



**ANNUAL
REPORT
2 0 2 4**

Pakistan Paper Products Ltd.



VISION STATEMENT

To transform the company into a modern and dynamic paper converting company by utilizing experience of the team of professionals to play a meaningful role on sustainable basis in the economy of Pakistan.

MISSION STATEMENT

To provide quality products to customers and explore new clients to promote sales of the company through good governance and encourage a sound and dynamic team, so as to achieve best prices of products of the company for sustainable growth and prosperity of the company.





Contents

Page #

<i>Company Information</i>	3
<i>Notice of Meeting</i>	4
<i>Operating Highlights</i>	7
<i>Statement Of Value Added And Its Distribution</i>	8
<i>Graphic Illustration</i>	9
<i>Chairman Review</i>	10
<i>Directors' Report - Urdu</i>	12
<i>Directors' Report - English</i>	18
<i>Statement of Compliance with the code of Corporate Governance</i>	26
<i>Review Report to the Members</i>	30
<i>Auditors' Report to the Members</i>	31
<i>Statement of Financial Position</i>	35
<i>Statement of Profit or Loss</i>	36
<i>Statement of Comprehensive Income</i>	37
<i>Statement of Changes in Equity</i>	38
<i>Cash Flow Statement</i>	39
<i>Notes to the Accounts</i>	40
<i>Pattern of Holding of Shares</i>	73
<i>Form of Proxy (English & Urdu)</i>	



PAKISTAN PAPER PRODUCTS LIMITED

CORPORATE PROFILE

BOARD OF DIRECTORS

Mr. Abbas Sayeed	- Chairman	Non-Executive
Mr. Abid Sayeed	- Chief Executive	Executive
Dr. Asadullah Sayeed		Non-Executive
Mrs. Muleika Sayeed		Non-Executive
Mr. Sayeed Imran		Non-Executive
Ms. Aisha Fariel Salahuddin		Independent Director
Mr. Matiuddin Siddiqui	- NIT Nominee	Independent Director

AUDIT COMMITTEE

Ms. Aisha Fariel Salahuddin	- Chairperson
Mr. Abbas Sayeed	- Member
Dr. Asadullah Sayeed	- Member
Mr. Matiuddin Siddiqui	- Member

HR AND REMUNERATION COMMITTEE

Mr. Matiuddin Siddiqui	- Chairman
Mr. Abbas Sayeed	- Member
Mr. Sayeed Imran	- Member
Mrs. Muleika Sayeed	- Member

MANAGEMENT COMMITTEE

Mr. Abbas Sayeed	- Chairman
Mr. Abid Sayeed	- Chief Executive
Mr. Zia Ur Rehman	- Chief Financial Officer

CHIEF FINANCIAL OFFICER

Mr. Zia Ur Rehman

COMPANY SECRETARY

Mr. Dawood Ahmed Mapara

AUDITORS

Faruq Ali & Co.
Chartered Accountants

SHARE REGISTRAR

F.D.Registrar Services (SMC-Pvt) Ltd

BANKERS

Bank Al Habib Limited
Habib Bank Limited
National Bank of Pakistan
Meezan Bank Limited

REGISTERED OFFICE AND FACTORY

D-58, Estate Avenue, S.I.T.E, Karachi.
Website : www.pakpaper.com



PAKISTAN PAPER PRODUCTS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **62nd Annual General Meeting** of the Shareholders of the Company will be held on **Thursday, October 24, 2024, at 11:00 a.m.** at the Registered Office of the Company at D/58, Estate Avenue, S.I.T.E. Karachi, and also through video-conferencing, to transact the following businesses:

ORDINARY BUSINESS

1. To confirm the minutes of the Annual General Meeting held on 26th October, 2023.
2. To receive, consider, and adopt the Audited Accounts of the Company for the year ended June 30, 2024, together with the Chairman Reviews, Directors' and Auditors' Reports thereon.
In accordance with section 223 of the Companies Act, 2017 and pursuant to the S.R.O 389/(I)/2023 dated March 21, 2023, the financial statements of the Company can be accessed through the following weblink and QR enabled code:



<https://pakpaper.com/AnnualReports/PPPLAnnualReport2024.pdf>

3. To consider and approve the payment of the Final cash dividend, for the year ended June 30, 2024 @ 40% i.e. Rs.4.00/- (per ordinary share of Rs. 10 each) in addition to the 35% interim cash dividend announced and already paid, making a total dividend of Rs 7.5 per share (75%) for the financial year ended June 30,2024, as recommended by the Board of Directors.
4. To appoint Statutory Auditors for the year 2024-25 and to fix their remuneration. The present Auditors- M/s. Faruq Ali, being eligible offered themselves for reappointment.

OTHER BUSINESS

5. To transact any other business with the permission of the Chair.

Karachi
Dated: October 2nd, 2024,

By Order of the Board
DAWOOD AHMED MAPARA
Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed from Tuesday, October 22, 2024, to Thursday, October 24, 2024 (both days inclusive). Transfers received at the office of our Share Registrar, M/s. F.D. Registrar Services (Pvt) Ltd, 17th Floor, Saima Trade Tower-A, I.I. Chandigarh Road, Karachi 74000, at the close of business on Monday, October 21, 2024, will be treated in time for the above entitlement.
2. A member of the Company entitled to attend, speak, and vote at this meeting may appoint any other member as his/her proxy to attend, speak, and vote in his / her instead. The proxies to be effective must be in writing and must be received by the Company's Registered Office not less than 48 hours before the meeting.

3. For Attending the Meeting:

- i. In the case of individuals, the account holder or sub-account holder and/or the person whose securities are in a group account and whose registration details are uploaded as per Regulations shall authenticate his/her identity by showing his/her original Computerized National Identity card (CNIC) or original Passport at the time of attending the meeting.
- ii. Members registered with CDC are also requested to bring their particulars, I.D. numbers, and account numbers in CDS.
- iii. In the case of the corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.



PAKISTAN PAPER PRODUCTS LIMITED

4. For Appointing Proxies:

- i. In the case of individuals, the account holder or sub-account holder and/or the person whose securities are in a group account and whose registration details are uploaded as per the Regulations shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by two persons whose names, addresses, and CNIC Numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his/her original CNIC or original Passport at the time of the meeting.
- v. In the case of the corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with a proxy form to the Company.

5. Zakat Declaration Certificate

Members who desire to stop the deduction of Zakat from their dividends may submit a declaration on non-judicial stamp paper duly signed as required under the law (if not submitted earlier).

6. Submission of CNIC Copy (MANDATORY)

Under the directives of the Securities & Exchange Commission of Pakistan, a CNIC number is mandatory and required to be mentioned on dividend warrants, Shareholders are therefore requested to submit a copy of their valid CNIC (only Physical Shareholders) if not provided earlier to the M/s. F.D Registrar Services (Pvt) Ltd (The Share Registrar). The Corporate Entities are requested to provide their National Tax Number (NTN). Please quote Folio Number with a copy of CNIC/NTN details. In case of non-receipt of valid CNIC the Company would be unable to comply with SRO 831(I)/2012 dated July 5, 2012, of SECP read with SRO 19(1)/2014 January 10, 2014. Please note that no dividend will be payable unless the CNIC number is printed on the dividend warrants, failure to provide the same would constrain the Company to withhold dispatch of dividend warrants.

7. Payment of Cash Dividend Through Electronic Mode (Mandatory)

Section 242 of the Companies Act, 2017 provides that in the case of a listed company, any cash dividend declared by the company must be paid electronically directly into the bank accounts of entitled shareholders. Therefore, all shareholders are requested to fill in the Dividend Mandate Form available on the Company's website i.e. <http://www.pakpaper.com>, and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s. F.D. Registrar Services (Pvt) Ltd in case of physical shares. In case shares are held in CDC then the Dividend Mandate Form must be submitted directly to the shareholder's broker/ participant/CDC account services. In case of non-submission of IBAN, the Company will withhold the payment of dividends under the Companies (Distribution of Dividends) Regulations, 2017.

8. Change of Address and Quote Folio No. In Correspondence:

Members are also requested to notify any change in address immediately. The shareholders are further requested to quote their folio number in all correspondence with the Company and at the time of attending the Annual General Meeting.

9. Unclaimed Dividends and Shares (Important & Mandatory)

Shareholders who could not collect their dividend/physical shares are advised to contact the Share Registrar of the Company to collect/inquire about their unclaimed dividends or shares, if any. Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for three (3) years from the date due and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan (SECP).

10. Circulation of Notice of Meeting & Annual Accounts:

With reference to S.R.O. 787(I)/2014 dated September 8, 2014, issued by SECP; shareholders have an option to receive Annual Audited Financial Statements and Notice of Annual General Meeting through email. Shareholders of the Company are requested to give their consent to the Company's Registered Office to update our record if they wish to receive Annual Audited Financial Statements and Notice of General meetings through email. However, if shareholders, in addition, request a hard copy of Audited Financial Statements, the same shall be provided free of cost within seven [7] days of receipt of such written request.



PAKISTAN PAPER PRODUCTS LIMITED

11. Placement of Financial Accounts on Website:

Annual Audited Financial Statements of the Company for the year ended June 30, 2024, have been placed on the Company's website at www.pakpaper.com

12. Deduction of Income Tax on Dividend

Members are informed that the rates of deduction of income tax under Section 150 of the Income Tax Ordinance, 2001 from dividend payment, have been revised in case of person not appearing in Active Tax Payer List (ATL) which are as under:

- i. Rate of tax deduction for shareholders appearing in Active Taxpayer List (ATL) - 15%
- ii. Rate of tax deduction for shareholders not appearing in Active Taxpayer List (ATL) - 30%

To enable the company to make tax deductions on the amount of the cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Tax Payers List (ATL) provided on the website of FBR although they are filers, are advised to make sure that their names are entered into ATL. Further, according to clarification received from FBR, withholding tax will be determined separately on the 'Filer/Non-filer' status of the principal shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of Principal shareholder and joint-holder(s) in respect of shares held by them to our Share Registrar in writing as follows:

Company Name	Folio/CDC Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC	Shareholding Proportion (No. of Shares)	Name and CNIC	Shareholding Proportion (No. of Shares)

The corporate shareholders having CDC accounts are required to have their National Tax Numbers (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or our Share Registrar M/s. F.D. Registrar Services (Pvt) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

13. Requirement of Companies (Postal Ballot) Regulations 2018

Members can exercise their right to vote through postal ballot i.e., by post or through electronic mode subject to the requirements of Section 143 -145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.

14. Consent for Video Conference Facility/Online Participation in AGM:

Under Section 132 (2) of the Companies Act, 2017, the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least seven (7) days before the date of the meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city. Please fill out the following and submit it to the Registered Office of the Company seven (7) days before holding the Annual General Meeting. Those members who wish to desire online participation in the AGM via video link, please send the required information to agm@pakpaper.com and cfo@pakpaper.com with mention the subject "Registration for AGM"

I/We, _____ of _____, CNIC no. _____ Contact no. _____ being a member of the Pakistan Paper Products Limited, holding Ordinary Share(s) _____ as per Register Folio/CDC no. _____ hereby opt for video conference facility at email address _____.

15. Conversion of Physical shares into Book Entry form:

Under Section 72 of the Companies Act, 2017 every existing Company shall be required to replace its physical shares with the book entry form in the manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017.

The shareholders having physical shares are encouraged to convert their physical shares into book entry form by depositing shares into Central Depository Company Pakistan Limited by opening a CDC sub account with any broker or investor accounts directly with CDC.



PAKISTAN PAPER PRODUCTS LIMITED

OPERATING HIGHLIGHTS

	2024	2023	2022	2021	2020	2019
HISTORICAL TRENDS						
Trading results (Amount in "000")						
Turnover	2,125,258	1,923,198	1,365,460	1,224,655	1,021,263	969,748
Sales - Net	1,927,281	1,745,901	1,234,186	1,092,962	913,310	875,439
Gross Profit	391,265	291,317	189,157	160,813	96,911	99,271
Profit before tax	231,101	132,617	90,427	97,014	21,616	23,968
Taxation	75,190	43,585	28,683	26,449	6,045	5,994
Profit after tax	155,911	89,032	61,744	70,565	15,570	17,975
Dividend						
Cash Dividend	75.00%	40.00%	25.00%	50.00%	12.50%	10.00%
Stock Dividend						
Cash Dividend Value	60,000	32,000	20,000	40,000	10,000	8,000
Stock Dividend Value	-	-	-	-	-	-
Dividend Payout	38.48%	35.94%	32.39%	56.69%	64.22%	44.51%
Financial Position						
Total Assets	2,141,327	1,757,357	1,600,646	1,398,431	1,376,352	1,234,181
Paid up Capital	80,000	80,000	80,000	80,000	80,000	80,000
Reserves	1,581,342	1,027,474	936,558	919,015	875,050	867,258
Working capital	489,891	403,499	308,128	322,419	207,876	247,273
Current Ratio	2.46	1.83	1.77	2.19	1.61	2.22
KEY INDICATORS						
Operating						
Gross Profit	20.30%	16.69%	15.33%	14.71%	10.61%	11.34%
Profit before tax	11.99%	7.60%	7.33%	8.88%	2.37%	2.74%
Profit after tax	8.09%	5.10%	5.00%	6.46%	1.70%	2.05%
Return on Equity	9.38%	8.04%	6.07%	7.06%	1.63%	1.75%
Return on Assets	7.28%	5.07%	3.86%	5.05%	1.13%	1.46%
Valuation						
Earning per share (pre tax)	28.89	16.58	11.30	12.13	2.70	3.00
Earning per share (post tax)	19.49	11.13	7.72	8.82	1.95	2.25
Breakup value per share	207.67	138.43	127.07	124.88	119.38	118.41
Asset utilisation						
Inventory turnover ratio	4.05	4.15	3.72	3.79	4.07	4.62
Total assets turnover ratio	0.90	0.99	0.77	0.78	0.66	0.71
Production						
Exercise Books (Goose)	49,127	58,686	59,455	45,225	50,466	55,708
Amonia Paper (Rolls 10 yds)	5,434	15,283	8,941	17,875	17,093	26,939
Pro-Labels (S q. Meter)	4,932,033	5,667,013	5,591,118	6,229,624	5,421,736	5,276,473

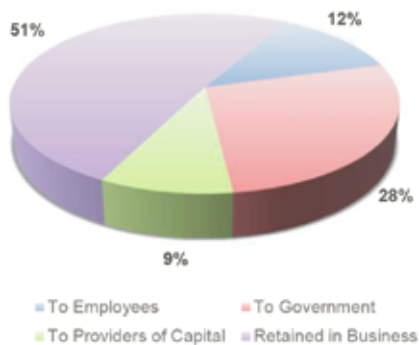


PAKISTAN PAPER PRODUCTS LIMITED

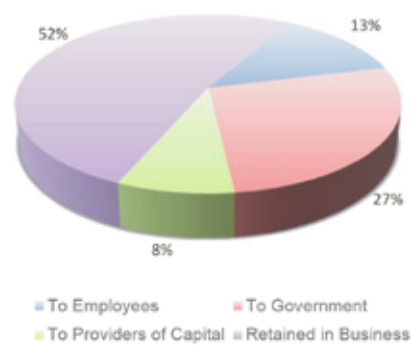
PAKISTAN PAPER PRODUCTS LIMITED Statement of Value Added and its Distribution

	2024		2023	
	Rupees in thousand	%	Rupees in thousand	%
Wealth Generated				
Total revenue inclusive of sales tax & other income	2,126,857		1,925,388	
Bought-in-material & services	1,105,414		1,108,962	
	<u>1,021,443</u>	<u>100.00%</u>	<u>816,426</u>	<u>100.00%</u>
Wealth Distributed				
To Employees				
Salaries, wages, benefits & related cost	126,162	12.35%	104,522	12.80%
To Government				
Income tax, sales tax & workers' fund	279,746	27.39%	220,811	27.05%
To Providers of Capital				
Dividend to share holders	60,000	5.87%	32,000	3.92%
Markup on borrowed funds	35,361	3.46%	35,835	4.39%
	<u>95,361</u>		<u>67,835</u>	
Retained in Business				
Depreciation, Amortization & retained profit	520,175	50.93%	423,258	51.84%
	<u>1,021,443</u>	<u>100.00%</u>	<u>816,426</u>	<u>100.00%</u>

Wealth Distribution FY-2024

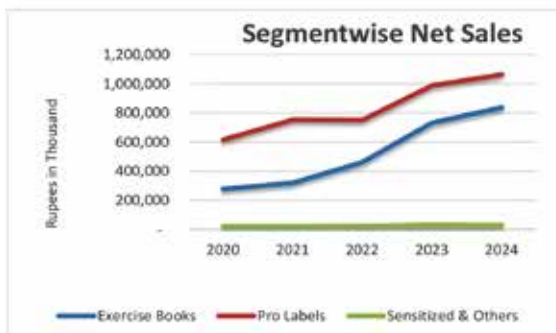
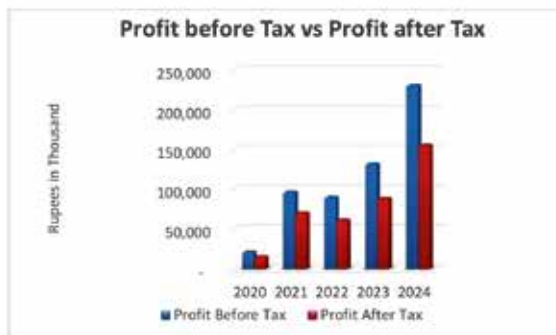
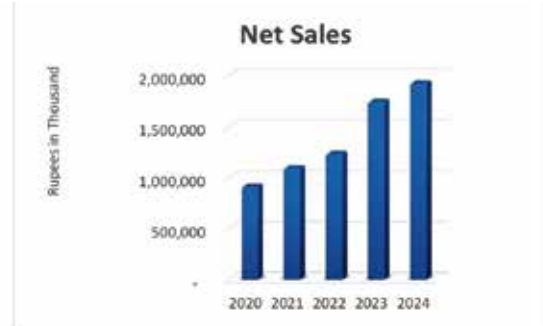
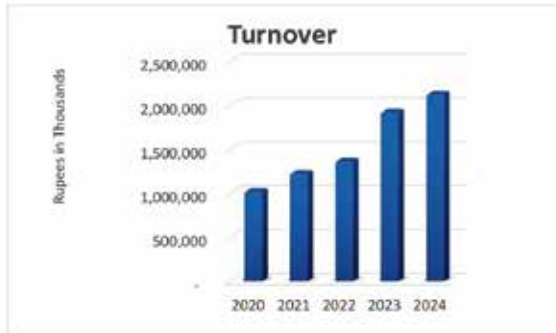


Wealth Distribution FY-2023





PAKISTAN PAPER PRODUCTS LIMITED





Chairman Review

Dear Shareholders

It is a matter of great privilege for me to present the Company's Annual Report and Audited Financial Statements for the year ended June 30, 2024 and share with you an update on the performance of our company.

