Tribunal and has not recognized any provision in this respect in these interim financial statements as in view of its Legal Advisor, the said case is likely to be decided in the Company's favor on legal grounds that a similar case has already been decided in the Company's favor in recent past.
- 13.2** On 17 June 2020, 'Additional Collector (Withholding) Khyber-Pakhtunkhwa Regulatory Authority (KPRA)' passed an order against the Company regarding alleged non withholding of sales tax amounting to Rs. 18.9 million. Against Company's appeals, Collector (Appeals), KPRA' and 'Appellate Tribunal for Sales Tax on Services, KPK' upheld the order of Additional Collector. The Company has filed a reference before Peshawar High Court against the Order of 'Appellate Tribunal'. The Company has not recognized provision in this respect to the tune of Rs. 9.6 million in these financial statements as in view of its Legal Advisor, the said case is likely to be decided in the Company's favor on legal grounds that the Company has duly discharged its obligations with other provincial tax authorities, based on the concept of origination of services.
- 13.3** Bank guarantees issued by three financial institutions of the Company amounting to Rs. 65.22 million (June 2020: 9.15 million) in favor of the Company's fuel and electricity suppliers.

Nine-months ended		Three-months ended	
March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
----- Rupees in '000' -----			

## 14. SALES

### Gross Sales

- Preforms	1,241,072	1,049,707	623,712	377,541
- Bottles	1,093,743	1,147,663	627,207	568,181
	<b>2,334,815</b>	<b>2,197,370</b>	<b>1,250,919</b>	<b>945,722</b>

### Less: Sales tax

- Preforms	(180,887)	(152,896)	(90,924)	(54,960)
- Bottles	(159,099)	(166,918)	(91,331)	(82,685)
	<b>(339,986)</b>	<b>(319,813)</b>	<b>(182,255)</b>	<b>(137,644)</b>
- Sales returns	(274)	(1,576)	(274)	(79)
- Discounts	-	(828)	567	(293)
<b>Net Sales</b>	<b>1,994,555</b>	<b>1,875,153</b>	<b>1,068,957</b>	<b>807,706</b>

	Nine-months ended		Three-months ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- Rupees in '000' -----			
<b>15. COST OF SALES</b>				
Raw material consumed	1,409,144	1,372,772	796,565	693,803
Packing material consumed	73,844	69,860	41,075	36,408
Salaries, wages and other benefits	142,771	153,072	55,076	52,415
Electricity, gas and water	203,065	206,645	90,543	85,310
Store consumed	42,836	44,873	27,635	32,068
Traveling and conveyance	6,881	7,714	2,530	2,230
Rent, rates and taxes	11,535	16,273	4,513	6,404
Repair and maintenance	7,693	7,233	3,358	2,406
Communication charges	2,389	1,873	642	720
Printing, postage & stationery	1,473	1,569	638	513
Entertainment	599	521	286	121
Medical expense	5,706	6,389	1,716	2,412
Safety and security	7,390	9,622	2,354	3,338
Subscription and professional charges	422	2,343	269	646
Freight and logistics charges	3,861	5,227	2,116	2,206
Vehicle repair and maintenance	8,341	9,212	3,388	3,672
Technical testing and analysis	503	457	240	111
Staff welfare and support	2,676	2,792	1,032	1,163
Depreciation	86,877	93,365	29,322	30,880
Miscellaneous	91	91	63	21
	<b>2,018,097</b>	2,011,903	<b>1,063,361</b>	956,847
Work-in-process - opening	99,846	198,170	171,384	151,365
Work-in-process - closing	(318,682)	(359,748)	(318,682)	(359,748)
	<b>(218,836)</b>	(161,578)	<b>(147,298)</b>	(208,383)
Cost of goods manufactured	<b>1,799,261</b>	1,850,325	<b>916,063</b>	748,464
Finished goods - opening	48,077	43,613	26,124	30,967
Finished goods - closing	(73,955)	(51,709)	(73,955)	(51,709)
	<b>(25,878)</b>	(8,096)	<b>(47,831)</b>	(20,742)
Costs to fulfill sales contracts	<b>21,036</b>	22,589	<b>9,347</b>	6,848
Cost of sales	<b>1,794,419</b>	1,864,818	<b>877,579</b>	734,570

	Nine-months ended		Three-months ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>16. LOSS PER SHARE - basic and diluted</b>	----- Rupees in '000' -----			
Loss after taxation (Rupees in '000')	<b>13,155</b>	(152,544)	<b>96,753</b>	(9,723)
Weighted average number of shares	<b>38,148,900</b>	38,148,900	<b>38,148,900</b>	38,148,900
Loss per share - basic and diluted (Rs.)	<b>0.34</b>	(4.00)	<b>2.54</b>	(0.25)

	March 31, 2021	March 31, 2020
	----- Rupees in '000' -----	
<b>17. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>55,715</b>	10,295
Short term running finance	<b>(13,125)</b>	(37,982)
	<b>42,590</b>	(27,687)

**18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Related parties comprise of associates, key management personnel of the Company, employees' provident fund and gratuity fund, directors and their close family members and major shareholders of the Company. Transactions with related parties are on arm's length basis. Remuneration and benefits to executives of the Company are in accordance with the terms of the employment. Transactions with related parties during the period, other than those disclosed elsewhere in these interim financial statements, are as follows:

