Manufacturers Of Quality PET Bottles & Preforms

# Eco Pack Ltd

# Annual Report 2024

# CONTENTS

# Vision & Mission Statement

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

# Corporate Strategy

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


Victory belongs to the most persevering!
Napoleon Bonaparte

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

| | |
|---|---|
| Mr. Asad Ali Sheikh (Co-opted post year-end) | Chairman of the Board |
| Mr. Hussain Jamil | Chief Executive Officer |
| Mr. Ameen Jan | Non-Executive Director |
| Mr. Zohair Ashir (Co-opted post year-end) | Non-Executive Director |
| Mr. Ali Jamil (Co-opted post year-end) | Non-Executive Director |
| Ms. Sonya Jamil | Non-Executive Director |
| Ms. Laila Jamil (Co-opted post year-end) | Non-Executive Director |

## Directors Resigned Post Year end:

Mr. Muhammad Kamran Nasir
Mr. Omer Tariq
Mr. Arif Ahmed Siddiqui
Mr. M. Junaid Hameed Dagia

## AUDIT COMMITTEE

| | |
|---|---|
| Mr. Ameen Jan | Chairman |
| Mr. Asad Ali Sheikh | Member |
| Mr. Ali Jamil | Member |
| Ms. Sonya Jamil | Member |

## HUMAN RESOURCE AND REMUNERATION COMMITTEE

| | |
|---|---|
| Mr. Zohair Ashir | Chairman |
| Mr. Hussain Jamil | Member |
| Mr. Ameen Jan | Member |
| Ms. Sonya Jamil | Member |
| Ms. Laila Jamil | Member |

## CHIEF OPERATING OFFICER

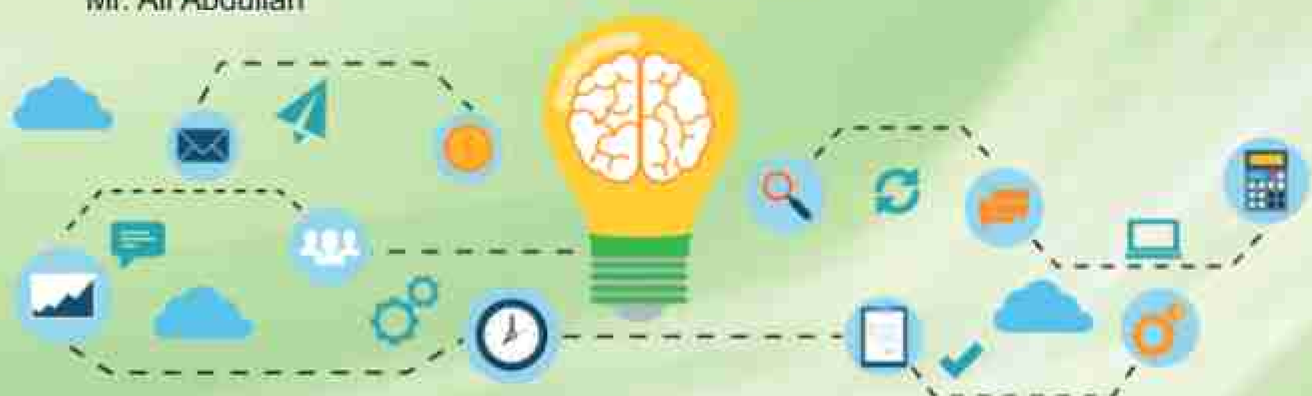
Mr. Mohammad Raza Chinoy

## CHIEF FINANCIAL OFFICER

Mr. Muhammed Ali Adil

## COMPANY SECRETARY

Mr. Ali Abdullah



## BANKERS

Bank Al-Habib Limited
JS Bank Limited
Askari Bank Limited
Habib Bank Limited
PAIR Investment Co. Ltd.