Business Performance

By the grace of Allah, your Company has had a challenging, but profitable year, in terms of increase in sales and profit. Turnover during the year ending June 2024 increased by 10.5%. The profitability of your Company (PAT), also improved to Rs. 155.9 million, which amount to an EPS of Rs. 19.49 compared to an EPS of 11.13 last year.

I compliment the CE, COO and his team for achieving these results, considering the fact that the business conditions have been extremely volatile and challenging, due to high inflation, economic instability and constant dependence on IMF funding, to keep the economy afloat.

Board Performance

The Board performed its duties and responsibilities diligently by effectively guiding the Company in its strategic affairs. The Board also played an important role in overseeing the Management's performance and focusing on major risk areas. The Board was fully involved in the budgeting and strategic planning processes. The Board also remained committed to ensure high standards of Corporate Governance to preserve and maintain stakeholder value. All Directors, including Independent Directors, fully participated and contributed in the decision-making process of the Board.

The Company has an independent Internal Audit department and internal audit reports are presented to the Board Audit Committee on a quarterly basis wherein areas for improvement are highlighted.

The Board carried out its self-evaluation and identified potential areas for further improvement in line with global best practices. The main focus remained on strategic growth, business opportunities, risk management, Board composition and providing oversight to the Management



PAKISTAN PAPER PRODUCTS LIMITED

Acknowledgement

I thank the Company management and all the members of our Board and the employees of our Company who have worked as a team, to achieve this outstanding performance.

I look forward to continued innovation and all-round effort and vigilance during the current year and in all times to come, to ensure sustained growth and profitability.

I am also thankful to Shareholders, Customers, Bankers, Regulatory Authorities and other Stakeholders for their continued support.

ABBAS SAYEED

Chairman

September 24, 2024
Karachi



ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کمپنی کے آڈٹ شدہ گوشواروں کے ساتھ 62 ویں سالانہ رپورٹ پیش کرنے پر اظہارِ مسرت کرتے ہیں۔ رپورٹ 30 جون 2024 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کی سرگرمی کا احاطہ کرتی اور تعمیل کی تفصیلات کے ساتھ اس کی آپریشن اور مالی کارکردگی کو بیان کرتی ہے۔

آپریٹنگ کارکردگی

اللہ تعالیٰ کے فضل و کرم سے، آپ کی کمپنی نے زیرِ جائزہ سال کے دوران شاندار کارکردگی کا مظاہرہ کیا، اور موافق عوامل کے باعث ہم نے ریکارڈ فروخت اور منافع حاصل کیا۔ ٹاپ لائن میں 10.51 فیصد اضافہ ہوا، جس کے نتیجے میں گولڈ جیم 2.13 ارب روپے کی نئی بلند ترین سطح تک پہنچ گیا۔ فروخت میں سب سے زیادہ 22.14 فی صد اضافہ ایکسپانڈنگ کا پیوں میں ہوا، پولیٹیکل کی فروخت میں 7.8 فیصد اضافہ ہوا، اینڈ سٹریٹ پیپر کی فروخت میں 2.82 فیصد کی واقع ہوئی، جبکہ فوٹو کاپی پیپر کی فروخت میں 3.6 فیصد اضافہ ہوا۔ ٹاپ لائن میں اضافے کا اثر نیچے تک منتقل ہوا، جس کے نتیجے میں مجموعی منافع میں 34.31 فیصد قبل از ٹیکس خالص منافع میں 74.26 فیصد، اور بعد از ٹیکس خالص منافع میں 75.12 فیصد اضافہ ہوا۔

پروہیلو:

پروہیلو کے شعبے میں ہمارے لیے ایک اور چیلنجنگ سال رہا، اور اگرچہ مالیاتی اعتبار سے فروخت میں 7.8 فیصد کا اضافہ ہوا، لیکن حجم کے لحاظ سے 12.3 فیصد کی کمی دیکھی گئی۔ اس کی بنیادی وجہ دو اہم عوامل ہیں۔ پہلی وجہ یہ ہے کہ مارکیٹ میں مسابقت میں نمایاں اضافہ ہوا ہے، جہاں بہت سے نئے کھلاڑی موجود ہیں جو محض آرڈر حاصل کرنے کیلئے ہمارے کسٹمرز کو انتہائی کم قیمتیں پیش کرنے کیلئے تیار ہیں۔ اگرچہ کچھ نچوٹے خریداران کم قیمتوں کے لالچ میں آجاتے ہیں، لیکن مجموعی طور پر ہمارے زیادہ تر بڑے کسٹمرز برقرار ہیں کیونکہ وہ ہمارے معیارِ خدمات، اور سب سے اہم، ہمارے اعتبار سے بخوبی واقف ہیں۔ دوسرا اہم عنصر معاشی سرگرمیوں میں مجموعی کمی اور بڑھتی ہوئی مہنگائی ہے، جس کی وجہ سے خریداری کی قوت میں کمی اور ایف ایم سی کی مصنوعات کی مانگ میں کمی آئی ہے۔ اس کے علاوہ تیل کی درآمدات میں کمی اور اقتصادی سرگرمیوں میں کمی کی وجہ سے تیل کے لبریکیشن کی طلب بھی بہت کم رہی۔ ان تمام مشکلات کے باوجود، آپ کی کمپنی نے اس شعبے میں بہت اچھی کارکردگی دکھائی، کیونکہ ہم نے داخلی کارکردگی کو بہتر بنایا اور اپنی شرح منافع میں اضافہ کیا۔ اکتوبر 2023 کے بعد سے زرمبادلہ کی مستحکم شرح نے بھی ہمارے مارجنز کو برقرار رکھنے میں مدد دی، کیونکہ ماضی میں یہی وہ جگہ تھی جہاں ہمیں سب سے زیادہ نقصان اٹھانا پڑتا تھا۔ گزشتہ چند مہینوں میں ہمارے مانگ میں بہتری دیکھی ہے جو کہ ایک مثبت پیشرفت ہے۔ بد قسمتی سے حکومت نے گزشتہ بجٹ میں خود چسپاں کا نذر پر 15 فیصد ریگولیشن ڈیوٹی عائد کی، جو بالکل غیر معقول تھا کیونکہ کسی بھی طور پر تیش ایشیا میں ٹرانزیکشن ہوتا۔ تاہم، اس سے ہمارے خام مال کی لاگت میں اضافہ ہوا، اور اس شدید پیداواری ماحول میں اس اضافی لاگت کو مکمل طور پر صاف نہیں کرنا مشکل ہے۔ مجموعی طور پر آنے والا سال ہمارے لیے بہت مشکل دکھائی دے رہا ہے، لیکن ہم ان چیلنجز سے آگاہ ہیں اور انہیں بہترین طریقے سے حل کرنے کی پوری کوشش کریں گے۔

ایکسپانڈنگ کا پیوں:

ایکسپانڈنگ کا پیوں کی کارکردگی بدستور بہت اچھی رہی، جن کی فروخت میں 14.22 فیصد کا اضافہ ہوا، جو مارکیٹ کی فروخت کے مقابلے میں زیادہ تر ادارہ جاتی طلب میں اضافے کے باعث ہوا۔ ہماری کمپنی اداروں کی ہمیشہ ایک قابل بھروسہ شراکت دار رہی ہے کیونکہ ہم کسی شعبے کی واحد تسلیم شدہ کمپنی ہیں جو ایکسپانڈنگ کا پیوں تیار کرتی ہے۔ اس سال پاکستان میں کاغذ کی قیمتوں میں تھوڑی سی کمی دیکھنے میں آئی جس کی وجہ عالمی سطح پر گودے کی قیمتوں میں زبردستی کمی تھی۔ اس سے ہمیں اپنے مارجنز بہتر بنانے کا موقع ملا، لیکن اس کا منفی پہلو یہ ہے کہ اچانک مارکیٹ میں سے کاغذ کی بھرمار ہو گئی ہے، جس کی وجہ سے غیر رسمی شعبے کے حریفوں نے دوبارہ بڑی مقدار میں پیداوار شروع کی ہے۔ گزشتہ چند برسوں میں یہ شعبہ مکمل طور پر ختم ہو گیا تھا کیونکہ چھوٹے ملز سے کاغذ کی دستیابی بہت کم تھی۔ اس سے بے اصول مسابقت میں بھی دوبارہ اضافہ ہوا ہے، جہاں یہ غیر رسمی سپلائرز انتہائی کم قیمتوں پر مصنوعات پیش کر رہے ہیں۔ یہ شعبہ حکومت کے تمام ٹیکس اور ڈیوٹیز سے بچتا ہے اور کاغذ بھی ان ملز سے خریدتا ہے جو ایسے غیر منصفانہ اقدامات میں ملوث ہیں۔ ہماری کمپنی اس صورتحال سے ناواقف نہیں ہے کیونکہ ہم ماضی میں بھی ایسی مسابقت کا سامنا کر چکے ہیں، یہی وجہ ہے کہ ہماری مارکیٹ فروخت متاثر ہوئی ہے کیونکہ یہ زیادہ تر نقدی کی مارکیٹ ہے، جہاں ایسی مسابقت چھلکتی پھولتی ہے۔ دوسری طرف، ادارے ایسے موزوں اور قابل بھروسہ مینوفیکچررز کے ساتھ کام کرنا چاہتے ہیں جیسے کہ ہم ہیں۔ مستقبل کا منظر نامہ بھی کافی چیلنجنگ دکھائی دیتا ہے کیونکہ مارکیٹ فروخت میں کمی نے ہمیں خاصا متاثر کیا ہے، اور اگرچہ ہم اپنی قیمتوں میں کمی کے مقابلہ کرنے کی کوشش کر رہے ہیں، لیکن یہ ایک بڑا چیلنج رہے گا اور آگے چل کر ہمارے مارجنز پر اثر ڈالے گا۔ ہم اب اپنی فروخت بڑھانے کیلئے زیادہ تر اداروں پر انحصار کریں گے۔ ایک بہت ہی مثبت خبر یہ ہے کہ ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ اس وفاقی بجٹ میں ہماری سٹریٹیکٹس زیرورینٹنگ برقرار رکھی گئی ہے۔ پوری ایشیائی انڈسٹری کے علاوہ ایکس کس کے شعبے کی زیرورینٹنگ ختم کر دی گئی تھی اور اسے سٹریٹیکٹس کی کمی شرح کے تحت لایا گیا تھا۔ درحقیقت، اس بارائی ایم ایف نے بھی ہماری سٹریٹیکٹس زیرورینٹنگ کی منظوری دی ہے، لہذا ہم امید کرتے ہیں کہ مستقبل میں بھی یہ سلسلہ جاری رہے گا۔ یہ ایک بڑا سہارا ہے جو ہمیں غیر رسمی شعبے کی اس مسابقت کے برابر مقابلہ کرنے کی اجازت دیتا ہے جو تمام ٹیکسوں سے بچتا ہے۔



PAKISTAN PAPER PRODUCTS LIMITED

سینٹیٹا نرڈ پیپر اور پلاٹری پیپر:

سینٹیٹا نرڈ پیپر کی فروخت میں کمی کا سلسلہ جاری ہے اور اب ہم نے فیصلہ کیا ہے کہ جب ہم اپنی موجودہ خام مال کی انٹرنیٹی استعمال کر لیں گے تو ہم آہستہ آہستہ اس ڈویژن کو بند کر دیں گے۔ ہم برسوں سے کہہ رہے ہیں کہ یہ ایک ختم ہونے والی مصنوعات کی لائن ہے کیونکہ اس کی جگہ کمپیوٹر اور پلاٹری پر تیز کرنے لے لی ہے۔ پلاٹری پیپر / فونو کا پی پی پی جو اس کا متبادل ہے مارکیٹ میں اچھی مانگ ہے۔ یہ ایک اور سگمنٹ ہے جہاں ہم کوئی دلیوی ایڈیشن نہیں کرتے بلکہ صرف جہور بلز حاصل کرتے ہیں اور انہیں سائز کے مطابق کاٹ کر اپنے صارفین کو فراہم کرتے ہیں۔ یہ بنیادی طور پر ایک موڈرنٹی انٹیم ہے جس کی بین الاقوامی مارکیٹ میں قیمت میں بہت زیادہ اتار چڑھاؤ ہوتا ہے۔

مالیاتی کارکردگی

یہ بات بتاتے ہوئے ہمیں بے حد خوشی ہو رہی ہے کہ آپ کی کمپنی نے ایک اور نہایت چیلنجنگ سال میں ریکارڈ ہائیلز حاصل کیے، جو کہ ریکارڈ منافع میں بھی تبدیل ہوئیں۔ اگرچہ اس میں کئی عوامل شامل تھے، لیکن ایک اہم وجہ مستحکم ایکٹیو ریٹ تھا جس نے ہمیں بہتر مارجن فراہم کیے۔ اس کے علاوہ، ہم نے داخلی نقصانات اور وسائل کے ضیاع کو قابو میں رکھنے کیلئے بہت اچھی حکمت عملی اپنائی۔ گرتی ہوئی کوڈنی قیمتوں اور کم فریٹ ریٹس نے بھی ہمارے مارجن کو بہتر کیا۔ ہماری فنانس لاگت میں 28.1 فیصد کمی آئی جس کی وجہ مستحکم ایکٹیو ریٹ اور نقدی گردش کا بہتر انتظام تھا، جس میں صارفین سے وصولیوں نے اور ڈرافٹ کو کم کرنے میں مدد دی۔ اس پوری صورتحال میں کمپنی کی انتظامیہ کی کاوشوں کو سراہا جانا چاہیے اور ہم اللہ تعالیٰ کا شکر ادا کرتے ہیں کہ اس قدر مشکل حالات میں بھی ہم بہترین نتائج حاصل کرنے میں کامیاب رہے۔

جون، 2023	جون، 2024	
132,617,246	231,101,328	ٹیکس لگانے سے پہلے منافع
(43,585,806)	(75,190,499)	ٹیکس
89,032,440	155,910,829	ٹیکس لگانے کے بعد منافع
11.13	19.49	نی شیئر آمدنی

منافع منقسمہ کا اعلان

نتائج کی روشنی میں، بورڈ کو جنوری 40 فی صد یعنی 4 روپے فی حصص نقد منافع منقسمہ دینے میں خوشی ہو رہی ہے۔ یہ 35% عبوری نقد ڈیویڈنڈ کے علاوہ ہے جس کی کل ادائیگی 75% (7.5 روپے فی شیئر) کمیشن ڈیویڈنڈ ہے جو کہ کمپنی کے لیے ایک نیا ریکارڈ بھی ہے۔

مالیاتی رپورٹنگ

ہم یہاں یہ ذکر کرنا ضروری سمجھتے ہیں کہ کمپنی کی مالیاتی رپورٹنگ سیکوریز اینڈ ایکس چینج کمیشن کے منظور کردہ بین الاقوامی اکاؤنٹنگ معیارات پر مبنی ہے اور گینیز ایکٹ 2017 کے تقاضوں کی بھی تعمیل کرتی ہے۔

میدونٹسچرنگ اور آپریشنز

میدونٹسچرنگ کی سہولیات سے متعلق ہمارے تمام وسائل نے عمدہ کارکردگی کا مظاہرہ کیا اور افادیت میں مثبت فائدہ حاصل کیا۔ ہم مسابقت میں آگے رہنے کے لئے اپنی میڈونٹسچرنگ سہولیات کو مسلسل جدید اور اپ گریڈ کر رہے ہیں۔ کمپنی نے توانائی کے استعمال کو مزید موثر بنانے کیلئے اپنی تیشی توانائی کی صلاحیت میں اضافہ کرنے کا منصوبہ بنایا ہے کیونکہ پاکستان میں بجلی کی لاگت ناقابل برداشت سطح تک بڑھتی جا رہی ہے۔

مستقبل کے امکانات

ہماری کمپنی کے مستقبل کے امکانات ملک کی بیکرواکنامک کارکردگی سے گہرے طور پر جڑے ہوئے ہیں۔ کمپنی ملک کے مستقبل کے امکانات پر بڑا اعتماد ہے اور بورڈ نے پریویڈ اور ایکس ٹیکس دونوں کیلئے توسیع اور جدید کاری کے پروگرام کی منظوری ہے۔ پریویڈ میں ہم موثر توانائی کے سولوشنز کی طرف بڑھ رہے ہیں اور ایل ای ڈی یو وی میں مزید سرمایہ کاری کر رہے ہیں کیونکہ اس کی کھلی کی کھپت روایتی یو وی کے مقابلے میں 50 فیصد سے بھی کم ہے۔ ہم ایک مکمل انکیشن کے نظام کے ساتھ اضافی ری وائنڈنگ اور سلنگ مشین میں بھی سرمایہ کاری کر رہے ہیں۔ ایکس ٹیکس کی نمونہ حالیہ اضافے کے پیش نظر، ہم نے فیصلہ کیا ہے کہ ایک نئی مکمل فلیکسورولنگ مشین اور ایک نئی جدید ہاٹ میٹ بائڈنگ مشین کے ساتھ جدید کاری بھی کی جائے۔ اس سے نہ صرف ہماری مصنوعات کے معیار میں بہتری آئے گی بلکہ ہماری پیداواری لائن کی کارکردگی میں بھی اضافہ ہوگا۔



PAKISTAN PAPER PRODUCTS LIMITED

کارپوریٹ سماجی ذمہ داری

ایک پبلک لیٹیڈ کمپنی ہونے کے ناطے ہمیں یہ احساس ہے کہ ہم پر اس ملک اور اس کے عوام کے لئے ذمہ داری عائد ہوتی ہے۔ اس ضمن میں ہم ضرورت مند تنظیموں کو چندہ دیتے ہیں۔

صحت

ہم ماحولیات پر اپنی کاروائیوں اور مصنوعات کے اثرات کو کنٹرول کرتے ہوئے ماحولیات کی کارکردگی کا مظاہرہ کرنے کے لئے پرعزم ہیں اور ہم ملک میں آلودگی کے کنٹرول کے لئے وضع کردہ ماحولیات قانون، قواعد و ضوابط اور ان کے ساتھ عمل کرنے کی مزید کوشش کرتے ہیں۔ آپ کی کمپنی پاکستان میں ایک بہتر اور ماحولیات دوستی کے مستقبل کے فروغ میں اپنا کردار ادا کرنے کے لئے پرعزم ہے 200 kWh تھی تو اتنی کے نظام کی تنصیب صاف توانائی کے مستقبل کی طرف ہمارا پامالہ قدم ہے۔