	March 31, 2021	March 31, 2020
	----- Rupees in '000' -----	
<b>Transactions during the year</b>		
Contribution to staff provident fund	<b>4,269</b>	2,916
Contribution to employees' gratuity fund	<b>35,700</b>	-
Remuneration to key management personnel	<b>37,769</b>	35,645
Bonus shared issued	-	34,681
Final dividend paid	-	17,340

	March 31, 2021	June 30, 2020
<b>Payable / (Receivable) as on date of statement of financial position with:</b>		
Ecopack Employees' Provident Fund Trust	<b>1,573</b>	658
Ecopack - Employees' Gratuity Fund Trust	<b>81,719</b>	103,705
Payable to Chief Executive	<b>2,823</b>	1,179

**19. SEASONALITY**

The Company's major customers are manufacturers of cold beverages, sales of which decrease in winter season. This ultimately impacts Company's sales. Due to the seasonal nature of business of the Company, higher revenues and profitability are usually expected in first and last quarters of the year.

## 20. OPERATING SEGMENTS

### (a) Description of operating segments

The company's primary format for segment reporting is based on business segments. The business segments are determined based on the Company's management and internal reporting structure. Segment results and other information is provided on the basis of products.

**(b) Segment Information**

The operating information of the reportable business segments is as follows:

INJECTION (PREFORMS)				BLOWING (BOTTLES)				TOTAL	
For the nine-months ended		For the three-months ended		For the nine-months ended		For the three-months ended		For the nine-months ended	
March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
(Rupees in '000) -----									
1,742,273	1,569,673	937,598	614,568	934,644	981,186	536,443	485,203	2,676,917	2,550,859
(682,362)	(675,706)	(405,084)	(292,065)	-	-	-	-	(682,362)	(675,706)
1,059,911	893,967	532,514	322,503	934,644	981,186	536,443	485,203	1,994,555	1,875,153
(964,971)	(920,567)	(477,370)	(385,864)	(1,511,810)	(1,619,957)	(805,293)	(633,077)	(2,476,781)	(2,540,524)
-	-	-	-	682,362	675,706	405,084	292,065	682,362	675,706
(964,971)	(920,567)	(477,370)	(385,864)	(829,448)	(944,251)	(400,209)	(341,012)	(1,794,419)	(1,864,818)
94,940	(26,600)	55,144	(63,361)	105,196	36,935	136,234	144,191	200,136	10,335
(10,976)	(6,318)	(3,270)	1,242	(9,678)	(15,447)	(3,859)	(8,916)	(20,654)	(21,765)
(39,246)	(21,806)	(12,493)	6,307	(34,608)	(53,318)	(14,408)	(29,035)	(73,854)	(75,124)
(1,513)	-	(1,513)	-	(1,335)	(598)	1,513	-	(2,848)	(598)
(51,735)	(28,123)	(17,276)	7,549	(45,621)	(69,364)	(16,754)	(37,952)	(97,356)	(97,487)
43,205	(54,724)	37,868	(55,812)	59,575	(32,429)	119,480	106,239	102,780	(87,152)
March 31, 2021	June 30, 2020			March 31, 2020	June 30, 2020			March 31, 2020	June 30, 2020
1,574,840	1,252,459	712,895	676,746	712,895	-	-	-	2,287,735	1,929,205
-	-	-	-	-	-	-	-	232,241	145,718
1,574,840	1,252,459	712,895	676,746	712,895	676,746	-	-	2,519,976	2,074,923
980,321	726,743	472,880	381,692	472,880	381,692	-	-	1,453,201	1,108,435
-	-	-	-	-	-	-	-	251,611	161,859
378,748	726,743	657,492	381,692	657,492	381,692	-	-	1,704,812	1,270,294
2,330	46,732	6,660	42,861	6,660	42,861	-	-	8,990	89,593
-	-	-	-	-	-	-	-	19,006	22,749
2,330	46,732	6,660	42,861	6,660	42,861	-	-	27,996	112,342

## 21. COMPARATIVE FIGURES

Following comparatives have been reclassified / restated for the reasons detailed below and in note 4 to financial statements.

### 21.1 Reclassifications

Previously abnormal loss was presented in "other expenses" line item of statement of profit or loss. This has now been reclassified to "cost of sale" for better presentation.

Previously finance cost paid on short and long term borrowings was presented in "cash flows from operating activities". This has now been presented separately in cash flows from operating and financing activities for better presentation in statement of cash flows.

Effect of above reclassifications is as follow:

	March 31, 2020		
	As previously reported	Effect of reclassification	Balance after reclassification
	----- Rupees in '000' -----		
<b>Statement of Profit or Loss</b>			
Cost of sales	1,851,190	13,628	1,864,818
Other expenses	15,761	(13,628)	2,133
<b>Statement of Cash Flows</b>			
Net cash generated from operating activities	(37,788)	42,659	4,871
Net cash (used in) financing activities	77,408	(42,659)	34,749

### 21.2 Restatements - Note 4

		June 30, 2020		
		As previously reported	Effect of restatement	Balance after restatement
		----- Rupees in '000' -----		
<b>Statement of financial position</b>				
Advance tax - net	4.1	158,000	(80,567)	77,433
Deferred tax liabilities - net	4.1	129,878	(80,567)	49,311
Employee Benefits	4	104,884	(103,705)	1,179
Trade and other payables	4	239,665	103,705	343,370

## 22. DATE OF AUTHORIZATION

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on April 24, 2021.

## 23. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Chief Financial Officer

Chief Executive Officer

Director



Manufacturers Of Quality PET Bottles and Preforms



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