## EXTERNAL AUDITORS

A. F. Ferguson & Co. — Chartered Accountants

## INTERNAL AUDITORS (OUTSOURCED)

BDO Ebrahim & Co. — Chartered Accountants

## LEGAL ADVISOR

M/s Ali Khan Law Associates — Advocate & Corporate Counsel

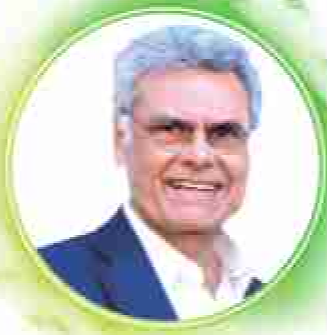
## SHARE REGISTRAR

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

## REGISTERED OFFICE AND FACTORY

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

# OUR TEAM



Hussain Jamil
Chief Executive Officer

Mohammad Raza Chinoy
Chief Operating Officer

Shahan Ali Jamil
Chief Information Officer

Zamir ul Hasan
Director Commercial & Technical

Muhammed Ali Adil
Chief Financial Officer

Shahwaqar Ahmed
GM HR, Supply Chain & Admin

# DIRECTORS' PROFILE

## MR. ASAD ALI SHEIKH

Chairman of the Board

Asad Ali Sheikh has recently been co-opted on the Board of EcoPack Limited as a Non-Executive Director to fill a casual vacancy. Before that he was on the Board of Directors of EcoPack Limited from 2008 and served as an Independent Director and Chairman of the Audit Committee from 2013 to 2022. He did his B.Com. and LL.B. from the University of Sindh and did his MBA (Finance) from The Institute of Business Management, Karachi.

He possesses a vast experience of 39 years' in finance and 35 years' experience with Non-Banking Financial Institutions in Pakistan which essentially included Leasing Companies and Modarabas. His special focus was on Leasing and Islamic Finance with functional involvement in the areas of Credit, Marketing, Operations, Risk Management and Compliance. He served a long tenure with BRR Modaraba and its other group concerns for 18 years mostly at GM level looking after Credit, Marketing, Operations and Risk.

He also served at OLP Financial Services Pakistan Limited (formerly ORIX Leasing Pakistan Limited) for nine years before his retirement in 2023 as Senior Manager heading Islamic Finance, Compliance and supervising Operations and Special Asset Management departments. He is an accredited mediator, certified from Pakistan Mediators' Association.

Asad is also a Certified Director from the Pakistan Institute of Corporate Governance (PICG).

## MR. HUSSAIN JAMIL

Chief Executive Officer/Director

Hussain Jamil is the CEO of EcoPack Ltd., and has over 50 years of experience in trade and industry. This includes setting up and running a private limited company in Karachi manufacturing flexible plastic packaging. He is the founder Chairman and CEO of EcoPack and continues to strategically lead the company's growth in key areas such as corporate relationship management, financial arrangements & structuring, as well as developing new opportunities and partnerships for the company's long term sustainable growth.

Prior to founding EcoPack, Hussain was a successful entrepreneur trading packaging materials such as cotton bags, paper sacks, polythene liners and jute bags. He has also had international exposure in trading commodities such as steel and wheat flour when he was stationed overseas. Subsequently, he set up EcoPack in 1992 and commenced a career in industrial production of Rigid plastic packaging mainly for the Food & Beverage industry in Pakistan. He has presented and participated in various international conferences and industrial exhibitions on PET and Plastic Packaging. He has strong and time-tested relationships with all major international vendors of machinery and equipment in this field.

Hussain is an honours graduate from the University of Karachi and is also a Certified Director from the Pakistan Institute of Corporate Governance (PICG).

# DIRECTORS' PROFILE

## MR. AMEEN JAN
Non-Executive Director

Ameen Jan has over 25 years of global professional experience across multiple sectors, including FMCG. He is currently CEO of Ontex Pakistan, which manufactures and sells hygienic disposable products for babies, adults and women. He has had a versatile career trajectory that spans multiple sectors – management consulting, government/international organizations, and technology entrepreneurship – and has worked extensively in North America, Europe, Middle East, Asia and Africa. He has held corporate leadership positions which involve full P&L responsibility in Pakistan for the past ten years.

## MR. ZOHAIR ASHIR
Non-Executive Director

Zohair Ashir is an experienced and qualified management professional with over 30 years of expertise in Strategy, Management, Social Policy and Organizational Development. He has worked for public and private sector organizations in the United States, Middle East and Pakistan. He is the Founder and Director of two professional management firms in Pakistan. AASA Consulting Private Limited is a multi-disciplinary advisory firm which provides services in Strategy and Research, Human Resource Management, Social Policy and Design & Communications. He was also the Founder/Director of Access Consulting, a Digital Technology company from which he exited in 2019. Currently, he serves as Chief Executive of AASA Consulting.