بورڈ

پاکستان پیپر پروڈکٹس لمیٹڈ کا ایک آزاد اور وہداف بورڈ ہے، جس میں ایک ورکنگ اور دوسرے نان ورکنگ ڈائریکٹرز ہیں۔ چیئرمین اور چیف ایگزیکٹو کے کردار مختلف ہیں اور ہر ایک کے واضح طور پر بیان کردہ رول پروڈفاکٹ ہیں۔

کارپوریٹ اور مالی رپورٹنگ کا فریم ورک

- ☆ ہمیں یہ اطلاع دیتے ہوئے خوشی ہے کہ آپ کی کمپنی نے کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل کے لئے ضروری اقدامات اٹھائے ہیں جیسا کہ پاکستان اسٹاک ایکسچینج کے سٹینڈرڈ ضوابط میں شامل ہے۔
- ☆ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالی گوشوارے، اس کی امور کی منصفانہ حیثیت، کارروائیوں کا نتیجہ، کیش فلوز اور ایکویٹی میں منتقلی۔
- ☆ مالی گوشواروں کی تیاری میں مناسب پالیسیاں مستقل طور پر لاگو ہوتی ہیں اور مناسب معقول اور محتاط فیصلے پر مبنی ہوتا ہے۔
- ☆ کمپنی کے ذریعہ اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- ☆ مالی گوشواروں کی تیاری میں، بین الاقوامی اکاؤنٹنگ معیارات، جس کا اطلاق پاکستان میں ہوتا ہے، پر عمل کیا گیا ہے۔
- ☆ کمپنی کو جاری رکھنے کی صلاحیت کے بارے میں کوئی خاص شہ نہیں ہے۔
- ☆ اندرونی کنٹرول کا نظام ڈیزائن میں مستحکم ہے۔ اس نظام کی مسلسل نگرانی اندرونی آڈٹ اور اس طرح کے دوسرے نگرانی کے طریقہ کار کے ذریعے کی جارہی ہے۔ اندرونی کنٹرول کی نگرانی کا عمل جاری عمل کے طور پر جاری رہے گا جس کا مقصد کنٹرول کو مزید تقویت بخشنے اور نظام میں بہتری لانا ہے۔
- ☆ اکاؤنٹس کو نوٹ میں ٹیکس کے بارے میں تفصیل دی جاتی ہے۔

بورڈ اور اس کی کمیٹی کے اجلاس

بورڈ آف ڈائریکٹرز (بی او ڈی) کے سال چار (04) اجلاس کے دوران، چار (04) آڈٹ کمیٹی (اے سی) کے اجلاس اور ایک (01) ایچ آر اینڈ آر کمیٹی اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری درج ذیل ہے:

ڈائریکٹر کا نام	بورڈ میٹنگ	آڈٹ کمیٹی	ایچ آر اینڈ آر کمیٹی اور معاوضہ کمیٹی
جناب عباس سعید	2	2	1
جناب عابد سعید	4	4	1
مسز ملائکہ سعید	4	-	1
جناب سعید عمران	4	-	1
ڈاکٹر اسد اللہ سعید	4	4	-
محترمہ عائشہ فیصلہ صلاح الدین	4	4	-
جناب مطیع الدین (NIT نامزد)	4	4	-

بورڈ اور کمیٹی کے اجلاسوں میں شرکت نہ کرنے اور چھٹی کی درخواست کرنے والے ڈائریکٹروں کو قانون کے مطابق بورڈ/کمیٹیوں کے ذریعے اجلاس سے غیر موجودگی کی مستقل منظوری دی جاتی ہے۔



PAKISTAN PAPER PRODUCTS LIMITED

ڈائریکٹرز کا تربیتی پروگرام

کمیٹی کے سات ڈائریکٹرز میں سے تین ڈائریکٹرز کو کوئٹہ سے مستثنیٰ قرار دیا گیا ہے کیونکہ وہ ضابطہ اخلاق میں دیئے گئے امتحانی کے معیار پر مکمل طور پر پورے اترتے ہیں۔ دو نے بائربیس 2015 اور 2018 میں ڈائریکٹرز کے سرٹیفیکیشن فرینڈنگ پروگرام کے تحت سند حاصل کی ہے۔ لہذا، آدھے سے زیادہ بورڈ کوڈ کے مطابق ڈی ٹی بی اور چھوٹ کے معیار کے تحت اہل ہیں۔

کمیٹی کے ڈائریکٹرز اپنے فرائض کی انجام دہی کے لئے مناسب طور پر تربیت یافتہ ہیں اور ایکٹیز ایکٹ، 2017 اور PSX رول بک کے ضوابط کے تحت ان کے اختیارات اور ذمہ داریوں سے آگاہ ہیں۔

تفصیل کا بیان

بورڈ نے تفصیل کا بیان اپنایا ہے۔ تمام ملازمین کو اس بیان سے آگاہ کیا جاتا ہے۔

مادی تبدیلیاں

یہاں کوئی مادی تبدیلیاں نہیں کی گئیں اور کمیٹی نے شعوری طور پر کسی بھی مضمون کو اپنایا نہیں کیا ہے جس سے اس کی مالی حیثیت متاثر ہو۔

کاروباری اصولوں کا کوڈ

ایک معروف کانفرنس میں تبدیل ہونے والی کمیٹی کے طور پر، اعلیٰ اخلاقی معیار کی ساتھ، اس کمیٹی کے ہر ڈائریکٹر اور ملازم کی جانب سے بات چیت اور منظوری کے ساتھ پہلے ہی سے وضع کردہ کاروبار کا کوڈ کاروباری کامیابی میں مرکزی حیثیت رکھتی ہے۔

میںجنت کا خطرہ

اپنی ذمہ داریوں کے ایک حصے کے طور پر، بورڈ آف ڈائریکٹرز نے ہمیشہ معاشرتی معاشی ماحول اور اس کے نتیجے میں ان اندرونی اور بیرونی خطرات پر کڑی نگاہ رکھی ہوئی ہے جو کمیٹی کی محفوظ اور ہموار کارروائیوں پر اثر انداز ہو سکتے ہیں اور سال بھر خطرات کی نشاندہی اور تخفیف میں چوکس رہتے ہیں۔ بورڈ نے ممکنہ خطرات کی نشاندہی کی، کمیٹی پر ان کے اثرات کا اندازہ کیا اور کاروبار میں ہونے والے کسی بھی اور ممکنہ خطرات کو کم کرنے کے لئے حکمت عملی تیار کی۔ ان حکمت عملیوں کو آڈٹ کمیٹی کے ذریعے نافذ کیا گیا تھا تاکہ یہ یقینی بنایا جاسکے کہ کسی خطرے کی تخفیف میں فاصلہ نہ ہو۔

خطرے کی تخفیف

کاروباری اداروں کو متعدد غیر یقینی صورتحال کا سامنا کرنا پڑتا ہے جو ان کے اہداف کے لیے خطرات کا باعث بن سکتی ہیں اور اگر ان پر توجہ نہ دی جائے تو وہ قابل گزر نقصانات کا سبب بن سکتی ہیں۔ بورڈ نے اندرونی اور بیرونی دونوں خطرات کا چوکس اور مکمل جائزہ لیا ہے جن کا کمیٹی کو سامنا ہو سکتا ہے۔ خام مال کی بڑھتی ہوئی قیمت کمیٹی کو درپیش سب سے بڑا خطرہ ہے۔ پاکستانی روپے کی قدر میں کمی نے خطرے کو مزید واضح کر دیا ہے۔ اس کے ضمنی اثرات کو روکنے کے لیے، کمیٹی نے اپنے اہم بین الاقوامی سپلائرز کے ساتھ اسٹریٹجک تعلقات میں سرمایہ کاری کی ہے اور بروقت فراہمی کو یقینی بنایا ہے۔ خام مال کی دستیابی ایک اور خطرہ ہے جس کا کمیٹی کو سامنا ہے۔

آڈٹ کمیٹی

آڈٹ کمیٹی میں بورڈ کے چار ممبران شامل ہیں، دو تان ایگزیکٹو ڈائریکٹر اور دو آزاد ڈائریکٹر ہیں۔ کمیٹی کا چیئرمین ایک آزاد ڈائریکٹر ہے جیسا کہ سی سی جی ریگولیشنز 2019 میں ضروری ہے۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کے لئے حوالہ کی شرائط کی ہیں۔ آڈٹ کمیٹی سالانہ اور سدہ ماہی کے مالی بیانات، اندرونی آڈٹ رپورٹس کا جائزہ لیتی ہے اور بورڈ کے اجلاسوں سے قبل اس کا اجلاس منعقد کرتی ہے۔ کمیٹی محکمہ داخلی آڈٹ کے ذریعہ داخلی کنٹرول کا مناسب انتظام کرتی ہے اور آپریشنل اور مالی کنٹرول کی تاثیر کا جائزہ لیتی ہے۔

ہیومن ریسورس کمیٹی

کمیٹی بورڈ کے چار ممبروں پر مشتمل ہے۔ تین غیر ایگزیکٹو ڈائریکٹر ہیں اور ایک آزاد ڈائریکٹر۔ کمیٹی کا چیئرمین آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کمیٹی کی ایچ آر اینڈ مینجمنٹ پالیسیوں کا جائزہ لے اور تیار کرتی ہے۔ کمیٹی ملازمین کے مسائل کے لئے بھی ذمہ دار ہے اور یہ یقینی بناتی ہے کہ اسے کمیٹی کی کاروباری حکمت عملی اور طویل مدتی مفادات سے ہم آہنگ کیا جائے۔



PAKISTAN PAPER PRODUCTS LIMITED

آپریٹنگ اور مالیاتی ڈیٹا

آپریٹنگ اور مالیاتی اعداد و شمار اور کمپنی کے پچھلے چھ سالوں سے اہم حساب کو جوڑ لیا گیا ہے۔

آڈیٹر

بورڈ نے ہمسرز فاروق علی اینڈ کوانٹے مالی سال کے بطور آڈیٹر کی تقرری کی۔ سٹارٹس کی ہے۔ موجودہ آڈیٹر ہمسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہوئے اور اہل ہونے کے باوجود، انہوں نے خود کو دوبارہ تقرری کے لئے پیش کیا۔

شیئر ہولڈنگ کی تقسیم کا جائزہ

کارپوریٹ گورننس کے ضابطے کے تحت درکار شیئر ہولڈنگ کی تقسیم کا جائزہ اس رپورٹ کے ساتھ منسلک ہے۔ کمپنی کے ڈائریکٹرز بھائی بی انتھانی عملہ، ان کے شریک حیات اور تابا نچوں کے حصص میں خرید و فروخت کی تفصیلات سالانہ رپورٹ کے صفحہ 74 پر درج ہیں۔

مطلوبہ درجہ بندی کے تحت شرائط

کارپوریٹ گورننس ریگولیشن 2019

بورڈ کی تشکیل

بورڈ کے سات ممبران ہیں جن میں دو خواتین اور پانچ مرد ڈائریکٹرز شامل ہیں، جبکہ بورڈ کی تشکیل مندرجہ ذیل ہے۔

01	ایگزیکٹو ڈائریکٹر
04	ٹان ایگزیکٹو ڈائریکٹر
02	آزاد ڈائریکٹر

بورڈ کی کمیٹیاں۔

بورڈ نے ذیل میں دیے گئے ممبروں پر مشتمل کمیٹیاں تشکیل دی ہیں:

(a) آڈٹ کمیٹی

محترمہ عائشہ فیصل صلاح الدین۔ چیئر پرسن

جناب مہاس سعید

ڈاکٹر اسد اللہ سعید

جناب مطلق الدین صدیقی

(b) ہیومن ریسورس اینڈ ریٹرنیشن کمیٹی

جناب مطلق الدین صدیقی۔ چیئر پرسن

جناب مہاس سعید

مسز طاہرہ سعید

جناب سعید عمران

ڈائریکٹرز کا معاوضہ

کمپنی کے مضمین کے ذریعے، بورڈ آف ڈائریکٹرز، ڈائریکٹرز، ایگزیکٹو اور آزاد ڈائریکٹرز کا معاوضہ طے کرنے کا مہاز ہے۔ اس سلسلے میں، بورڈ آف ڈائریکٹرز نے کمپنی کے ایگزیکٹو، ٹان ایگزیکٹو اور آزاد ڈائریکٹرز کے لئے معاوضے کی پالیسی تیار کی ہے۔ چیف ایگزیکٹو اور ڈائریکٹرز کا 30 جون 2024 کو طے ہونے والے مالی سال کے مالیاتی گوشواروں میں معاوضہ صفحہ 65 پر ظاہر کیا گیا ہے۔



PAKISTAN PAPER PRODUCTS LIMITED

ڈائریکٹرز کا معاوضہ

کمپنی کے مضمائین کے ذریعے، بورڈ آف ڈائریکٹرز وقتاً فوقتاً ایگزیکٹو، نان ایگزیکٹو اور آزاد ڈائریکٹرز کا معاوضہ طے کرنے کا مجاز ہے۔ اس سلسلے میں، بورڈ آف ڈائریکٹرز نے کمپنی کے ایگزیکٹو، نان ایگزیکٹو اور آزاد ڈائریکٹرز کے لئے معاوضے کی پالیسی تیار کی ہے۔

اعترافات

ڈائریکٹرز قابل قدر صارفین کے لئے ان کی مسلسل مدد پر شکر گزار ہیں۔ وہ کمپنی کے بینکاروں، جھنڈے یا ڈنگان اور دیگر اسٹیک ہولڈرز کی طرف سے موصول حمایت کی بھی تعریف کرتے ہیں جو آپ کی کمپنی میں اعتماد برقرار رکھنا جاری رکھے ہوئے ہیں۔ اس کے علاوہ، ریگولیٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) اور پاکستان اسٹاک ایکسچینج - پی ایس ایکس کی طرف سے موصول تعاون کے لئے بھی ڈائریکٹرز اپنی خلوص تحریف کو ریکارڈ کرتے ہیں۔

کمپنی کے تمام ملازمین نے ایک حقیقی ٹیم ورک تیار کیا ہے اور اس کے نتائج ظاہر ہیں۔ ڈائریکٹرز ان تمام ملازمین کو ان کی مسلسل کارکردگی پر مبارکباد پیش کرتے ہیں۔

عابد سعید
چیف ایگزیکٹو

عہد سعید
چیرمین

بتوسط بورڈ آف ڈائریکٹرز

24 ستمبر 2024

کراچی



PAKISTAN PAPER PRODUCTS LIMITED

DIRECTORS' REPORT

The Board of Directors are pleased to present the 62nd Annual Report along with the audited accounts of the company. The report covers your company's activity for the year ended June 30, 2024, and describes its operational and financial performance along with compliance details.

Operating Performance

By the Grace of Allah, your company had an excellent year where all the stars aligned and we managed record sales and record profits. The top line grew by 10.51% with total turnover reaching a new record high of Rs 2.13 billion. Exercise books again led the way with a growth of 14.22% in sales, Pro Labels had an increase of 7.8%, and Sensitized paper showed a decline of 2.82% and Photocopy Paper increased by 3.6%. The growth in the top line translated all the way down with GP increasing by 34.31%, NP before tax by 74.26%, and NP after tax by 75.12%.

Pro Labels:

We had a very challenging year again in Pro Labels and although sales increased in monetary value by 7.8% but in volumetric terms there was a decline of 12.3%. This is mainly due to two important factors. The first being that there has been a big increase in competition with many new players who are ready to offer lower bottom prices to our customers to just secure their orders. While some small customers do get enticed by the lower prices but overall, most of our major customers are still intact as they are aware of our quality, service and most important reliability. The second major factor has been the overall decline in economic activity and higher inflation which has led to reduction of purchasing power and a fall in demand for FMCG goods. In addition, Oil lubricants also had a very subdued demand due to reduction in Oil imports due to decline in economic activity. In spite of the above your company performed very well in this segment as we managed to increase our internal efficiency and improved our margins. The stable exchange rate since October 2023 has also helped us maintain our margins as in the past this is where we used to take the biggest hit. The last few months we have seen improvement in demand so that is a positive sign. Unfortunately, the government in the last budget imposed a 15% RD on self-adhesive paper which was completely senseless as it is not a luxury good in any manner. However, this has increased our raw material cost and in this highly competitive environment it is difficult to pass on this entire cost to the consumer. Overall, we see a very tough year going forward but we are aware of the challenges and will tackle them in the best manner possible.

Exercise Books:

Exercise Books continued to perform very well with sales rising by 14.22% which was mostly driven by high institutional demand in comparison to market sales. Our company always is a reliable partner to institutions as we are the only recognized company in the formal sector making Ex Books. This year paper prices in Pakistan declined slightly due to a dramatic slump in pulp prices worldwide. This allowed us to improve our margins, but the flip side of this was that the market has all of a sudden been dumped with low priced paper allowing the informal sector competition to start producing again in bulk. For the last couple of years this sector had completely vanished due to low availability of paper from smaller mills. This has also led to an increase again in unscrupulous competition again where these informal suppliers are offering products at very low prices. This entire sector evades all



PAKISTAN PAPER PRODUCTS LIMITED

Government taxes and duties and buys paper also from Mills which indulge in these unfair practices. Our company is no stranger to this as we have dealt with such competition in the past. This is the main reason our market sales have been affected as that is mostly a cash market where such competition thrives. Institutions on the other hand want to deal with proper and reliable manufacturers like us. The future outlook continues to be very challenging as the fall in markets sales has affected us quite a bit and while we are trying to counter the competition with reducing our prices but it will remain a big challenge and will affect our margins going forward. We will continue to now rely more heavily on institutions to increase our sales. On a very positive note, we are pleased to report that our Sales Tax Zero rating was not removed in this Federal budget. The entire stationary sector except for Ex Books had their zero-rating removed and placed under a reduced Sales Tax regime. In fact, this time the IMF also gave its approval for our Sales Tax Zero rating so we hope that in the future also this will now continue. This is a big cushion which allows us to compete on same level as the informal sector competition which is evading all taxes.

Sensitized Paper & Plotter Paper:

Sensitized paper sales continue to fall and we have now decided that we will slowly shut down this division once we have consumed our existing raw material inventory. We have been saying for years that this is a dying product line due to it being replaced by computers and plotter printers. Plotter paper/photocopy paper which is its alternative continues to have a good market demand. This is another segment where we do not do any value addition but just get jumbo reels and slit them to size and supply to our customers. It is basically a commodity item with very heavy price fluctuation in the international market.

Financial Performance

We are very pleased to report that your company managed to post record sales which also translated to record profits in another very challenging year. While there were several factors which contributed to this but one of the main one's being a stable exchange rate which allowed us good margins and in addition, we managed to bring in very good controls to contain internal losses and inefficiencies. Falling commodity prices along with lower freight rates also helped our margins. Our Finance cost decreased by 28.1% due to stability in exchange rate, and better management of cash flows including recovery from customers decreased our Overdraft. The whole management teams need to be commended for these efforts and we bow our heads in Thanks to Allah that we managed to come out with such excellent results in such trying times.

	<u>June, 2024</u>	<u>June, 2023</u>
Profit before taxation	231,101,328	132,617,246
Taxation	<u>(75,190,499)</u>	<u>(43,585,806)</u>
Profit after taxation	155,910,829	89,032,440
Earnings per share	19.49	11.13



PAKISTAN PAPER PRODUCTS LIMITED

Declaration of Dividend

In light of the results, the Board is pleased to announce a Final Cash Dividend @ 40%, i.e. Rs 4 per share. This is in addition to the 35% Interim Cash dividend taking the total payout to 75% (Rs7.5/- per share) Cash Dividend which is also a new record for the company.

Financial Reporting

Let us mention here that this Company's financial reporting is based on the approved International Accounting Standards notified by the SECP and also complies with the requirements of the Companies Act 2017.

Manufacturing and Operations

All our resources relating to the manufacturing facilities performed well and achieved positive gains in efficiencies. We are constantly modernizing and upgrading all our manufacturing facilities to stay well ahead of the competition. The company plans to further expand on its Solar Power capacity to become more energy efficient as electricity costs in Pakistan continue to rise to unbearable levels.

Future Prospects

The future prospects of our company are intricately linked with the Macroeconomic performance of the country. The company remains confident in the future prospects of the country and the Board has approved an expansion and modernization program for both Pro Labels and Ex Books. In Pro Labels we are continuing to move towards energy efficiency solutions by investing further in LED UV as the energy consumption of this is less than 50% of traditional UV. We are also investing in an addition rewinding and slitting machine with full inspection system. In light of the recent growth in Ex Books production we have decided to also modernize with one brand new fully flexo ruling machine and one state of the art brand new Hot Melt binding machine. This will not only improve the quality of our products but also bring efficiency to our production line.

Corporate Social Responsibility

Being a Public Limited Company, we realize that we have a responsibility to this country and its people at large. In this respect, we make donations to needy organizations.

Health

We are committed to demonstrating sound environmental performance by controlling the impact of our operations and products on the environment and we further endeavor to comply with the applicable environmental legislation, regulations, and standards laid down for pollution control in the country. Your company is determined to play a role in promoting a better and ecologically friendly future in Pakistan. Installation of a 200 kWh Solar energy system is our first step towards a cleaner energy future.



PAKISTAN PAPER PRODUCTS LIMITED

The Board

Pakistan Paper Products Limited has an independent and objective Board, consisting of one working and rest non-working Directors. The roles of the Chairman and the Chief Executive are different and each have a clearly defined role profile.

Corporate and Financial Reporting Framework

- We are pleased to report that your company has taken the necessary steps to comply with the provisions of the Code of Corporate Governance as incorporated in the listing regulations of the Pakistan Stock Exchange.
- The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of the operations, cash flows and changes in equity.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- Proper books of accounts have been maintained by the Company.
- In the preparation of financial statements, International Accounting Standards, as applicable in Pakistan, have been followed.
- There is no significant doubt about the company's ability to continue as a going concern.
- The system of internal control is sound in design. The system is being continuously monitored by Internal Audit and through other such monitoring procedures. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls and bring improvements to the system.
- Detail about taxes is given in the notes to the accounts.

Board & its committee meetings

During the year Four (04) meetings of the Board of Directors (BOD), four (04) Audit Committee (AC) meetings and One (01) HR&R Committee meetings were held. Attendance by each Director are as under:

Name of Director	Number of meetings attended		
	Board Meeting	Audit Committee	Human Resource & Remuneration Committee
Mr. Abbas Sayeed	2	2	1
Mr. Abid Sayeed	4	4	1
Mrs. Muleika Sayeed	4	-	1
Mr. Sayeed Imran	4	-	1
Dr. Asadullah Sayeed	4	4	-
Ms. Aisha Fariel Salahuddin	4	4	-
Mr. Matiuddin Siddiqui (NIT Nominee)	4	4	1



PAKISTAN PAPER PRODUCTS LIMITED

The Directors who could not attend the Board & Committee Meetings and requested for leave were duly granted leave of absence from the meeting by the Board/Committees in accordance with the law.

Directors' Training Program

Out of seven Directors of the Company, three Directors are exempt from such certification as they duly meet the exemption criteria given in the Code. Three have obtained certification under the Directors' Certification Training Program in 2015, 2018 & 2021 respectively. Therefore, over half of the Board is qualified under the criteria of DTP and exemption criteria as per the Code.

The Directors of the Company are adequately trained to perform their duties and are aware of their powers and responsibilities under the Companies Act, 2017, and the Regulations of PSX Rule book.

Statement of Compliance

The Board has adopted the Statement of Compliance. All employees are informed of this statement.

Material Changes

There have been no material changes and the company has not consciously entered into any commitment that will affect its financial position.

Code of Business Principles

As a leading Paper converting company, a reputation for high ethical standards is central to business success. The Code of Business Principles is already developed communicated and acknowledged by each Director and employee of the company.

Risk Management

As part of its responsibilities, the Board of Directors have always kept a close watch on the socio-economic environment and consequential internal and external risks that might impact the safe and smooth operations of the Company and remained vigilant in identifying and mitigating risks throughout the year. The Board identified potential risks, assessed their impact on the Company, and formulated strategies to mitigate all foreseeable risks to the business. These strategies were enforced through the Audit Committee to ensure that no gaps remained in risk mitigation.

Risk Assessment

Businesses face numerous uncertainties that might pose threats to their objectives and if not addressed may cause preventable losses. The Board has carried out a vigilant and thorough assessment of both internal and external risks that the company might face. The rising cost of raw materials is the most imminent risk facing the company. The devaluation of PKR has made the risk more pronounced. In order to curb the negative impact of this, the company has invested in strategic relationships with its key international suppliers and ensured timely delivery. Availability of raw materials is another risk that is faced by the company.



PAKISTAN PAPER PRODUCTS LIMITED

Audit Committee

The Audit Committee comprises four members from the Board, two are non-executive directors and two are independent directors. The Chairman of the Committee is an independent director as required in the CCG Regulations 2019. The Board of Directors has set out terms of reference for the audit committee. The audit committee reviews the annual and quarterly financial statements, and internal audit reports and holds its meeting before the Board meetings. The committee manages adequately the system of internal control through the internal audit department and reviews the effectiveness of operational and financial control.

Human Resource Committee

The Committee consists of four members from the Board; three are non-executive directors and one is an independent director. The Chairman of the Committee is an independent director. The Committee reviews and formulates the HR & management policies of the company. The Committee is also responsible for the remuneration of employees and ensures that it is aligned with the Company's business strategy and long-term interests.

Operating and Financial Data

Operating and financial data and key ratios of the company for the last six years are annexed.

Auditors

The Board recommended the appointment of M/s. Faruq Ali & Co. as auditors for the next financial year. The present auditors, M/s. Faruq Ali & Co., Chartered Accountants, retire and being eligible, they have offered themselves for reappointment.

Pattern of Shareholding

The Pattern of Shareholding as required under the Code of Corporate Governance is attached with this Report. Details of trades in shares of the Company by Directors and Key Management Personnel and their spouses and minor children are reported on page 74 of the Annual Report.



PAKISTAN PAPER PRODUCTS LIMITED

IN TERMS OF THE REQUIREMENTS STATED UNDER CORPORATE GOVERNANCE REGULATION 2019

Composition of the Board

There are seven Board members including two female and five male directors, whereas the composition of the Board is as follows;

Executive Director	01
Non-Executive Director	04
Independent Director	02

Committees of the Board.

The board has formed committees comprising of members given below:

a) **Audit Committee**

Ms. Aisha Fariel Salahuddin – Chairperson
Mr. Abbas Sayeed
Dr. Asadullah Saeed
Mr. Matiuddin Siddiqui

b) **Human Resource & Remuneration Committee**

Mr. Matiuddin Siddiqui - Chairman
Mr. Abbas Sayeed
Mrs. Muleika Sayeed
Mr. Sayeed Imran

Directors' Remuneration

Through the Articles of the Company, the Board of Directors is authorized to fix the remuneration of Executive, Non-Executive, and Independent Directors from time to time. In this regard, the Board of Directors has developed a Remuneration policy for Executive, Non-executive, and Independent Directors of the company. Remuneration of Chief Executive and Directors for the Financial Statements of the year ended June 30, 2024, are disclosed on the page 65 of Financial Statements.

Acknowledgments

The Directors are grateful to the valued customers for their continued support. They also appreciate the support received from the Company's bankers, shareholders, and other stakeholders who continue to repose trust in your company. In addition to this, directors also record their sincere appreciation for the cooperation received from the Regulators Securities & Exchange Commission of Pakistan (SECP) and Pakistan Stock Exchange-PSX.



PAKISTAN PAPER PRODUCTS LIMITED

All the employees of the company have put in real teamwork and the results are evident. Directors congratulate all the employees for their continued performance.

On behalf of the Board of Directors

ABBAS SAYEED
Chairman

September 24, 2024
Karachi.

ABID SAYEED
Chief Executive



PAKISTAN PAPER PRODUCTS LIMITED

**Statement of Compliance with Listed Companies
(Code of Corporate Governance) Regulations, 2019**

**Name of the Company: Pakistan Paper Products Limited.
For the year ended: June 30, 2024.**

Pakistan Paper Products Limited (“the Company”) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (“the Regulations”) in the following manner:

1. The total number of directors are seven as per following:
 - a) Male: Five
 - b) Female: Two
2. The composition of the Board of Directors (“the Board”) is as follows:

Category	Names
Independent Directors	Mr. Matiuddin Siddiqui (N.I.T. Nominee) Ms. Aisha Fariel Salahuddin
Non-Executive Directors	Mrs. Muleika Sayeed Mr. Abbas Sayeed Dr. Asadullah Sayeed Mr. Sayeed Imran
Executive Director	Mr. Abid Sayeed
Female Directors	Mrs. Muleika Sayeed Ms. Aisha Fariel Salahuddin

3. The two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.
4. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.



PAKISTAN PAPER PRODUCTS LIMITED

5. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval is maintained by the Company.
7. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
8. The meetings of the board were presided over by the Chairman and in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
9. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
10. Out of seven, Three Directors have obtained certification under Directors' Training Program in 2015, 2018 & 2021 respectively and three Directors are exempt from such certification as they duly meet the exemption criteria given in the Code.
11. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
12. The Board has developed and implemented Anti-Harassment policy.
13. CFO and CEO duly endorsed the financial statements before approval of the board.
14. The board has reconstituted the following committees after the Election of Directors held on 11-05-2023:
 - a) **Audit Committee**
 - Ms. Aisha Fariel Salahuddin – Chairperson
 - Mr. Abbas Sayeed
 - Dr. Asadullah Saeed
 - Mr. Matiuddin Siddiqui



PAKISTAN PAPER PRODUCTS LIMITED

b) Human Resource & Remuneration Committee

Mr. Matiuddin Siddiqui - Chairman
Mr. Abbas Sayeed
Mr. Sayeed Imran
Mrs. Muleika Sayeed

15. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
16. The frequency of meetings of the committees were as per following:

Audit Committee	Four quarterly meetings held during the financial year ended June 30, 2024.
Human Resource & Remuneration Committee	One meeting held during the financial year ended June 30, 2024.

17. The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
18. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all of their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. We confirm that all other requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



PAKISTAN PAPER PRODUCTS LIMITED

21. Explanation for non-compliance with requirements, other than Regulations 3,6,7,8,27,32, 33 and 36 is as follows:

#	Non-Mandatory requirement	Reg.No.	Explanation
1	The Board may constitute a separate committee, designated as the Nomination Committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29 (1)	Currently, the Board has not constituted a separate Nomination Committee and the functions are being performed by the Board.
2.	The Board may constitute the Risk Management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness and present a report to The Board.	30(1)	Currently, the Board has not Constituted a separate Risk Management committee and the functions are being performed by The Board.
3.	The Board is responsible for Governance and oversight of Sustainability risk and opportunities and takes appropriate measure to Address it. Further, the Board ensures that the company's sustainability is Periodically reviewed and monitored.	10A (1)(3)(4)	The Board will ensure that the Company has addressed Sustainability-related risk and Opportunities. Also, it will ensure that company's sustainability and DE&I related strategies are periodically reviewed and monitored in future.
4.	The Board may establish a dedicated Sustainability committee or assign additional responsibilities to an existing Board Committee.	10A (5)	Currently the Board has not constituted a separate Sustainability committee and the functions will be performed by the Board Audit committee.

ABBAS SAYEED
Chairman

ABID SAYEED
Chief Executive

Karachi 8th August 2024



PAKISTAN PAPER PRODUCTS LIMITED



C-88, KDA Scheme No. 1, Telephone : (021) 34301966
Main Karsaz Road, : (021) 34301967
Opp: Maritime Museum, Karachi. : (021) 34301968
Email: info@fac.com.pk : (021) 34301969
Website: www.fac.com.pk Fax : (021) 34301965

Independent Auditor's Review Report to the Members of Pakistan Paper Products Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ('the Regulations') prepared by the Board of Directors of **Pakistan Paper Products Limited** ('the Company') for the year ended 30 June 2024 in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2024.

Chartered Accountants

Place: Karachi

Dated: 27 SEP 2024

UDIN: CR202410178JD3Ybj2n

Engagement partner: Muhammad Faisal Nini.



PAKISTAN PAPER PRODUCTS LIMITED



C-88, KDA Scheme No. 1, Telephone : (021) 34301966
Main Karsaz Road, : (021) 34301967
Opp: Maritime Museum, Karachi. : (021) 34301968
Email: info@fac.com.pk : (021) 34301969
Website: www.fac.com.pk Fax : (021) 34301965

INDEPENDENT AUDITOR'S REPORT

To the members of Pakistan Paper Products Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Pakistan Paper Products Limited ('the Company'), which comprise the statement of financial position as at 30 June 2024, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan ('the Code') and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



PAKISTAN PAPER PRODUCTS LIMITED



Following is the key audit matter:

S.no.	Key audit matter	How the matter was addressed in our audit
1.	Revenue from Contracts with Customers The Company is engaged in production and sale of exercise books, pro-labels and sensitized papers. Revenue recognition policy has been explained in note 3.16 to the financial statements, and the related amounts of revenue recognized during the year are disclosed in note 22 to the financial statements. The Company generates revenue from sale of goods to domestic customers. Revenue from sales is recognized when performance obligation is satisfied as per the requirements of the International Financial Reporting Standard (IFRS) 15 – ‘Revenue from Contracts with Customers’. We identified revenue recognition as key audit matter since it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not have been recognized on point in time basis i.e. when control of goods is transferred to the customer, in line with the accounting policy adopted and may not have been recognized in the appropriate period.	Our audit procedures to address the Key Audit Matter included the following: Considered the appropriateness of revenue recognition policy and compared it with the applicable accounting standards; Obtained an understanding of revenue and assessed the design, implementation and operating effectiveness of controls around recognition of revenue; Checked on sample basis relevant underlying supporting documents for ensuring that management has complied with the revenue recognition criteria as introduced by IFRS 15; Tested timeliness of revenue recognition by comparing individual sales transactions before and after the year end to underlying documents and by checked significant credit notes issued after year-end; and Evaluated the adequacy and appropriateness of disclosures made in the financial statements.

Information Other than the Financial Statements and Auditors’ Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors’ report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



PAKISTAN PAPER PRODUCTS LIMITED

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



PAKISTAN PAPER PRODUCTS LIMITED

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) The statement of financial position, the statement of profit or loss and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) Zakat was deducted at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Faisal Nini.