Zohair has worked as a Senior Partner and Head of Practice Grant Thornton International for 15 years including leading their HR & Social Policy practice until he resigned in 2018. He has also worked in senior management capacity with Aga Khan University Hospital, Karachi, Pakistan for 9 years and led their Marketing and Patient Business Services functions from the inception of the Hospital till 1992. He has also served in mid-management capacity with Baptist Memorial Hospital in Memphis, Tennessee and as an Insurance Underwriter with Aetna Life & Casualty Insurance Company in Hartford, USA.

He serves on the Senate of National Skills University, Chaired the Search Committees for hiring of Vice Chancellors for COMSATS University, Federal Urdu University, Health Services Academy and was the past Chairman of Hisaar Foundation. He is a Board member of Hisaar Foundation and Executive Board member of Panjwani-Hisaar Water Institute at NED University. His rich and diversified background will be beneficial for EcoPack Limited and its' Board.

## MR. ALI JAMIL
Non-Executive Director

Ali Jamil has been a finance and mortgage adviser in the United Kingdom with almost 48 years' experience in property and finance. He was a sponsor Director of EcoPack Limited since its inception in 1992 and has served on EcoPack's board for several terms. He trained with the British Plastics Institute and has a good understanding of the technological and marketing aspects of various plastic materials and manufacturing processes.

Ali has also worked in the family business of 'blown film extrusion and flexographic printing' for several years before he assisted in setting-up EcoPack Limited.

# DIRECTORS' PROFILE

## MS. SONYA JAMIL

Non-Executive Director

Sonya Jamil is a certified psychotherapist and a member of the British Association for Counselling and Psychotherapy. Having completed her bachelors degree in Business Administration in 2003 from Dublin, Sonya pursued an Advanced Diploma in Psychotherapy from CPPD Pakistan, and was subsequently certified by the BACP, UK. She currently practices as a therapist and has been associated with, and worked in the mental health field for over 5 years. Her business and mental health background brings valuable diversity to the Board of EcoPack.

## MS. LAILA JAMIL

Non-Executive Director

Laila Jamil is a Non-Executive Director on the Board of EcoPack Limited. She completed her bachelors in history from Reed College, Portland Oregon, USA and has over 20 years of work experience running an SME business in Karachi before joining the social sector. She has worked for the Sind Institute of Urology and Transplantation (SIUT) as head of Resource Generation and Outreach and at Aman Foundation as General Manager Programs Development. Laila now works for the British Council in Pakistan as Director Arts.


| BBB | A2 | Stable |
|---|---|---|
| Long-Term | Short-Term | Outlook |

Pakistan Credit Rating Agency ("PACRA") has affirmed the Company's Long-term credit rating at 'BBB' and short-term at 'A2' with a stable outlook in a recently released report

# OUR HISTORY & MILESTONES

**1992**
EcoPack was converted into a public limited company

**1993**
EcoPack started commercial production

**1994**
EcoPack was successfully listed on the Karachi Stock Exchange

**1999**
EcoPack sets up its second factory for blowing PET bottles in Karachi (Southern Pakistan) to meet growing demand thus covering the complete breadth of the market

**2000**
EcoPack introduced the first 1 piece bottle for the carbonated soft drink (CSD) PET bottle in Pakistan, replacing the 2-piece generic base cup cylindrical bottle

**2005**
- EcoPack successfully introduced the first single-serve 500 ml CSD bottle in the Pakistani market.
- Achieved ISO 9001 Certification.

**2007**
EcoPack installed an on premise complete bottle blowing line inside a Multinational Beverage Plant in Islamabad under a "through-thewall" bottle supply arrangement

**2008**
- Consolidated the production units in Hattar to cater to the large population region of the country.
- Started export of preforms to the regional markets i.e India, Afghanistan and Central Asia.

**2010**
- Achieved the Coca Cola Eurasia Africa approval for the preforms.
- Started export to the anti-podal Southern Hemisphere markets like Southern Africa.

# OUR HISTORY & MILESTONES

**2013**
Achieved ISO 22000 Certification

**2018**
EcoPack made its biggest expansion in Preform capacity increasing it by almost 90% annually with the acquisition of state-of-the-art world renowned Husky Preform Injection systems.

**2019**
Ventured to explore new horizons of "larger PET bottles" for existing and new industries/ customers.

**2020**
Achieved Halal PS3733 Certification

**2021**
Added 10 new customers and 13 new SKUs in Large Pack Bottles

**2022**
Achieved 57% growth in revenue of the newly launched Large Pack business segment

**2023**
Achieved highest ever net turnover of Rs.5.7 Billion

**2024**
Achieved the highest annual bottle sales volume in the company's history

# SUMMARY OF FINANCIALS

| | **2024** | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| | Rupees in '000 | | | | |
| **Summary of Statement of Financial Position** | | | | | |
| Share capital | **482,584** | 482,584 | 419,638 | 381,489 | 381,489 |
| Reserves | **813,964** | 692,737 | 611,415 | 468,580 | 423,140 |
| Shareholders' funds / Equity | **1,296,548** | 1,175,321 | 1,031,053 | 850,069 | 804,629 |
| Long term borrowings | **57,402** | 105,670 | 153,053 | 247,214 | 287,476 |
| Employee benefits | **54,081** | 43,738 | 33,418 | 33,979 | 104,884 |
| Deferred tax liabilities - net | **51,592** | 32,825 | 16,714 | 22,145 | 49,311 |
| Property,plant & equipment | **1,514,771** | 1,548,259 | 1,424,091 | 1,336,883 | 1,408,042 |
| Long term assets | **1,532,421** | 1,565,743 | 1,441,177 | 1,354,383 | 1,426,356 |
| Current assets | **1,429,543** | 1,410,539 | 1,060,720 | 787,402 | 648,567 |
| **Summary of Profit and Loss** | | | | | |
| Sales | **6,212,186** | 5,689,493 | 5,025,212 | 3,100,689 | 3,053,947 |
| Gross profit | **775,264** | 579,611 | 563,258 | 369,247 | 219,990 |
| Operating profit | **465,306** | 304,866 | 268,108 | 159,162 | 12,332 |
| Profit / (loss) before tax & levy | **222,755** | 80,996 | 145,718 | 66,503 | (144,881) |
| Profit / (loss) after tax | **128,943** | 40,143 | 100,179 | 46,114 | (103,700) |
| EBITDA | **636,169** | 454,187 | 401,486 | 288,655 | 147,675 |
| **Summary of Cash Flows** | | | | | |
| Net cash flow from operating activities | **292,146** | (134,411) | 249,390 | (34,796) | 439,442 |
| Net cash flow from investing activities | **(111,696)** | (72,567) | (64,879) | (78,116) | (98,488) |
| Net cash flow from financing activities | **(160,331)** | 241,205 | (187,695) | 161,702 | (383,195) |
| Changes in cash & cash equivalents | **20,119** | 34,227 | (3,184) | 48,790 | (42,241) |
| **Summary of Actual Production (Units in '000)** | | | | | |
| Preforms | **444,667** | 432,383 | 456,581 | 420,473 | 376,837 |
| Bottles | **219,154** | 186,591 | 181,896 | 130,195 | 134,505 |