Chartered Accountants

Place: Karachi

Dated: 27 SEP 2024;

UDIN: AR2024101782DP67LI4b

Engagement partner: Muhammad Faisal Nini



PAKISTAN PAPER PRODUCTS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

<u>ASSETS</u>	Notes	2024 ----- (Rupees) -----	2023 -----
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,313,671,838	864,080,606
Intangible assets	5	94,165	235,415
Long term deposits		1,675,258	1,225,258
		1,315,441,261	865,541,279
CURRENT ASSETS			
Stores and spares		10,037,039	8,349,253
Stock-in-trade	6	355,983,019	401,935,917
Trade debts - Unsecured	7	346,734,816	340,095,787
Advances and other receivables	8	105,612,399	129,980,822
Deposits, advances and short term prepayments	9	393,030	6,302,806
Cash and bank balances	10	7,125,720	5,151,351
		825,886,023	891,815,936
		2,141,327,284	1,757,357,215
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 15,000,000 (2023: 15,000,000) Ordinary shares of Rs. 10/- each		150,000,000	150,000,000
Issued, subscribed and paid-up share capital	11	80,000,000	80,000,000
Revenue reserves		621,942,028	522,632,946
Capital reserve			
Surplus on revaluation of property, plant and equipment	12	959,399,936	504,841,334
		1,661,341,964	1,107,474,280
NON-CURRENT LIABILITIES			
Deferred tax liability - Net	13	55,141,541	47,376,752
Deferred liability for staff gratuity	14	19,928,330	18,624,529
Long term loans - Secured	15	62,852,231	85,226,417
Liabilities against assets subject to musharakah financing	16	2,878,685	6,000,000
Deferred grant	17	3,189,610	4,338,169
		143,990,397	161,565,867
CURRENT LIABILITIES			
Current portion shown under current liabilities	18	26,560,800	26,560,800
Current portion of deferred government grant	19	1,148,559	1,306,614
Short term borrowings - Secured	20	137,799,954	218,594,482
Creditors, accrued and other liabilities	21	130,639,788	231,848,003
Unclaimed dividend		12,285,638	10,007,169
Provision for taxation - Net		27,560,184	--
		335,994,923	488,317,068
CONTINGENCIES AND COMMITMENTS			
	22	--	--
		2,141,327,284	1,757,357,215

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

ABBAS SAYEED

Chairman

ZIA UR REHMAN

Chief Financial Officer

ABID SAYEED

Chief Executive



PAKISTAN PAPER PRODUCTS LIMITED

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 ----- (Rupees) -----	2023 -----
Sales - Net	23	1,927,281,032	1,745,900,810
Cost of sales	24	<u>(1,536,015,693)</u>	<u>(1,454,583,434)</u>
Gross profit		391,265,339	291,317,376
Administrative expenses	25	<u>(54,350,312)</u>	<u>(44,869,954)</u>
Selling and distribution expenses	26	<u>(21,265,076)</u>	<u>(21,941,517)</u>
Other operating expenses	27	<u>(26,293,846)</u>	<u>(10,134,479)</u>
		(101,909,234)	(76,945,950)
Operating profit		<u>289,356,105</u>	<u>214,371,426</u>
Other income	28	1,599,168	2,189,750
Finance cost	29	(59,853,945)	(83,943,930)
Profit before taxation		<u>231,101,328</u>	<u>132,617,246</u>
Taxation - Net	30	(75,190,499)	(43,584,806)
Profit for the year		<u>155,910,829</u>	<u>89,032,440</u>
Earnings per share - Basic and diluted	31	<u>19.49</u>	<u>11.13</u>

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

ABBAS SAYEED
Chairman

ZIA UR REHMAN
Chief Financial Officer

ABID SAYEED
Chief Executive



PAKISTAN PAPER PRODUCTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 ----- (Rupees) -----	2023 -----
Profit for the year		155,910,829	89,032,440
Other comprehensive income / (loss):			
<i>Items that will not be reclassified to statement of profit or loss:</i>			
Surplus on revaluation of property, plant and equipment		466,439,871	--
Related deferred tax		(8,943,562)	--
		457,496,309	--
Remeasurement of defined benefit liability	14	677,273	2,653,429
Related deferred tax		(216,727)	(769,494)
		460,546	1,883,935
Total comprehensive income for the year		613,867,684	90,916,375

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

ABBAS SAYEED

Chairman

ZIA UR REHMAN

Chief Financial Officer

ABID SAYEED

Chief Executive



PAKISTAN PAPER PRODUCTS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	Issued, subscribed and paid-up share capital	Revenue reserves			Surplus on revaluation of property, plant and	Total equity
		General reserves	Unappropriated profit	Total revenue reserves		
(Rupees)						
Balance as on 1 July 2022	80,000,000	143,900,000	285,267,189	429,167,189	507,390,716	1,016,557,905
Profit for the year ended 30 June 2023	--	--	89,032,440	89,032,440	--	89,032,440
Other comprehensive income	--	--	1,883,935	1,883,935	--	1,883,935
Total comprehensive income for the year	--	--	90,916,375	90,916,375	--	90,916,375
Surplus on revaluation realized on disposal of fixed assets - Net of tax	--	--	138,471	138,471	(138,471)	--
Transfer to unappropriated profit on account of incremental depreciation - Net of tax	--	--	2,410,911	2,410,911	(2,410,911)	--
Balance as at 30 June 2023	80,000,000	143,900,000	378,732,946	522,632,946	504,841,334	1,107,474,280
Profit for the year ended 30 June 2024	--	--	155,910,829	155,910,829	--	155,910,829
Other comprehensive income	--	--	460,546	460,546	457,496,309	457,956,855
Total comprehensive income for the year	--	--	156,371,375	156,371,375	457,496,309	613,867,684
Surplus on revaluation realized on disposal of fixed assets - Net of tax	--	--	21,047	21,047	(21,047)	--
Transfer to unappropriated profit on account of incremental depreciation - Net of tax	--	--	2,916,660	2,916,660	(2,916,660)	--
Transactions with owners:						
Final cash dividend @ 40% related to the year ended 30 June 2023	--	--	(32,000,000)	(32,000,000)	--	(32,000,000)
Interim cash dividend @ 35% related to the period ended 31 March 2024	--	--	(28,000,000)	(28,000,000)	--	(28,000,000)
Balance as at 30 June 2024	80,000,000	143,900,000	478,042,028	621,942,028	959,399,936	1,661,341,964

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

ABBAS SAYEED
Chairman

ZIA UR REHMAN
Chief Financial Officer

ABID SAYEED
Chief Executive



PAKISTAN PAPER PRODUCTS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	32	311,567,099	102,714,649
Payments for:			
Income taxes net of refund received		(46,886,788)	(52,841,637)
Sindh Workers' Welfare Fund		(2,996,893)	(1,846,879)
Sindh Workers' Profit Participation Fund	21.4	(7,137,586)	(4,860,209)
Gratuity	14.1	(2,352,434)	(1,931,811)
Finance cost		(56,737,540)	(48,778,187)
Net cash inflows / (outflows) from operating activities		195,455,858	(7,544,074)
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to tangible assets	4	(29,030,575)	(15,823,652)
Sale proceeds against disposal of fixed assets		1,317,260	925,600
Net cash outflows from investing activities		(27,713,315)	(14,898,052)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term deposits		(450,000)	(90,000)
Repayment of long-term finances		(26,802,115)	(33,707,275)
Dividend paid		(57,721,531)	(29,244)
Net cash outflows from financing activities		(84,973,646)	(33,826,519)
Net increase / (decrease) in cash and cash equivalents		82,768,897	(56,268,645)
Cash and cash equivalents at the beginning of the year		(213,443,131)	(157,174,486)
Cash and cash equivalents at the end of the year		(130,674,234)	(213,443,131)

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

ABBAS SAYEED

Chairman

ZIA UR REHMAN

Chief Financial Officer

ABID SAYEED

Chief Executive



PAKISTAN PAPER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated and domiciled in Pakistan as a private limited company in July 1962. It was converted into public company and listed on the Karachi Stock Exchange (now Pakistan Stock Exchange) in July 1964. The main business activity of the Company is the production and sale of exercise books, pro-labels and sensitized papers.

The geographical location and address of Company's business units including plant is as under:

- The registered office of the Company along with its plant is situated at D-58, SITE, Estate Avenue, Karachi.
- The Company also have a sales office in Lahore, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention except the obligation in respect of gratuity fund which is measured at present value and items of property, plant and equipment which are carried at revalued amounts.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency and have been rounded off to the nearest rupee.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant affect on the amounts recognised in the financial statements are as follows:



PAKISTAN PAPER PRODUCTS LIMITED

2.4.1 Operating fixed assets, revaluation and depreciation

The Company reviews appropriateness of the rate of depreciation, useful lives and residual values used in the calculation of depreciation. The estimates of revalued amounts of revalued assets are based on valuations carried out by a professional valuer. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

2.4.2 Trade debts and amount due from related parties

The Company reviews its doubtful debts at each reporting date to assess whether provision should be recorded in the profit and loss account. In particular, judgment by management is required in the estimates of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

2.4.3 Income tax

In making the estimates for income tax currently payable by the Company, the management considers the current income tax laws and the decisions of appellate authorities on certain issues in the past.

2.4.4 Stock in trade

The Company reviews the net realizable value (NRV) of stock in trade to assess any diminution in the respective carrying values. Any change in the estimates in future years might affect the carrying amounts of stock in trade and corresponding effect in profit and loss account of those future years. Net realizable value is determined with respect to estimated selling price less estimated expenditures to make the sales.

2.4.5 Stores and spares

The Company reviews the net realizable value (NRV) and impairment of stores and spare parts to assess any diminution in the respective carrying values and wherever required provision for NRV / impairment is made. The calculation of provision involves the use of estimates with regards to future estimated use and past consumption along with stores and spares holding period.

2.4.6 Staff retirement benefits

Certain actuarial assumptions have been used as disclosed in these financial statements (note 14) for the actuarial valuation of unfunded gratuity scheme. Changes in these assumptions in future years may effect the liability under this scheme in those years.

2.5 Adoption of amendments to approved accounting standards effective during the year

2.5.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the company's operations or not expected to have significant impact on the company's financial statements other than certain additional disclosures.



PAKISTAN PAPER PRODUCTS LIMITED

	Effective Date (Period beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	1 January 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	1 January 2023
Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
Amendments to IAS 12 'Income Taxes' - International Tax Reform — Pillar Two Model Rules	1 January 2023
2.5.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective	
<p>The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.</p>	
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	1 January 2024
Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	1 January 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	1 January 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21 'The effects of changes in foreign exchange rates' - Lack of exchangeability	1 January 2025
Amendments to IFRS 7 'Financial instruments - Disclosures' and IFRS 9 'Financial Instruments' - classification and measurement of financial instruments	1 January 2026
Standard IFRS 17 'Insurance Contract'	1 January 2026
Amendment to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

Other than the aforesaid amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:



PAKISTAN PAPER PRODUCTS LIMITED

- IFRS 1 'First Time Adoption of International Financial Reporting Standards'
- IFRS 18 'Presentation and Disclosures in Financial Statements'
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

3 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from April 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

The material accounting policies are consistently applied in the preparation of these financial statements are the same as those applied in earlier period presented.

3.1 Property, plant and equipment

Item of property, plant and equipment is recognized as asset when it is probable that future economic benefits associated with the asset will flow to the company and its cost to the company can be measured reliably.

An item of property, plant and equipment, which qualifies for recognition as an asset, is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the item. Subsequent to initial recognition items of property, plant and equipment are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using the fair value at the balance sheet date.

Any revaluation increase arising on the revaluation of assets is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of assets is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revalued assets to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Capital work in progress is stated at cost, less any recognized impairment loss. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or revaluation of assets, other than leasehold land and capital work in progress, over their estimated useful lives, using the reducing balance method, on the basis of rates specified in note 4. The depreciation for assets acquired or disposed of during the year is charged from the month of acquisition or up to the month of disposal of such assets respectively.



PAKISTAN PAPER PRODUCTS LIMITED

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

3.2 Intangible assets

An intangible asset is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of such asset can be measured reliably.

Generally costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. However, costs that are directly associated with identifiable software and have probable economic benefits exceeding one year, are recognised as an intangible asset. Direct costs include the purchase cost of software and related overhead cost. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any, thereon.

Intangible asset with a definite useful life is amortized on a straight line basis over its useful life. Amortization on all additions in intangibles is charged from the month in which the asset is available for use and on disposals upto the month of disposal. Amortisation charge is recognised in the statement of profit or loss. The rate of amortization is disclosed in note 5.

3.3 Stores and spares

These are valued at lower of cost and estimated net realizable value. Cost comprises cost of purchase and other costs incurred in bringing the stores and spares to their present location and condition. Cost signifies the weighted average cost. Average is calculated as each additional shipment is received.

3.4 Stock in trade

Stock in trade is valued at the lower of cost and estimated net realizable value.

Cost comprises direct materials and, where applicable, direct labour and those overheads that have been incurred in bringing the inventories to the present location and condition. Cost is calculated using the weighted average method. Average is calculated as each additional shipment is received.

Net realizable value signifies the estimated selling price in the ordinary course of business less cost of completion and cost necessary to be incurred in order to make the sale.

3.5 Financial instruments

3.5.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- Measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.



PAKISTAN PAPER PRODUCTS LIMITED

Subsequent measurement

Debt Investments at FVOCI	These assets are subsequently measured at fair value. Interest / mark-up income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss account. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss account.
Equity Investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss account unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit or loss account.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / mark-up or dividend income, are recognised in the statement of profit or loss account.
Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss account.

3.5.2 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.5.2.1 Trade debts, advances and other receivables

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.5.2.2 Cash and cash equivalents

For the purpose of presentation in statement of cash flow, cash and cash equivalents includes cash in hand, balances with banks and investments with maturities of less than three months or less from acquisition date that are subject to insignificant risk of changes in fair value and short term borrowings availed by the Company, which are repayable on demand and form an integral part of the Company's cash management.



PAKISTAN PAPER PRODUCTS LIMITED

3.5.3 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

3.5.3.1 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the statement of profit or loss account over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the relevant asset.

3.5.3.2 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

3.5.4 Derivative financial instruments - Other than hedging

Derivatives that do not qualify for hedge accounting are recognised in the statement of financial position at estimated fair value with corresponding effect to statement of profit or loss account. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

3.5.5 Derivative financial instruments - Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in hedging reserve. Any ineffective portion of changes in fair value of derivative is recognised immediately in the statement of profit or loss account. The amount accumulated in equity is removed therefrom and included in the initial carrying amount of non-financial asset upon recognition of non-financial asset.

The fair value of forward exchange contracts is estimated using appropriate valuation techniques. These are carried as assets when the fair value is positive and liabilities when the fair value is negative.

3.5.6 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.



3.6 Trade debts

Trade debts and other receivables are stated initially at fair value and subsequently measured at amortized cost using the effective interest rate method, if applicable, less provision for impairment, if any. A provision for impairment is established where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Trade debts and receivables are written off when considered irrecoverable.

3.7 Cash and cash equivalents

Cash and cash equivalents comprise cash and cheques in hand, balances with banks, term deposits with original maturity period of three months or less, short term running finances and temporary book overdrawn balances. Cash and cash equivalents are carried at cost.

3.8 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

3.9 Staff retirement benefits

The Company's retirement benefit plans comprises of provident fund and gratuity scheme for eligible employees.

Defined contribution plan

The company operates an approved Provident Fund (defined contribution) scheme applicable to all employees. Monthly contributions are made by the company and the employees equally in accordance with the fund's rules. The company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payment is available.

Defined benefit plan

The company operates a defined benefit plan comprising a funded gratuity scheme covering all permanent employees, under which benefits are paid on cessation of employment subject to a minimum qualifying period of service. An approved gratuity fund trust is established for the management of the gratuity obligation of the company. Annual contributions are made to the fund based on actuarial recommendations. The actuarial valuations are carried out using Projected Unit Credit Method. Remeasurement charge which comprises of actuarial gains and losses and the return on plan assets (excluding interest) are recognized immediately in other comprehensive income.

3.10 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxation or based on turnover or accounting profit at the specified rates, whichever is higher, after taking into account tax credits and rebates available.



PAKISTAN PAPER PRODUCTS LIMITED

Deferred

Deferred tax is recognised using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

3.11 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably measured.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to passage of time is recognized as interest expense.

3.12 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statements.

3.13 Impairment

3.13.1 Financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.



PAKISTAN PAPER PRODUCTS LIMITED

Loss allowances for financial assets measured at amortised cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

3.13.2 Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

3.14 Government grants and assistance

The benefit of interest rate lower than market rate on borrowings obtained under State Bank of Pakistan (SBP) under Refinance Schemes, is accounted for as a government grant which is the difference between loan received and the fair value of the loan. The differential amount is recognised and presented in statement of financial position as deferred government grant.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

The recognition of government grant in profit or loss will be made on a systematic basis over the term of related loan.

3.15 Dividend distribution

Dividend distribution to the Company's shareholders is recognized in the Company's financial statements in the period in which the dividends are paid or approved by the Company's shareholders.

3.16 Revenue recognition

Sale of goods

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from operations of the Company are recognized when the goods are provided, and thereby the performance obligations are satisfied. The Company's contract performance obligations are fulfilled at the point in time when the goods are dispatched to the customer. Invoices are generated and revenue is recognised at that point of time, as the control has been transferred to the customers. The Company assesses its revenue arrangements against specific criteria that must be met before revenue is recognised.

Interest income

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the applicable effective interest rate.



PAKISTAN PAPER PRODUCTS LIMITED

Service income

Service income is recognized when related services are rendered.

3.17 Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.18 Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker (CODM). The Company considers Chief Executive as its CODM who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment; however, certain information about the Company's products, as required by the accounting and reporting standards, is presented in note 37 to these financial statements.

4 PROPERTY, PLANT AND EQUIPMENT

		2023	2023
		----- (Rupees) -----	
Operating fixed assets	4.1	1,313,671,838	862,135,756
Capital work in progress - At cost	4.8	--	1,944,850
		<u>1,313,671,838</u>	<u>864,080,606</u>

4.1 Operating fixed assets

PARTICULARS	Cost / revaluation				Accumulated depreciation			Written down value as at 30 June 2024	Rate %	
	As at 1 July 2023	Additions during the year	(Disposal)	Revaluation	As at 30 June 2024	As at 1 July 2023	Charge for the year			As at 30 June 2024
----- 2 0 2 4 -----										
(Rupees)										
Tangible assets										
Leasehold land	484,000,000	--	--	435,600,000	919,600,000	--	--	--	919,600,000	
Buildings on leasehold land										
- Factory	46,028,442	357,500	--	6,167,699	52,553,641	23,180,794	2,422,492	25,603,286	26,950,355	
- Office	6,472,338	5,394,580	--	195,963	12,062,881	2,266,239	425,562	2,691,801	9,371,080	
Plant and machinery	539,309,647	18,143,920	(7,048,355)	5,824,029	556,229,241	231,549,429	(4,478,862)	31,401,413	258,471,980	
Furniture and fixture	3,538,106	209,500	--	85,538	3,833,144	1,107,078	257,870	1,364,948	2,468,196	
Factory and other equipment	15,570,287	2,058,300	--	(1,686,847)	15,941,740	4,745,711	1,122,856	5,868,567	10,073,173	
Electric equipment and fitting	6,530,816	70,000	--	(498,306)	6,102,510	4,206,325	342,652	4,548,977	1,553,533	
Computers	2,348,253	55,000	--	494,927	2,898,180	1,842,870	195,475	2,038,345	859,835	
Vehicles	29,420,917	4,686,625	(337,430)	19,116,621	52,886,733	14,537,738	(114,952)	4,021,819	18,444,605	
Musharakah Assets										
Solar power system	16,575,471	--	--	44,383	16,619,854	4,222,337	--	1,801,240	6,023,577	
	<u>1,149,794,277</u>	<u>30,975,425</u>	<u>(7,385,785)</u>	<u>465,344,007</u>	<u>1,638,727,924</u>	<u>287,658,521</u>	<u>(4,593,814)</u>	<u>41,991,379</u>	<u>325,056,086</u>	<u>1,313,671,838</u>

PARTICULARS	Cost / revaluation				Accumulated depreciation			Written down value as at 30 June 2023	Rate %
	As at 1 July 2022	Additions during the year	(Disposal)	As at 30 June 2023	As at 1 July 2022	Charge for the year	As at 30 June 2023		
----- 2 0 2 3 -----									
(Rupees)									
Tangible assets									
Leasehold land	484,000,000	--	--	484,000,000	--	--	--	--	484,000,000
Buildings on leasehold land									
- Factory	45,690,742	337,700	--	46,028,442	20,645,296	--	2,535,498	23,180,794	22,847,648
- Office	6,472,338	--	--	6,472,338	2,044,863	--	221,376	2,266,239	4,206,099
Plant and machinery	530,288,219	9,021,428	--	539,309,647	197,720,682	--	33,828,747	231,549,429	307,760,218
Furniture and fixture	3,538,106	--	--	3,538,106	836,958	--	270,120	1,107,078	2,431,028
Factory and other equipment	14,799,067	916,220	(145,000)	15,570,287	3,647,090	(44,578)	1,143,199	4,745,711	10,824,576
Electric equipment and fitting	6,530,816	--	--	6,530,816	3,804,889	--	401,436	4,206,325	2,324,491
Computers	2,215,453	132,800	--	2,348,253	1,643,068	--	199,802	1,842,870	505,383
Vehicles	27,861,730	3,470,654	(1,911,467)	29,420,917	12,320,531	(1,387,728)	3,604,935	14,537,738	14,883,179
Musharakah Assets									
Solar power system	16,575,471	--	--	16,575,471	2,043,917	--	2,178,420	4,222,337	12,353,134
	<u>1,137,971,942</u>	<u>13,878,802</u>	<u>(2,056,467)</u>	<u>1,149,794,277</u>	<u>244,707,294</u>	<u>(1,432,306)</u>	<u>44,383,533</u>	<u>287,658,521</u>	<u>862,135,756</u>



PAKISTAN PAPER PRODUCTS LIMITED

	2024	2023
	----- (Rupees) -----	
4.2 The depreciation charge for the year has been allocated as follows:		
Cost of sales	24	37,359,650
Administrative expenses	25	2,615,061
Selling and distribution expenses	26	2,016,668
	41,991,379	44,383,533

4.3 Detail of assets disposed off during the year:

Particulars	Notes	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss) on disposal	Mode of disposal	Particulars of buyers
----- (Rupees) -----								
<i>Plant and machinery</i>								
- KDO 1		7,048,355	4,478,862	2,569,493	946,330	(1,623,163)	Negotiation	Muhammad Nadeem - Outsider
Others	4.3.1	337,430	114,952	222,478	370,930	148,452	Negotiation	Various
<i>30 June 2024</i>		7,385,785	4,593,814	2,791,971	1,317,260	(1,474,711)		
<i>30 June 2023</i>		2,056,467	1,432,306	624,161	925,600	301,439		

4.3.1 This include assets having net book value of less than Rs. 500,000/-. These disposals were made in accordance with the company policy.