# BUSINESS PERFORMANCE




As Unique As Your Product

# HORIZONTAL ANALYSIS

## STATEMENT OF FINANCIAL POSITION



| | 2024 | 24 vs 23 | 2023 | 23 vs 22 | 2022 | 22 vs 21 | 2021 | 21 vs 20 | 2020 |
|---|---|---|---|---|---|---|---|---|---|
| | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 |
| **ASSETS** | | | | | | | | | |
| **Non-Current Assets** | | | | | | | | | |
| Property, plant and equipment | 1,514,771 | (2.16)% | 1,548,259 | 8.72% | 1,424,091 | 6.52% | 1,336,883 | (5.05)% | 1,408,042 |
| Intangibles | 3,144 | (14.17)% | 3,663 | (18.18)% | 4,477 | (15.38)% | 5,291 | (13.33)% | 6,105 |
| Long-term deposits | 14,506 | 4.96% | 13,821 | 9.61% | 12,609 | 3.28% | 12,209 | 0.00% | 12,209 |
| | 1,532,421 | (2.13)% | 1,565,743 | 8.64% | 1,441,177 | 6.41% | 1,354,383 | (5.05)% | 1,426,356 |
| **Current Assets** | | | | | | | | | |
| Inventories | 607,198 | 3.53% | 586,498 | 24.94% | 469,420 | 6.11% | 442,389 | 48.65% | 297,598 |
| Trade debts | 613,827 | 12.56% | 545,334 | 23.79% | 440,522 | 93.06% | 228,181 | 6.26% | 214,694 |
| Loans and advances | 88,200 | (51.50)% | 181,840 | 126.70% | 80,211 | 102.96% | 39,521 | 26.74% | 31,183 |
| Deposits, prepayments and other receivables | 10,133 | (19.19)% | 12,539 | 171.94% | 4,611 | (2.35)% | 4,722 | (36.02)% | 7,381 |
| Advance tax - net | - | 0.00% | - | (100.00)% | 33,116 | (9.93)% | 36,767 | (52.52)% | 77,433 |
| Short term investments | - | 0.00% | - | (100.00)% | 7,125 | 0.00% | 7,125 | 0.00% | - |
| Cash and bank balances | 110,185 | 30.66% | 84,328 | 227.93% | 25,716 | (10.39)% | 28,697 | 41.52% | 20,278 |
| | 1,429,543 | 1.35% | 1,410,539 | 32.98% | 1,060,720 | 34.71% | 787,402 | 21.41% | 648,567 |
| **Total assets** | 2,961,964 | (0.48)% | 2,976,282 | 18.96% | 2,501,897 | 16.81% | 2,141,785 | 3.22% | 2,074,923 |
| **EQUITY AND LIABILITIES** | | | | | | | | | |
| **Equity** | | | | | | | | | |
| Issued, subscribed and paid-up capital | 482,584 | 0.00% | 482,584 | 15.00% | 419,638 | 10.00% | 381,489 | 0.00% | 381,489 |
| Revaluation surplus on property and plant | 240,077 | (12.14)% | 273,254 | 48.85% | 183,580 | 51.43% | 121,233 | (12.52)% | 138,582 |
| Unappropriated profits | 573,887 | 36.81% | 419,483 | (1.95)% | 427,835 | 23.17% | 347,347 | 22.07% | 284,558 |
| | 1,296,548 | 10.31% | 1,175,321 | 13.99% | 1,031,053 | 21.29% | 850,069 | 5.65% | 804,629 |
| **Non-Current Liabilities** | | | | | | | | | |
| Long term finances - secured | - | (100.00)% | 54,530 | (35.35)% | 84,343 | (39.54)% | 139,511 | 51.95% | 91,816 |
| Deferred grant | 89 | (90.49)% | 936 | (47.50)% | 1,783 | (17.15)% | 2,152 | (31.09)% | 3,123 |
| Lease liabilities | 57,402 | 12.24% | 51,140 | (25.57)% | 68,710 | (36.20)% | 107,703 | (44.95)% | 195,660 |
| Deferred tax liabilities - net | 51,592 | 57.17% | 32,825 | 96.39% | 16,714 | (24.52)% | 22,145 | (55.09)% | 49,311 |
| | 109,083 | (21.77)% | 139,431 | (18.72)% | 171,550 | (36.82)% | 271,511 | (20.12)% | 339,910 |
| **Current Liabilities** | | | | | | | | | |
| Employee benefits | 54,081 | 23.65% | 43,738 | 30.88% | 33,418 | (1.65)% | 33,979 | (67.60)% | 104,884 |
| Trade and other payables | 362,325 | (10.32)% | 404,006 | (8.49)% | 441,472 | 113.56% | 206,716 | (12.02)% | 234,954 |
| Contract liabilities | 20,606 | 1.53% | 20,296 | (45.14)% | 36,994 | 528.08% | 5,890 | 25.03% | 4,711 |
| Unclaimed dividend | - | (100.00)% | 3,396 | 15.63% | 2,937 | 6.37% | 2,761 | 1.54% | 2,719 |
| Taxation - net | 3,918 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Short term borrowings | 1,014,596 | (9.76)% | 1,124,271 | 85.27% | 606,842 | 1.98% | 595,040 | 13.30% | 525,209 |
| Current portion of non-current liabilities | 100,807 | 53.15% | 65,823 | (62.94)% | 177,631 | 1.03% | 175,817 | 203.62% | 57,907 |
| | 1,556,333 | (6.33)% | 1,661,530 | 27.88% | 1,299,294 | 27.36% | 1,020,205 | 9.65% | 930,384 |
| | 2,961,964 | (0.48)% | 2,976,282 | 18.96% | 2,501,897 | 16.81% | 2,141,785 | 3.22% | 2,074,923 |

# VERTICAL ANALYSIS

## STATEMENT OF FINANCIAL POSITION

| | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % |
| **ASSETS** | | | | | | | | | | |
| **Non-Current Assets** | | | | | | | | | | |
| Property, plant and equipment | **1,514,771** | 51.14% | 1,546,259 | 52.02% | 1,424,091 | 56.92% | 1,336,883 | 62.42% | 1,408,042 | 67.86% |
| Intangibles | **3,144** | 0.11% | 3,663 | 0.12% | 4,477 | 0.18% | 5,291 | 0.25% | 6,105 | 0.29% |
| Advance for capital expenditure | **-** | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| Long-term deposits | **14,506** | 0.49% | 13,821 | 0.46% | 12,609 | 0.50% | 12,209 | 0.57% | 12,209 | 0.59% |
| | **1,532,421** | 51.74% | 1,565,743 | 52.61% | 1,441,177 | 57.60% | 1,354,383 | 63.24% | 1,426,356 | 68.74% |
| **Current Assets** | | | | | | | | | | |
| Inventories | **607,198** | 20.50% | 586,498 | 19.71% | 469,420 | 18.76% | 442,389 | 20.66% | 297,598 | 14.34% |
| Trade debts | **613,827** | 20.72% | 545,334 | 18.32% | 440,522 | 17.61% | 228,181 | 10.65% | 214,694 | 10.35% |
| Loans and advances | **88,200** | 2.98% | 181,840 | 6.11% | 80,211 | 3.21% | 39,521 | 1.85% | 31,183 | 1.50% |
| Deposits, prepayments and other receivables | **10,133** | 0.34% | 12,539 | 0.42% | 4,611 | 0.18% | 4,722 | 0.22% | 7,381 | 0.36% |
| Taxation - net | **-** | 0.00% | - | 0.00% | 33,116 | 1.32% | 36,767 | 1.72% | 77,433 | 3.73% |
| Short term investments | **-** | 0.00% | - | 0.00% | 7,125 | 0.28% | 7,125 | 0.33% | - | 0.00% |
| Cash and bank balances | **110,185** | 3.72% | 84,328 | 2.83% | 25,715 | 1.03% | 28,697 | 1.34% | 20,278 | 0.98% |
| | **1,429,543** | 48.26% | 1,410,539 | 47.39% | 1,060,720 | 42.40% | 787,402 | 36.76% | 648,567 | 31.26% |
| **Total assets** | **2,961,964** | 100.00% | 2,976,282 | 100.00% | 2,501,897 | 100.00% | 2,141,785 | 100.00% | 2,074,923 | 100.00% |
| **EQUITY AND LIABILITIES** | | | | | | | | | | |
| **Equity** | | | | | | | | | | |
| Share capital | **482,584** | 16.29% | 482,584 | 16.21% | 419,638 | 16.77% | 381,489 | 17.81% | 381,489 | 18.39% |
| Revaluation surplus on property and plant | **240,077** | 8.11% | 273,254 | 9.18% | 183,580 | 7.34% | 121,233 | 5.66% | 138,582 | 6.68% |
| Accumulated profit | **573,887** | 19.38% | 419,483 | 14.09% | 427,835 | 17.10% | 347,347 | 16.22% | 284,558 | 13.71% |
| | **1,296,548** | 43.77% | 1,175,321 | 39.49% | 1,031,053 | 41.21% | 850,069 | 39.69% | 804,629 | 38.78% |
| **Non-Current Liabilities** | | | | | | | | | | |
| Long term finances - secured | **-** | 0.00% | 54,530 | 1.83% | 84,343 | 3.37% | 139,511 | 6.51% | 91,816 | 4.43% |
| Deferred grant | **89** | 0.00% | 936 | 0.03% | 1,783 | 0.07% | 2,152 | 0.10% | 3,123 | 0.15% |
| Lease liabilities | **57,402** | 1.94% | 51,140 | 1.72% | 68,710 | 2.75% | 107,703 | 5.03% | 195,660 | 9.43% |
| Deferred tax liabilities - net | **51,592** | 1.74% | 32,825 | 1.10% | 16,714 | 0.67% | 22,145 | 1.03% | 49,311 | 2.38% |
| | **109,083** | 3.68% | 139,431 | 4.68% | 171,550 | 6.86% | 271,511 | 12.68% | 339,910 | 16.38% |
| **Current Liabilities** | | | | | | | | | | |
| Employee benefits | **54,081** | 1.83% | 43,738 | 1.47% | 33,418 | 1.34% | 33,978 | 1.59% | 104,884 | 5.05% |
| Trade and other payables | **362,325** | 12.23% | 404,008 | 13.57% | 441,472 | 17.65% | 206,718 | 9.65% | 234,954 | 11.32% |
| Contract liabilities | **20,606** | 0.70% | 20,296 | 0.68% | 36,994 | 1.48% | 5,890 | 0.28% | 4,711 | 0.23% |
| Unclaimed dividend | **-** | 0.00% | 3,396 | 0.11% | 2,937 | 0.12% | 2,761 | 0.13% | 2,719 | 0.13% |
| Taxation - net | **3,918** | 0.13% | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| Short term borrowings | **1,014,596** | 34.25% | 1,124,271 | 37.77% | 606,842 | 24.26% | 595,040 | 27.78% | 525,209 | 25.31% |
| Current portion of non-current liabilities | **100,807** | 3.40% | 65,823 | 2.21% | 177,631 | 7.10% | 175,817 | 8.21% | 57,907 | 2.79% |
| | **1,556,333** | 52.54% | 1,661,530 | 55.83% | 1,299,294 | 51.93% | 1,020,205 | 47.63% | 930,384 | 44.84% |
| | **2,961,964** | 100.00% | 2,976,282 | 100.00% | 2,501,897 | 100.00% | 2,141,785 | 100.00% | 2,074,923 | 100.00% |