4.4 The revaluation of property, plant and equipment was carried out as of 01 April 2024 by M/s. Paradigm Inspections (Pvt) Ltd (an independent valuer who is located in Karachi) on the basis of their professional assessment of prevailing market values. The revaluation resulted a surplus amounting to Rs.465.344 million which was incorporated in these financial statement.

4.5 Had there been no revaluation, the net book value of the items of property, plant and equipment would have been as follows:

	2024	2023
	----- (Rupees) -----	
Leasehold land	191,203	191,203
Building on leasehold land		
- Factory	18,592,892	20,243,252
- Office	7,844,238	2,802,595
Plant and machinery	271,147,170	284,502,815
Furniture and fixture	2,278,075	2,312,449
Factory and other equipment	10,073,173	10,022,416
Electric equipment and fittings	1,553,533	14,286,311
Computers	341,652	419,132
Vehicles	15,543,232	13,923,493
Solar power system	10,553,558	--
	338,118,726	348,703,666

4.6 Leasehold land of the Company and building thereon is situated at Estate Avenue, SITE, Karachi. This comprises of two plots of land bearing plot no. D-58 with an accumulated area of 2.42 acres.

4.7 The forced sale value of the revalued property, plant and equipment owned by the Company had been assessed at Rs. 1,039.433 million.



PAKISTAN PAPER PRODUCTS LIMITED

		2024	2023
		----- (Rupees) -----	
4.8 Capital work in progress - At cost			
Opening balance		1,944,850	--
Additions during the year		1,863,350	1,944,850
		<u>3,808,200</u>	<u>1,944,850</u>
Capitalized during the year		(3,808,200)	--
	4.8.1	<u> --</u>	<u>1,944,850</u>
4.8.1 This represents advances paid to contractor for construction of a meeting room in factory.			
5 INTANGIBLE ASSETS			
Software license	5.1	<u>94,165</u>	<u>235,415</u>
5.1 Movement of intangible assets			
<i>Cost:</i>			
Cost as at 1 July		565,000	565,000
Additions during the year		--	--
Cost as at 30 June		<u>565,000</u>	<u>565,000</u>
<i>Amortization:</i>			
Accumulated amortization as at 1 July		329,585	188,335
Charge for the year	25	141,250	141,250
Accumulated amortization as at 30 June		470,835	329,585
Net book value as at 30 June		<u>94,165</u>	<u>235,415</u>
Useful life (in years)		<u>4</u>	<u>4</u>
5.2 The amortization charge for the year has been allocated to administrative expenses.			
6 STOCK-IN-TRADE			
Raw materials		296,718,260	332,162,037
Work-in-process		35,827,605	38,539,679
Finished goods		23,437,154	31,234,201
		<u>355,983,019</u>	<u>401,935,917</u>
7 TRADE DEBTS - Unsecured			
Considered good		346,734,816	340,095,787
Considered doubtful		6,104,486	--
		<u>352,839,302</u>	<u>340,095,787</u>
Provision for Expected Credit Loss	7.2	(6,104,486)	--
		<u>346,734,816</u>	<u>340,095,787</u>



PAKISTAN PAPER PRODUCTS LIMITED

	2024	2023
	----- (Rupees) -----	
7.1 The ageing of trade debts as at 30 June is as follows:		
Neither past due nor impaired	262,349,755	291,158,552
Past due 0-30 days	75,902,808	31,342,255
Past due 31-60 days	6,633,832	12,023,471
Past due 61-90 days	4,766,383	2,719,742
Past due 91-120 days	2,369,175	1,890,966
Past due more than 120 days	817,349	960,801
	<u>352,839,302</u>	<u>340,095,787</u>
7.2 Provision for expected credit loss		
Opening balance	--	--
Provision for expected credit loss	6,104,486	--
	<u>6,104,486</u>	<u>--</u>
8 ADVANCES AND OTHER RECEIVABLES		
<i>Considered good</i>		
Advance to suppliers	557,600	1,371,001
Advance to staff	8.1 1,120,079	679,956
Advance income tax - Net	--	15,836,702
Income tax refundable	100,832,491	87,134,816
Advance sales tax	3,102,229	24,958,347
	<u>105,612,399</u>	<u>129,980,822</u>
8.1 Advances to staff represent advance for business related expenses and is interest free.		
9 DEPOSITS, ADVANCES AND SHORT TERM PREPAYMENTS		
Margin deposits	--	5,652,931
Trade deposits	224,418	224,418
Advance against letter of credit	90,515	328,179
Short term prepayments	78,097	97,278
	<u>393,030</u>	<u>6,302,806</u>
10 CASH AND BANK BALANCES		
Cash in hand	110,044	95,180
Factory imprest	125,000	125,000
Cash at banks - Current accounts	6,890,676	4,931,171
	<u>7,125,720</u>	<u>5,151,351</u>
11 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL		
578,000 (2023: 578,000) Ordinary shares of Rs.10/- each fully paid in cash	5,780,000	5,780,000
172,000 (2023: 172,000) Ordinary shares of Rs. 10/- each issued for consideration (property) other than cash	1,720,000	1,720,000
7,250,000 (2023: 7,250,000) Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	72,500,000	72,500,000
	<u>80,000,000</u>	<u>80,000,000</u>



PAKISTAN PAPER PRODUCTS LIMITED

11.1 As at year-end 907,026 (2023: 907,026) ordinary shares of the Company are held by an associated undertaking M/s. Management & Enterprises (Private) Limited.

	2024	2023
	----- (Rupees) -----	
12 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
<i>Gross surplus</i>		
Opening balance	513,432,090	517,022,768
Surplus arising due to revaluation of property, plant and equipment	466,439,871	--
Release on disposal of revalued assets	(29,643)	(195,029)
Transfer to un-appropriated profit in respect of incremental depreciation charged during the current year	(4,289,206)	(3,395,649)
	975,553,112	513,432,090
<i>Deferred tax liability</i>		
Opening balance	(8,590,756)	(9,632,052)
Related deferred tax liability of current revaluation	(8,943,562)	--
Tax effect on disposal of revalued assets	8,596	56,558
On incremental depreciation for the year	1,372,546	984,738
	(16,153,176)	(8,590,756)
	959,399,936	504,841,334

12.1 The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the shareholders of the Company in accordance with section 241 of the Companies Act, 2017.

13 DEFERRED TAX LIABILITY - Net

Deferred tax liability arising due to:

- accelerated tax depreciation	47,531,948	44,187,110
- surplus on revaluation of fixed assets	17,966,181	8,590,755
	65,498,129	52,777,865

Deferred tax asset arising due to:

- provision against gratuity	(6,377,066)	(5,401,113)
- long term loan	1,020,675	1,258,069
- deferred grant	(1,020,675)	(1,258,069)
- creditors, accrued and other liabilities	(3,979,522)	--
	(10,356,588)	(5,401,113)

13.1 55,141,541 47,376,752

13.1 Movement of deferred tax liabilities

Balance as at beginning of the year	47,376,752	43,539,407
Tax charge recognised in statement of profit or loss	(1,395,500)	3,067,851
Tax charge recognised in other comprehensive income	216,727	769,494
Tax charge recognised in statement of changes in equity	8,943,562	--
Balance as at end of the year	55,141,541	47,376,752

14 DEFERRED LIABILITY FOR STAFF GRATUITY

Present value of defined benefit obligations 14.1 19,928,330 18,624,529

The actuarial valuation of gratuity plan was carried out as at 30 June 2024 by M/s. SIR Consultants. Following are the relevant disclosures:



PAKISTAN PAPER PRODUCTS LIMITED

	2024	2023
	----- (Rupees) -----	
14.1 Movement in net liability		
Opening net liability	18,624,529	19,247,674
Expense for the year	14.2 4,333,508	3,962,095
Other comprehensive income (OCI)	14.3 (677,273)	(2,653,429)
Benefits paid	(2,352,434)	(1,931,811)
Closing net liability	19,928,330	18,624,529
14.2 Expense for the year recognized in profit and loss account		
Current service cost	1,498,157	1,539,761
Net interest	2,835,351	2,422,334
	14.4 4,333,508	3,962,095
14.3 Other comprehensive income (OCI)		
Actuarial remeasurements: actuarial (gain) / loss on obligations	(677,273)	(2,653,429)
14.4 Expense for the year has been allocated as follows:		
Cost of sales	24 2,946,768	2,694,227
Administrative expenses	25 953,375	871,658
Selling and distribution expenses	26 433,365	396,210
	4,333,508	3,962,095
14.5 Principal actuarial assumptions used are as follows:	2024	2023
Valuation discount rate per annum	14.75%	16.25%
Discount rate for profit and loss	16.25%	13.25%
Expected rate of eligible salary increase in future years per annum	12.37%	18.00%
Salaries increase rate per annum	12.75%	14.25%
Normal retirement age	60 Years	60 Years
Duration	4.33 Years	6.36 Years
Withdrawal rate	High	Moderate
Mortality rate	SLIC 2001-2005	SLIC 2001-2005
Effective salary increase date	01 July 2024	01 July 2023

14.6 Sensitivity analysis

Particulars	----- (2024) -----		----- (2023) -----	
	PVDBO (Rupees)	Percentage change	PVDBO (Rupees)	Percentage change
Current liability	19,928,330		18,624,529	
+1% Discount rate	19,103,711	(4.14%)	17,510,593	(5.98%)
-1% Discount rate	20,827,988	4.51%	19,878,592	6.73%
+1 % Salary increase rate	20,929,077	5.02%	19,971,502	7.23%
-1% Salary increase rate	18,997,138	(4.67%)	17,411,002	(6.52%)
+10% Withdrawal rates	19,992,757	0.32%	18,660,922	0.20%
-10% Withdrawal rates	19,857,312	(0.36%)	18,586,661	(0.20%)
1 Year Mortality age set back	19,923,807	(0.02%)	18,616,016	(0.05%)
1 Year Mortality age set forward	19,932,832	0.02%	18,632,995	0.05%



PAKISTAN PAPER PRODUCTS LIMITED

	Undiscounted payments	
	2024	2023
	----- (Rupees) -----	
14.7 Maturity profile		
Particulars		
Year 1	3,294,580	2,446,752
Year 2	4,672,820	1,555,056
Year 3	2,964,497	3,935,464
Year 4	2,922,474	2,733,837
Year 5	1,856,844	2,197,547
Year 6 to Year 10	17,554,617	14,689,232
Year 11 and above	18,096,404	74,815,005
	2024	2023
	----- (Rupees) -----	
14.8 Current and non-current liability breakup		
Current liability the expected benefits payable within next one year	3,499,636	2,568,915
Non-current liability	16,428,694	16,055,614
	<u>19,928,330</u>	<u>18,624,529</u>
14.9 Ratios		
Termination liability vs the actuarial liability		
Termination liability	19,324,595	17,747,114
Actuarial liability	19,928,330	18,624,529
Ratio of discontinuance to actuarial	96.97%	95.29%
Service cost vs the actuarial liability		
Service cost	1,539,155	1,456,433
Actuarial liability	19,928,330	18,624,529
Ratio of service cost to actuarial	7.72%	7.82%
Past service years	12.90	13.41
14.10 Risks associated with defined benefit plans		
Longevity risk:		
The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.		
Salary increase risk:		
The most common type of retirement benefit is one where the benefit is linked with final salary. The risk arises when the actual increases are higher than expectation and impacts the liability accordingly.		
Withdrawal risk:		
The risk of actual withdrawals varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.		



PAKISTAN PAPER PRODUCTS LIMITED

		2024	2023
		----- (Rupees) -----	
15 LONG TERM LOANS - Secured			
Temporary economic refinance facility	15.1	34,283,831	40,333,217
Term finance under refinance scheme	15.2	--	--
Long term loan	15.3	28,568,400	44,893,200
		<u>62,852,231</u>	<u>85,226,417</u>
15.1 Temporary economic refinance facility			
<i>At amortised cost</i>			
Opening balance		53,334,000	58,851,000
Repayments during the year		<u>(7,356,000)</u>	<u>(5,517,000)</u>
		45,978,000	53,334,000
Deferred grant	17.1	(4,338,169)	(5,644,783)
Current portion shown under current liabilities	18	(7,356,000)	(7,356,000)
		<u>34,283,831</u>	<u>40,333,217</u>

The Company has obtained loan under the State Bank of Pakistan's (SBP) 'Temporary Economic Refinance Facility' for purchase of imported plant and machinery. The facility carries mark-up at SBP refinance rate plus 3% per annum. The loan is to be repaid in ten years including grace period of two years in thirty two equal quarterly installments from the date of disbursement. In addition to the securities mentioned in note 15.3, the facility is secured by way of specific hypothecation charge over imported machinery.

The loan is recognised and measured in accordance with IFRS 9 - Financial Instruments. The benefit of the below-market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. The benefit is accounted for and presented as deferred grant in accordance with IAS 20 - Government Grants (note 17).

15.2 Term finance under refinance scheme

<i>At amortised cost</i>			
Opening balance		--	8,985,475
Repayments during the year		<u>--</u>	<u>(8,985,475)</u>
		--	--
Deferred grant	17.2	<u>--</u>	<u>--</u>
		--	--

The Company has obtained loan under the State Bank of Pakistan's (SBP) 'Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concern'. The facility carries mark-up at 3% per annum. The loan is repayable in eight equal quarterly installments commencing from 01 January 2021. During the previous year the entire loan has been repaid.

The loan was recognised and measured in accordance with IFRS 9 - Financial Instruments. The benefit of the below-market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. The benefit is accounted for and presented as deferred grant in accordance with IAS 20 - Government Grants (note 17).



PAKISTAN PAPER PRODUCTS LIMITED

	2024	2023
	----- (Rupees) -----	
15.3 Long term loan		
Opening balance	61,218,000	77,542,800
Repayments during the year	<u>(16,324,800)</u>	<u>(16,324,800)</u>
	44,893,200	61,218,000
Current portion shown under current liabilities	18 <u>(16,324,800)</u>	<u>(16,324,800)</u>
	<u>28,568,400</u>	<u>44,893,200</u>

The term finance facilities have been obtained from Bank Al-Habib Limited (BAH) for acquiring machineries. The facilities carry mark-up at the rate of 6 months KIBOR plus 1.75% per annum (2023: 6 months KIBOR plus 1.75% per annum) payable monthly installments. The facilities availed are re-payable in 60 equal monthly instalments starting from the date of respective disbursements. These facilities are secured by way of first specific hypothecation charge over imported machineries. Equitable mortgage over Industrial property bearing no D/58, S.I.T.E., measuring 2.42 acres, Karachi and import documents consigned to BAH.

16 LIABILITIES AGAINST ASSETS SUBJECT TO MUSHARAKAH FINANCING

Opening balance		8,880,000	11,760,000
Repayments during the year		<u>(3,121,315)</u>	<u>(2,880,000)</u>
		5,758,685	8,880,000
Current portion shown under current liabilities	18	<u>(2,880,000)</u>	<u>(2,880,000)</u>
		<u>2,878,685</u>	<u>6,000,000</u>

16.1 It represents obligation in respect of assets acquired under musharakah arrangements from Meezan Bank Limited (MBL) for a period of five years at an applicable rate of IFRE base rate plus 2% which have been used as a discounting factor. Rentals are payable in monthly installments. Repairs and insurance costs are to be borne by the Company. Overdue payments are subject to additional charge upto 20 percent per annum. The facility is secured by way of first exclusive ownership of the asset in the name of MBL, personal guarantee of all directors and pari Passu Charge amounting to Rs.18.66 million over Industrial Land bearing No. D/58, measuring 1.5 Acres, SITE.