# HORIZONTAL ANALYSIS

## STATEMENT OF PROFIT OR LOSS



| | 2024 | 24 vs 23 | 2023 | 23 vs 22 | 2022 | 22 vs 21 | 2021 | 21 vs 20 | 2020 |
|---|---|---|---|---|---|---|---|---|---|
| | **Rs. in '000** | % | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 |
| Sales - net | **6,212,186** | 9.19% | 5,689,493 | 13.22% | 5,025,212 | 62.07% | 3,100,689 | 1.53% | 3,053,947 |
| Cost of sales | **(5,436,922)** | 6.40% | (5,109,882) | 14.52% | (4,461,954) | 63.36% | (2,731,442) | (3.62)% | (2,833,957) |
| **Gross profit** | **775,264** | 33.76% | 579,611 | 2.90% | 563,258 | 52.54% | 369,247 | 67.85% | 219,990 |
| Selling expenses | **(163,948)** | 12.34% | (145,944) | (19.50)% | (181,293) | 92.41% | (94,224) | (5.69)% | (99,904) |
| Administrative expenses | **(129,117)** | 5.95% | (121,865) | 8.37% | (112,448) | 12.40% | (100,046) | 4.45% | (95,786) |
| Other expenses | **(28,527)** | 121.17% | (12,898) | 27.04% | (10,153) | (66.27)% | (30,097) | (1.05)% | (30,416) |
| Other income - net | **11,851** | 109.90% | 5,646 | (41.30)% | 9,618 | (29.47)% | 13,636 | (17.20)% | 16,469 |
| Impairment loss on trade debts | **(217)** | (168.67)% | 316 | (136.16)% | (874) | (235.29)% | 646 | (67.36)% | 1,979 |
| **Operating profit** | **465,306** | 52.63% | 304,866 | 13.71% | 268,108 | 68.45% | 159,162 | 1190.64% | 12,332 |
| Finance cost | **(242,551)** | 8.34% | (223,870) | 82.92% | (122,390) | 32.09% | (92,659) | (41.06)% | (157,213) |
| **Profit before taxation & levy** | **222,755** | 175.02% | 80,996 | (44.42)% | 145,718 | 119.11% | 66,503 | (145.90)% | (144,881) |
| Taxation & levy | **(93,812)** | 129.63% | (40,853) | (10.29)% | (45,539) | 123.35% | (20,389) | (149.51)% | 41,181 |
| **Profit after taxation** | **128,943** | 221.21% | 40,143 | (59.93)% | 100,179 | 117.24% | 46,114 | (144.47)% | (103,700) |