17 DEFERRED GRANT

Temporary economic refinance facility	17.1	3,189,610	4,338,169
Term finance under refinance scheme	17.2	--	--
	17.3	<u>3,189,610</u>	<u>4,338,169</u>

17.1 Deferred grant under temporary economic refinance facility

Opening balance		5,644,783	7,099,221
Amortised during the year		<u>(1,306,614)</u>	<u>(1,454,438)</u>
	15.1	4,338,169	5,644,783
Current portion of deferred government grant shown under current liabilities	19	<u>(1,148,559)</u>	<u>(1,306,614)</u>
		<u>3,189,610</u>	<u>4,338,169</u>



PAKISTAN PAPER PRODUCTS LIMITED

		2024	2023
		----- (Rupees) -----	
17.2	Deferred grant under term finance under refinance scheme		
	Opening balance	--	127,966
	Amortised during the year	--	(127,966)
	15.2	<u>-----</u>	<u>-----</u>
		--	--
17.3	This represents benefit of the below-market rate of interest calculated as the difference between the initial carrying value of the loan and the proceeds received (note 15.1 and 15.2).		
18	CURRENT PORTION SHOWN UNDER CURRENT LIABILITIES		
	Temporary economic refinance facility	15.1	7,356,000
	Long term loan	15.3	16,324,800
	Liabilities against assets subject to musharakah financing	16	2,880,000
		<u>-----</u>	<u>-----</u>
		26,560,800	26,560,800
19	CURRENT PORTION OF DEFERRED GOVERNMENT GRANT		
	Deferred grant under temporary economic refinance facility	17.1	1,148,559
		<u>-----</u>	<u>-----</u>
		1,306,614	1,306,614
20	SHORT TERM BORROWINGS - Secured		
	Bank Al-Habib Limited - Running finance	20.1	105,316,323
	Bank Al-Habib Limited - Short Term Finance (STF)	20.2	32,483,631
		<u>-----</u>	<u>-----</u>
		137,799,954	218,594,482
20.1	The Company obtained running finance facility from Bank Al-Habib Limited up to Rs.250 million (2023: Rs.250 million). The running finance facility carries mark-up of 3 months KIBOR plus 2% (2023: 3 months KIBOR plus 2%) per annum.		
20.2	During the year, the Company obtained short term finance facility from Bank Al-Habib Limited up to Rs. 50 million. The short term finance facility carries mark-up of 3 months KIBOR plus 2% per annum prevailing on the date of disbursement.		
20.3	The Company has other finance facilities from Bank Al-Habib Limited comprising Letter of Credit (Sight-Foreign) for Rs.200 million (2023: Rs.100 million), Letter of Credit (Usance-Foreign) for Rs.200 million (2023: Rs.100 million), acceptance - Sub limit of LC sight foreign for Rs.200 million (2023: Rs.100 million) and Letter of Guarantee for Rs.20 million (2023: Rs.20 million). These facilities carry mark-up as per bank's schedule of charges.		
	The above facilities are secured against registered hypothecation charge over receivables and movables stocks, equitable mortgage over industrial property bearing No. D-58, SITE, Karachi, import documents and a promissory note has been issued in favour of Bank Al-Habib against short term running finance.		



PAKISTAN PAPER PRODUCTS LIMITED

		2024	2023
		----- (Rupees) -----	
21 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Trade creditors	21.1	87,348,232	183,671,607
Advance from customers		963,299	10,072,388
Accrued expenses and other payables	21.2	13,563,748	11,519,013
Payable to provident fund	21.3	775,649	836,439
Accrued mark-up		8,984,042	13,879,938
Sindh Workers' Profit Participation Fund	21.4	12,436,006	7,137,586
Sindh Workers' Welfare Fund	21.5	5,182,779	2,996,893
Sales tax payable		1,386,033	1,734,139
		<u>130,639,788</u>	<u>231,848,003</u>
21.1	Trade creditors include payable to an associated concern M/s. Sayeed International amounting to Rs.0.148 million (2023: Rs.0.584 million).		
21.2	Accrued expenses include bonus payable amounting to Rs.0.746 million (2023: Rs.0.669 million).		
21.3	The investments by the provident fund in collective investment schemes, listed equity and debts securities have been made in accordance with the conditions specified in section 218 of the Companies Act, 2017 and rules specified thereunder.		
21.4 Sindh Workers' Profit Participation Fund			
Balance at the beginning of the year		7,137,586	4,860,209
Amount allocated for the year		12,436,006	7,137,586
Amount adjusted / paid to the Fund Trustees		(6,782,500)	(4,345,760)
Amount deposited with government		(355,086)	(514,449)
		<u>12,436,006</u>	<u>7,137,586</u>
21.5 Sindh Workers' Welfare Fund			
Balance at the beginning of the year		2,996,893	1,917,025
Amount allocated for the year		5,182,779	2,996,893
Amount deposited with government		(2,996,893)	(1,917,025)
		<u>5,182,779</u>	<u>2,996,893</u>
22 CONTINGENCIES AND COMMITMENTS			
22.1 Contingencies			
Bank guarantees issued on behalf of the Company		<u>2,134,915</u>	<u>1,121,742</u>
22.2 Commitments			
Commitments under letter of credits		<u>86,188,502</u>	<u>195,345,223</u>
Post dated cheques issued in favour of Collector of Customs Collectorate, Karachi		<u>402,590</u>	<u>402,590</u>



PAKISTAN PAPER PRODUCTS LIMITED

		2024	2023
		----- (Rupees) -----	
23 SALES - Net			
Gross sales		2,125,257,978	1,923,198,124
Less: Sales tax		(197,976,946)	(177,297,314)
	23.1	<u>1,927,281,032</u>	<u>1,745,900,810</u>
23.1 Segment wise breakup of net sales			
Pro-labels		1,063,639,680	986,658,381
Exercise books		835,653,503	731,639,416
Ammonia paper		6,611,429	6,803,446
Plain paper		19,316,635	18,645,668
Sensitized machine parts		--	23,000
Waste paper		2,059,785	2,130,899
		<u>1,927,281,032</u>	<u>1,745,900,810</u>
24 COST OF SALES			
Raw material consumed	24.1	1,260,625,723	1,220,222,342
Salaries, wages and other benefits	24.2	128,093,032	109,685,507
Stores and spares consumed	24.3	43,515,462	47,064,945
Depreciation	4.2	37,359,650	39,670,192
Fuel and power		26,302,392	19,599,909
Other manufacturing expenses		14,709,475	12,360,711
Repairs and maintenance		12,439,584	14,094,061
Insurance expenses		2,037,663	1,869,689
Rent, rates and taxes		246,743	222,177
Telephone charges		176,848	181,903
Manufacturing cost		<u>1,525,506,572</u>	<u>1,464,971,436</u>
Work in process - Opening		38,539,679	40,472,042
Work in process - Closing	6	(35,827,605)	(38,539,679)
		<u>2,712,074</u>	<u>1,932,363</u>
Cost of goods manufactured		<u>1,528,218,646</u>	<u>1,466,903,799</u>
Finished goods - Opening		31,234,201	18,913,836
Finished goods - Closing	6	(23,437,154)	(31,234,201)
		<u>7,797,047</u>	<u>(12,320,365)</u>
		<u>1,536,015,693</u>	<u>1,454,583,434</u>
24.1 Raw material consumed			
Opening stock of raw material		332,162,037	239,350,710
Purchases during the year		1,225,181,946	1,313,033,669
		<u>1,557,343,983</u>	<u>1,552,384,379</u>
Closing stock of raw material	6	(296,718,260)	(332,162,037)
Raw materials consumed		<u>1,260,625,723</u>	<u>1,220,222,342</u>
24.2			
Staff salaries and benefits include Rs.2.947 million (2023: Rs.2.694 million) in respect of staff retirement gratuity and Rs.2.073 million (2023: Rs.1.799 million) in respect of provident fund contribution.			



PAKISTAN PAPER PRODUCTS LIMITED

		2024	2023
		----- (Rupees) -----	
24.3 Stores and spares consumed			
Opening balance		8,349,253	8,442,309
Purchases during the year		45,203,248	46,971,889
		<u>53,552,501</u>	<u>55,414,198</u>
Closing balance		<u>(10,037,039)</u>	<u>(8,349,253)</u>
		<u>43,515,462</u>	<u>47,064,945</u>
25 ADMINISTRATIVE EXPENSES			
Staff salaries and benefits	25.1	33,308,462	26,793,164
Repairs and maintenance		3,113,146	3,000,331
Depreciation	4.2	2,615,061	2,681,309
Legal and professional fees		2,592,723	2,139,492
Electric charges		2,603,708	2,016,379
Traveling and conveyance		3,640,761	1,879,501
Charity and donation	25.2	1,250,000	1,258,100
General expenses		858,820	989,557
Auditor's remuneration	25.3	1,100,000	900,000
Directors' fees		620,000	800,000
Insurance expense		701,193	586,056
Software and website maintenance		372,811	542,822
Postage and telegrams		467,900	457,341
Stationery and periodicals		249,400	335,231
Advertisement expenses		436,657	219,625
Amortization	5.2	141,250	141,250
Telephone charges		168,920	129,796
Rent, rates and taxes		109,500	--
		<u>54,350,312</u>	<u>44,869,954</u>
25.1	Staff salaries and benefits include Rs.0.953 million (2023: Rs.0.872 million) in respect of staff retirement gratuity and Rs.1.159 million (2023: Rs.0.918 million) in respect of provident fund contribution.		
25.2 Charity and donation			
Anjuman Behbood-e-Samat-e-Atfal (ABSA School and College for Deaf)	25.2.1	300,000	250,000
The Citizens Foundation		300,000	250,000
Rotary Metropolitan Trust		150,000	100,000
The Kidney Centre		500,000	500,000
Karachi Down Syndrome Program		--	150,000
Bilal Toys-Toys Distribution Child Life		--	8,100
		<u>1,250,000</u>	<u>1,258,100</u>

25.2.1 Donations during the year include donation amounting to Rs.0.3 million (2023: Rs.0.25 million) to Anjuman Behbood-e-Samat-e-Atfal (ABSA School and College of Deaf). Mrs. Muleika Sayeed a Director of the Company is the Honorary Treasurer of ABSA School and College of Deaf. Except above, none of the donations were made to any donee in which a director or his spouse had any interest at any time during the year.



PAKISTAN PAPER PRODUCTS LIMITED

		2024	2023
		----- (Rupees) -----	
25.3 Auditor's remuneration			
Audit of financial statements		700,000	650,000
Review of half-yearly financial statements		300,000	150,000
Review report on code of corporate governance		50,000	50,000
Provident fund audit fee		25,000	25,000
Sindh Workers' Profit Participation Fund audit fee		25,000	25,000
		<u>1,100,000</u>	<u>900,000</u>
26 SELLING AND DISTRIBUTION EXPENSES			
Staff salaries and benefits	26.1	8,813,552	8,514,663
Cartage and forwarding		5,304,330	5,964,169
Vehicle running expenses		2,663,536	2,683,073
Depreciation	4.2	2,016,668	2,032,032
Sales promotion		350,753	1,215,371
Utilities		780,616	583,962
Insurance expenses		524,103	422,982
Advertisement and publicity		753,884	406,309
Printing and stationery		18,180	80,470
Other expenses		39,454	38,486
		<u>21,265,076</u>	<u>21,941,517</u>
26.1			
Staff salaries and benefits include Rs.0.433 million (2023: Rs.0.396 million) in respect of staff retirement gratuity and Rs.0.251 million (2023: Rs.0.256 million) in respect of provident fund contribution.			
27 OTHER OPERATING EXPENSES			
Sindh Workers' Profit Participation Fund	21.4	12,436,006	7,137,586
Sindh Workers' Welfare Fund	21.5	5,182,779	2,996,893
Loss on disposal of fixed assets		1,474,711	--
Provision for expected credit loss		6,104,486	--
Loss on revaluation of fixed assets		1,095,864	--
		<u>26,293,846</u>	<u>10,134,479</u>
28 OTHER INCOME			
Gain on disposal of property, plant and equipment		--	301,439
Other income		292,554	305,907
Amortization of deferred government grant		1,306,614	1,582,404
		<u>1,599,168</u>	<u>2,189,750</u>
29 FINANCE COST			
Mark-up on long term loans		16,604,552	16,919,650
Mark-up on musharakah financing		303,254	417,692
Mark-up on short term running finance		35,361,271	35,835,092
Exchange loss		6,705,687	29,457,965
Bank and other charges		879,181	1,313,531
		<u>59,853,945</u>	<u>83,943,930</u>



PAKISTAN PAPER PRODUCTS LIMITED

	2024	2023
	----- (Rupees) -----	
30 TAXATION - Net		
<i>Current tax</i>		
For the year	80,946,972	46,581,977
For prior year	(4,360,973)	(6,065,022)
	76,585,999	40,516,955
<i>Deferred tax</i>		
Relating to the origination and reversal of temporary differences	(1,395,500)	3,067,851
	<u>75,190,499</u>	<u>43,584,806</u>
30.1 Reconciliation between tax expense and accounting profit		
Profit for the year	<u>231,101,328</u>	<u>132,617,246</u>
Tax on accounting profit @ 29% (2023: @ 29%)	67,019,385	38,459,001
Effect of amounts subject to minimum tax	--	4,360,974
Effect of super tax under section 4(C) (@3%)	6,933,040	--
Difference between depreciation rates	4,855,716	7,087,485
Inadmissible expenses	(8,313,095)	1,148,514
Tax credits	(319,000)	(364,849)
Tax effect of prior year	(4,360,973)	(6,065,022)
Tax effect of permanent differences	9,375,426	(1,041,297)
	<u>75,190,499</u>	<u>43,584,806</u>
Average tax rate	<u>33%</u>	<u>33%</u>
30.2 Assessment for the tax year 2023 stands finalized as per section 120 of the Income Tax Ordinance. Proceedings under section 161/205 for the tax year 2018 to 2019 are still pending wherein proceedings have been initiated. Proceedings under section 177/72B of second schedule for the year 2019 is underway.		
During the year assessment for the tax year 2023 have been finalised and an order under section 161/205 for the tax year 2023 creating a demand of Rs. 12.450 million. The order has been appealed against before the commissioner Appeals. The management expect a favourable decision in this respect.		
31 EARNINGS PER SHARE - Basic and diluted		
Profit after taxation	<u>155,910,829</u>	<u>89,032,440</u>
	----- (Number of shares) -----	
Weighted average number of ordinary shares in issue during the year	<u>8,000,000</u>	<u>8,000,000</u>
	----- (Rupees) -----	
Earnings per share - Basic and diluted	<u>19.49</u>	<u>11.13</u>
31.1 There were no convertible dilutive potential ordinary shares in issue as at year end.		



PAKISTAN PAPER PRODUCTS LIMITED

	2024	2023
	----- (Rupees) -----	
32 CASH GENERATED FROM OPERATIONS		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	231,101,328	132,617,246
<i>Adjustments for non-cash and other items:</i>		
Depreciation	4.2 41,991,379	44,383,533
Amortization	5.2 141,250	141,250
Provision for gratuity	14.1 4,333,508	3,962,095
Provision for Sindh Workers' Profit Participation Fund	21.4 12,436,006	7,137,586
Provision for Sindh Workers' Welfare Fund	5,182,779	2,996,893
Government grant amortised	(1,306,614)	--
Loss on disposal of fixed assets	27 1,474,711	--
Finance cost	53,148,258	54,485,965
Exchange loss	6,705,687	29,457,965
Gain on disposal of fixed assets	28 --	(301,439)
Loss on revaluation of property, plant and equipment	1,095,864	--
<i>(Increase) / decrease in current assets</i>		
Stores and spares	(1,687,786)	93,056
Stock-in-trade	45,952,898	(103,199,329)
Trade debts	(6,639,029)	(84,229,877)
Advances and other receivables	22,229,396	581,803
Deposits, advances and short term prepayments	5,909,776	12,142,643
<i>Increase / (decrease) in current liabilities</i>		
Creditors, accrued and other liabilities	(110,502,312)	2,445,259
Cash generated from operations	<u>311,567,099</u>	<u>102,714,649</u>
33 CASH AND CASH EQUIVALENTS		
Cash and bank balances	7,125,720	5,151,351
Short term borrowings - Secured	(137,799,954)	(218,594,482)
	<u>(130,674,234)</u>	<u>(213,443,131)</u>

34 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	----- (Rupees) -----							
Fees	--	--	620,000	800,000	--	--	620,000	800,000
Managerial remuneration and allowances	5,449,932	4,225,056	--	--	4,029,209	1,583,088	9,479,141	5,808,144
Provident fund	384,480	274,620	--	--	269,240	120,435	653,720	395,055
Medical expenses	350,875	293,980	--	--	321,574	144,500	672,449	438,480
House rent	2,076,168	1,482,972	--	--	1,286,304	578,012	3,362,472	2,060,984
Reimbursable expenses	1,743,461	1,478,595	--	--	--	--	1,743,461	1,478,595
	<u>10,004,916</u>	<u>7,755,223</u>	<u>620,000</u>	<u>800,000</u>	<u>5,906,327</u>	<u>2,426,035</u>	<u>16,531,243</u>	<u>10,981,258</u>
Number of persons	1	1	6	6	2	1	9	8

34.1 The Chief Executive and certain employees of the Company are provided with Company maintained cars.

34.2 The Company has borne the telephone and utility charges of the Chief Executive's residence.



PAKISTAN PAPER PRODUCTS LIMITED

35 TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS

The related parties and associated undertakings comprise local associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings, other than those which have been specifically disclosed elsewhere in these financial statements, are as follows:

<u>Name of the related party</u>	<u>Relationship and percentage of shareholding</u>	<u>Transactions during the year</u>	<u>2024</u> ----- (Rupees) -----	<u>2023</u> -----
M/s. Sayeed International	A director of the Company is the owner of the business.	Purchases	<u>2,240,067</u>	<u>1,930,353</u>
		Sales	<u>--</u>	<u>--</u>
Pakistan Paper Products Limited Employees' Provident Fund Trust	Employees Fund	Contribution	<u>6,947,740</u>	<u>5,945,600</u>
			<u>2024</u> ----- (Numbers) -----	<u>2023</u> -----

36 NUMBER OF EMPLOYEES

Number of employees as at 30 June	<u>111</u>	<u>110</u>
Number of factory employees as at 30 June	<u>85</u>	<u>80</u>
Average number of employees during the year	<u>113</u>	<u>111</u>
Average number of factory employees during the year	<u>85</u>	<u>82</u>

37 OPERATING SEGMENTS

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

37.1 The management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic and business decisions.

a) Exercise books

This segment relates to the sale of exercise books.

b) Pro-labels

This segment relates to the sale of pro-labels.

c) Sensitized paper and others

This segment relates to sensitized paper and others.



PAKISTAN PAPER PRODUCTS LIMITED

37.2 Segment information

	Exercise Books		Prolabels		Others		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	(Rupees)		(Rupees)		(Rupees)		(Rupees)	
Segment revenue	835,653,503	731,639,416	1,063,639,680	986,658,381	27,987,849	27,603,013	1,927,281,032	1,745,900,810
Cost of sales	(657,119,897)	(586,517,819)	(856,335,872)	(846,352,266)	(22,559,924)	(21,713,349)	(1,536,015,693)	(1,454,583,434)
Gross profit	178,533,606	145,121,597	207,303,808	140,306,115	5,427,925	5,889,664	391,265,339	291,317,376
Segment expenses								
Administrative expenses	(28,195,513)	(23,177,409)	(23,407,053)	(19,440,040)	(2,747,746)	(2,252,505)	(54,350,312)	(44,869,954)
Selling and distribution expenses	(11,455,610)	(12,471,124)	(6,590,534)	(6,503,747)	(3,218,932)	(2,966,646)	(21,265,076)	(21,941,517)
Finance cost	(21,712,710)	(20,820,261)	(34,589,609)	(59,518,693)	(3,551,626)	(3,604,976)	(59,853,945)	(83,943,930)
Sindh Workers' Profit Participation Fund	(5,606,130)	(4,389,357)	(6,829,876)	(2,748,229)	--	--	(12,436,006)	(7,137,586)
Sindh Workers' Welfare Fund	(2,336,388)	(1,842,981)	(2,846,391)	(1,153,912)	--	--	(5,182,779)	(2,996,893)
	(69,306,351)	(62,701,132)	(74,263,463)	(89,364,621)	(9,518,304)	(8,824,127)	(153,088,118)	(160,889,880)
Operating profit	109,227,255	82,420,465	133,040,345	50,941,494	(4,090,379)	(2,934,463)	238,177,221	130,427,496
Other operating expenses							(8,675,061)	--
Other income							1,599,168	2,189,750
Profit before taxation							231,101,328	132,617,246
Taxation - Net							(75,190,499)	(43,584,806)
Profit after taxation							155,910,829	89,032,440

37.3 Segment-wise assets and liabilities are not being reviewed by the Chief Operating Decision Maker. All non-current assets of the Company as at reporting date are located in Pakistan.

37.4 Revenue from Unilever Pakistan Limited represents 12.30% (2023: 10.84%) of the total revenue of the Company.

38 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

38.1 Financial risk management

Overview

The Company has exposure to the following risks arising from

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is responsible for developing and monitoring the Company's risk management policies.

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyse the risk 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 reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.



PAKISTAN PAPER PRODUCTS LIMITED

38.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

In summary, the maximum exposure to credit risk as at 30 June 2024 and 30 June 2023 was as follows:

	<u>2024</u>	<u>2023</u>
	Financial	Financial
	assets	assets
	----- (Rupees) -----	
Long term deposits	1,675,258	1,225,258
Trade debts	346,734,816	340,095,787
Advances and other receivables	1,677,679	2,050,957
Deposits and advances	314,933	6,205,528
Cash and bank balances (excluding cash in hand)	6,890,676	4,931,171
	<u>357,293,362</u>	<u>354,508,701</u>

Cash and cash equivalents

The cash and cash equivalents are held with banks, which are rated as follows:

Name of banks	Rating agency	Rating	
		Short term	Long term
Bank Al Habib Limited	PACRA	A1+	AAA
National Bank of Pakistan	PACRA	A1+	AAA
Meezan Bank Limited	VIS	A-1+	AAA
Habib Bank Limited	VIS	A-1+	AAA

None of the financial assets of the Company are secured.

38.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities by continuous monitoring of forecast and actual cash outflows. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.



PAKISTAN PAPER PRODUCTS LIMITED

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

	Carrying amounts	Contractual cash flows	Six months or less	Six to twelve months	One to two years	More than two years
(Rupees)						
2024						
<i>Non-derivative financial liabilities</i>						
Long term loans - Secured	86,533,031	112,533,549	17,741,232	16,611,778	30,192,960	47,987,579
Liabilities against assets subject to musharka financing	5,758,685	5,998,869	1,543,496	1,514,196	2,941,177	--
Unclaimed dividend	12,285,638	12,285,638	12,285,638	--	--	--
Creditors, accrued and other liabilities	123,107,677	123,107,677	123,107,677	--	--	--
Short term borrowings	137,799,954	137,799,954	137,799,954	--	--	--
	<u>365,484,985</u>	<u>391,725,687</u>	<u>292,477,997</u>	<u>18,125,974</u>	<u>33,134,137</u>	<u>47,987,579</u>
2023						
<i>Non-derivative financial liabilities</i>						
Long term loans - Secured	108,907,217	145,985,868	18,568,830	17,635,258	32,737,625	77,044,155
Liabilities against assets subject to musharka financing	8,880,000	9,443,428	1,606,067	1,577,188	3,067,292	3,192,881
Unclaimed dividend	10,007,169	10,007,169	10,007,169	--	--	--
Creditors, accrued and other liabilities	217,044,583	217,044,583	217,044,583	--	--	--
Short term borrowings	218,594,482	218,594,482	218,594,482	--	--	--
	<u>563,433,451</u>	<u>601,075,530</u>	<u>465,821,131</u>	<u>19,212,446</u>	<u>35,804,917</u>	<u>80,237,036</u>

38.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

38.4.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

The Company is exposed to foreign currency risk on purchases that are denominated in a currency other than Pak Rupees (PKR). As the Company import certain raw material, accordingly it is exposed to currency risk, primarily with respect to trade creditors denominated in foreign currencies.

Exposure to currency risk

The summary of the quantitative data about the Company's exposure to foreign currency risk is as follows:

		2024	2023
Spot rate as at 30 June	EUR	<u>298.41</u>	<u>--</u>
	Trade creditors	<u>997</u>	<u>--</u>
Spot rate as at 30 June	GBP	<u>351.85</u>	<u>365.40</u>
	Trade creditors	<u>679</u>	<u>1,863</u>
Spot rate as at 30 June	USD	<u>278.80</u>	<u>287.10</u>
	Trade creditors	<u>3,484</u>	<u>373,894</u>
Spot rate as at 30 June	AED	<u>76.37</u>	<u>78.80</u>
	Trade creditors	<u>83,386</u>	<u>8,400</u>
	Rupees	<u>7,876,080</u>	<u>108,687,574</u>



PAKISTAN PAPER PRODUCTS LIMITED

Sensitivity analysis

A five percent strengthening / (weakening) of the Rupee against foreign currency as at 30 June 2024 would have increased / (decreased) equity and profit and loss account by Rs. 0.394 million (2023: Rs.5.434 million). This analysis assumes that all other variables, in particular interest rates, remaining constant.

38.4.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	2024	2023
	----- (Rupees) -----	
Fixed rate instruments		
<i>Financial liabilities</i>		
Long term loans	<u>45,978,000</u>	<u>53,334,000</u>
Variable rate instruments		
<i>Financial liabilities</i>		
Long term loans	44,893,200	61,218,000
Liabilities against assets subject to musharakah financing	5,758,685	8,880,000
Short term borrowings	<u>137,799,954</u>	<u>218,594,482</u>
	<u>188,451,839</u>	<u>288,692,482</u>

Fair value sensitivity analysis for fixed rate instruments

The impact of change in fair value due to a change in interest rate is not considered to be material to these financial statements.

Cash flows sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the end of the reporting period would have increased / (decreased) equity by Rs.1.885 million (2023: Rs.2.887 million). This analysis assumes that all other variables remain constant.

38.4.3 Equity price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

The Company does not have investments in listed equity securities and is not exposed to market price risk.

38.5 Fair value of financial instruments

Fair value is the amount 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.



PAKISTAN PAPER PRODUCTS LIMITED

The carrying value of all the financial instruments reported in the financial statements approximates their fair value as the items are short term in nature.

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or the liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Company does not hold any such financial instrument in its portfolio that falls in the above criteria.

39 CAPITAL MANAGEMENT

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Board of Directors monitors the return on capital employed, which the company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

- (i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) to provide adequate return.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

Neither there were any changes in the Company's approach to capital management during the year nor the Company is subject to externally imposed capital requirements.

40 CAPACITY AND PRODUCTION

	Units	Capacity		Production		Remarks
		2024	2023	2024	2023	
a) Exercise books	Groose	58,632	58,632	49,127	58,686	Due to extra shifts.
b) Sensitized paper	Rolls	216,000	216,000	5,434	15,283	Due to lack of demand.
c) Prolabels	Sq. Mater	4,000,000	4,000,000	4,932,033	5,667,013	Due to extra shifts.

40.1 The capacity is determined on single shift basis.



PAKISTAN PAPER PRODUCTS LIMITED

41 DISCLOSURE REQUIREMENT FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act, 2017, shariah compliant companies and companies listed on the Islamic Index shall disclose the following:

	2024	2023
	----- (Rupees) -----	
Loan obtained as per Islamic mode	5,758,685	8,880,000
Shariah compliant bank deposits/bank balances	1,705,057	87,917
Mark up paid on Islamic mode of financing	303,254	417,692
	<u>7,766,996</u>	<u>9,385,609</u>

The Company maintains bank account with Meezan Bank Limited.

42 SUBSEQUENT EVENT

Subsequent to year ended June 30, 2024, the Board of Directors in its meeting held on 24 September 2024 has proposed final cash dividend @ Rs.4 per share amounting Rs.32 million for approval of the members at the Annual General Meeting. These financial statements do not reflect the effect of such dividend which will be accounted for in the financial statements of the Company subsequent to the year end, when it is approved by the shareholders of the Company.

43 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation, However, there were no significant restatements or reclassifications.

44 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on 24 Sep 2024 by the Board of Directors of the Company.

45 GENERAL

This financial statements is presented in rupees and figures have been rounded off to nearest rupee.

ABBAS SAYEED

Chairman

ZIA UR REHMAN

Chief Financial Officer

ABID SAYEED

Chief Executive



PAKISTAN PAPER PRODUCTS LIMITED

Pattern Of Share Holding - Form "34" Shareholders Statistics As At June 30, 2024

Number Of Share Holders	From	Share Holding To	Total Shares Held	%	
277	1	-	100	7,550	0.09
192	101	-	500	56,965	0.71
90	501	-	1000	66,067	0.83
172	1001	-	5000	359,876	4.50
30	5001	-	10000	212,999	2.66
12	10001	-	15000	140,022	1.75
3	15001	-	20000	52,994	0.66
2	20001	-	25000	43,438	0.54
3	25001	-	30000	79,971	1.00
1	35001	-	40000	36,570	0.46
1	40001	-	45000	42,657	0.53
2	45001	-	50000	99,057	1.24
1	50001	-	55000	52,407	0.66
1	55001	-	60000	56,516	0.71
3	110001	-	115000	339,331	4.24
1	130001	-	135000	130,833	1.64
2	135001	-	140000	275,200	3.44
1	155001	-	160000	159,333	1.99
1	185001	-	190000	190,000	2.38
1	235001	-	240000	238,666	2.98
1	245001	-	250000	248,622	3.11
3	255001	-	260000	768,961	9.61
1	265001	-	270000	268,512	3.36
1	415001	-	420000	417,334	5.22
1	500001	-	505000	502,161	6.28
1	615001	-	620000	619,101	7.74
1	620001	-	625000	623,557	7.79
1	905001	-	910000	907,026	11.34
1	1000001	-	1005000	1,004,274	12.55
807			8,000,000	100.00	

S. No.	Categories Of Shareholders	Number Of Share Holders	Total Shares Held	Percentage
1	Individuals	784	5,501,095	68.99
2	Financial Institutions	2	1,867	0.02
3	Joint Stock Companies	10	1,030,805	12.79
4	Insurance Companies	2	427,845	5.31
5	Mutual Fund	6	979,790	12.16
6	Other	3	58,598	0.73
		807	8,000,000	100.00



PAKISTAN PAPER PRODUCTS LIMITED

Details of Pattern of Shareholdings as on June 30, 2024

S. No.	Categories Shareholders	Shares Held	% Age
1	Associated Companies	907,026	11.34
	Management & Enterprises (Pvt.) Limited	907,026	
2	NIT & ICP	626,458	7.83
	National Bank of Pakistan-Trustee Department NI(U)T Fund	619,101	
	Investment Corporation of Paksitan	6,816	
	IDBL (ICP) Unit	541	
3	Directors, CEO, their Spouses and Minor Childern	2,969,184	37.11
	Mrs. Muleika Sayeed	502,161	
	Mr. Abbas Sayeed	623,557	
	Mr. Asadullah Sayeed	417,334	
	Mr. Abid Sayeed	1,135,107	
	Ms Aisha Fariel Salahuddin	2,500	
	Mr. Sayeed Imran	3,333	
	Mrs. Nadia Sayeed W/o. Abid Sayeed	36,570	
	Mrs. Nusser Sayeed W/o. Abbas Sayeed	248,622	
4	Executives	Nil	
5	Individuals	2,531,911	31.65
6	Public Sector Companies and Corporation	279,872	3.50
7	Banks, DFIS, NBFIS, Insurance Companies, Modarabas Joint Stock Companies, Mutual Funds and others	685,549	8.57
Total		8,000,000	100.00

Shareholders Holding Ten Percent or More In The Company

Mr. Abid Sayeed	1,135,108	14.19
Management & Enterprises (Pvt.) Limited	907,026	11.34

Details of Trading in Shares by Director, Executives And Their Spouse/Minor Children				
Sr#	Name of Director	No. of Shares Purchased	No. of Shares Sold	Rate
1	Mr. Abbas Sayeed	500		54.00
2	Mr. Abbas Sayeed	10,000		55.21



PAKISTAN PAPER PRODUCTS LIMITED

FORM OF PROXY

I / We _____
of _____
being a member(s) of **Pakistan Paper Products Limited** holder of _____
ordinary Shares as per Share Registrar Folio/CDC Account No. _____
hereby appoint Mr./Miss/Mrs. _____ Folio/CDC Account No. _____
of _____ who is also a member of the Company as my / our proxy to attend, speak & vote for me / us
and on my / our behalf at the at the 62nd ANNUAL GENERAL MEETING of the Company to be held on Thursday,
October 24, 2024 at 11:00 am and at any adjournment thereof.

Signed this _____ day of _____ 2024.

Rs.5/=
Revenue
Stamp

(Signature should agree with
the specimen signature registered
with the Company)

Signature _____

Witnesses:

1: Signature _____

Name: _____

Address: _____

CNIC or _____

Passport No. _____

2: Signature _____

Name: _____

Address: _____

CNIC or _____

Passport No. _____

Important:

1. This form of Proxy, duly completed and signed, must be submitted at the Company's Registered Office not later than 48 hours.
2. For CDC Account Holder / Corporate Entities:
In addition of the above following requirements have to be met;
 - i) The proxy form shall be witnessed by two persons whose names, address and CNIC Numbers shall be mentioned on the form.
 - ii) Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iii) The proxy shall produce his/ her original CNIC or passport at the time of the meeting.
 - iv) In case of corporate entity, the Board of Directors resolution / power of attorney with specimen
 - v) signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.



PAKISTAN PAPER PRODUCTS LIMITED

پاکستان پیپر پروڈکٹس لمیٹڈ مختار نامہ

میں اہم
کا کے
بحیثیت رکن پاکستان پیپر پروڈکٹس لمیٹڈ اور حاصل حصص، برطانیہ رجسٹرڈ فوئیو نمبر
اور ایسی ڈی سی پارٹنرشپ (شرکت آئی ڈی نمبر
اور سب اکاؤنٹ (زیلی کھاتہ) نمبر
محترم / محترمہ
کو اپنے / ہمارے ایما پر مورخہ 24 اکتوبر 2024ء جمعرات صبح 11.00 بجے
کو منعقد ہونے والے کینی کے 62 سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت اپنا / ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں / کرتے ہیں۔
آج بروز _____ تاریخ _____ 2024ء کو دستخط کئے گئے۔

گواہان:

دستخط:
نام:
پتہ:
کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:
دستخط:
نام:
پتہ:
کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:
نوٹ:

پانچ روپے مالیت کے رسید کنٹ پر دستخط

دستخط کینی کے نمونہ دستخط سے
مماثل ہونے چاہئیں

- 1- ایک ممبر (رکن) جو اجلاس میں شرکت نہیں کر سکتا، وہ اس فارم کو مکمل کرے اور دستخط کرنے کے بعد اجلاس شروع ہونے سے کم از کم 48 گھنٹے قبل رجسٹرڈ آفس کے پتے پر ارسال کر دے۔
- 2- سی ڈی سی ٹیئر ہولڈر ہونے کی صورت میں درج بالا کے علاوہ ذیل میں درج ہدایات پر بھی عمل کرنا ہوگا:
(الف) فرد ہونے کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور ایما وہ جس کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات قواعد و ضوابط کے مطابق اپ لوڈ ہوں انہیں کینی کی جانب سے دی گئی ہدایات کی روشنی میں پراکسی فارم جمع کرانا ہوگا۔
(ب) مختار نامے پر بطور گواہان دو افراد کے دستخط ہونے چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر فارم پر درج ہوں۔
(ج) تینغیش اوئرز (مستفید ہونے والے فرد) کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق نقل بھی منسلک کرنی ہوگی جسے نائب مختار نامہ کے ہمراہ پیش کرے گا۔
(د) اجلاس کے وقت نائب کو اپنا اصل کمپیوٹرائزڈ قومی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
(د) کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن)، بورڈ آف ڈائریکٹرز قرار / مع نامزد کردہ شخص / انارنی کے نمونہ دستخط پاور آف اٹارنی (اگر پیلے فراہم نہ کئے گئے ہوں) پراکسی فارم (مختار نامے) کے ہمراہ کینی میں جمع کرنا ہوگا۔



www.jamapunji.pk



**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

- 📄 Licensed Entities Verification
- 🕒 Scam meter*
- 🎮 Jamapunji games*
- 📊 Tax credit calculator*
- 🏢 Company Verification
- 📋 Insurance & Investment Checklist
- ?? FAQs Answered

- 📈 Stock trading simulator (based on live feed from KSE)
- 📖 Knowledge center
- 👤 Risk profiler*
- 📊 Financial calculator
- 📱 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📱 Jamapunji application for mobile device
- 📖 Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

jamapunji.pk

@jamapunji_pk

*Mobile apps are also available for download for android and ios devices



Promoting Education,
Development, & Quality Products.



PRO LABELS



➤ Pro Labels - Self Adhesive labels in roll form.



➤ Exercise Books



➤ Plotter Paper



➤ Ammonia Sensitised Paper

Head Office & Factory:

Pakistan Paper Products Ltd.,

D/58, S.I.T.E. Estate Avenue, Karachi-75700