# VERTICAL ANALYSIS

## STATEMENT OF PROFIT OR LOSS

| | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % | Rs. in '000 | % |
| Sales - net | 6,212,186 | 100.00% | 5,689,493 | 100.00% | 5,025,212 | 100.00% | 3,100,689 | 100.00% | 3,053,947 | 100.00% |
| Cost of sales | (5,436,922) | (87.52)% | (5,109,882) | (89.81)% | (4,461,954) | (88.79)% | (2,731,442) | (88.09)% | (2,833,957) | (92.80)% |
| **Gross profit** | 775,264 | 12.48% | 579,611 | 10.19% | 563,258 | 11.21% | 369,247 | 11.91% | 219,990 | 7.20% |
| Selling expenses | (163,948) | (2.64)% | (145,944) | (2.57)% | (181,293) | (3.61)% | (94,224) | (3.04)% | (99,904) | (3.27)% |
| Administrative expenses | (129,117) | (2.08)% | (121,865) | (2.14)% | (112,448) | (2.24)% | (100,046) | (3.23)% | (95,786) | (3.14)% |
| Other expenses | (28,527) | (0.46)% | (12,898) | (0.23)% | (10,153) | (0.20)% | (30,097) | (0.97)% | (30,416) | (1.00)% |
| Other income - net | 11,851 | 0.19% | 5,646 | 0.10% | 9,618 | 0.19% | 13,636 | 0.44% | 16,489 | 0.54% |
| Impairment loss on trade debts | (217) | (0.00)% | 316 | 0.01% | (874) | (0.02)% | 646 | 0.02% | 1,979 | 0.06% |
| **Operating profit** | 465,306 | 7.49% | 304,866 | 5.36% | 268,108 | 5.34% | 159,162 | 5.13% | 12,332 | 0.40% |
| Finance cost | (242,551) | (3.90)% | (223,870) | (3.93)% | (122,390) | (2.44)% | (92,659) | (2.99)% | (157,213) | (5.15)% |
| **Profit before taxation & levy** | 222,755 | 3.59% | 80,996 | 1.42% | 145,718 | 2.90% | 66,503 | 2.14% | (144,881) | (4.74)% |
| Taxation & levy | (93,812) | (1.51)% | (40,853) | (0.72)% | (45,539) | (0.91)% | (20,389) | (0.66)% | 41,181 | 1.35% |
| **Profit after taxation** | 128,943 | 2.08% | 40,143 | 0.71% | 100,179 | 1.99% | 46,114 | 1.49% | (103,700) | (3.40)% |

Manufacturers Of Quality PET Bottles & Preforms
Eco Pack Ltd

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of EcoPack Limited will be held on Monday, October 28, 2024 at 11:00 AM at the company's registered office situated at Plot # 112-113, Phase-V, Hattar Industrial Estate, Hattar, District Haripur, Khyber Pakhtunkhwa to transact the following business:

**Ordinary Business:**

1. To confirm the Minutes of the 32nd Annual General Meeting held on October 27, 2023.

2. To receive and adopt the Chairman's Review, Directors' and Auditor's reports together-with Financial Statements of the company for the year ended June 30, 2024, as approved by the Board of Directors in its meeting held on September 27, 2024.

3. To consider and approve the payment of 15% Cash Dividend for the year ended June 30, 2024, as recommended by the Board of Directors.

4. To appoint external auditors and fix their remuneration for the year ending June 30, 2025. The present auditors M/s. A. F. Ferguson & Co., Chartered Accountants, having retired and being eligible, have offered themselves for re-appointment.

5. To transact with the permission of the Chair, any other business which may be transacted at the Annual General Meeting.

**Special Business:**

6. To consider and approve the increase in authorized share capital of the Company from Rs. 500 million to Rs. 1 billion by addition of 50 million shares of Rs. 10/- each.

By order of the Board

**HUSSAIN JAMIL**
Chief Executive Officer

September 27, 2024

# NOTES:

1. **Closure of Shares Transfer Books:**

   The share transfer books of the company will remain closed from October 15, 2024 to October 28, 2024. (Both days inclusive). Transfers received in order at our Share Registrar / Transfer agent M/s THK Associates (Pvt). Ltd. Karachi at the close of business on Monday, October 14, 2024 shall be treated in time for the purpose of Annual General Meeting and entitlement of Dividend if approved by the shareholders.

2. **Participation in General Meeting:**

   A member entitled to attend, and vote may appoint another member as his / her proxy to attend and vote instead of him / her.

   An individual beneficial owner of shares must bring his / her original CNIC or Passport, Account and Participant's I.D. numbers to prove his / her identity. A representative of corporate members must bring the Board of Directors' Resolution and / or Power of Attorney and the specimen signature of the nominee. CDC account holders will further have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

3. **For Appointing Proxies:**

   The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

   Duly completed instrument of proxy, and the other authority under which it is signed, or a notary certified copy thereof, must be lodged with the Company Secretary at the Company's Registered Office (Plot 112-113 Phase 5, Industrial Estate Hattar) at least 48 hours before the time of the Meeting.

4. **Payment of Cash Dividend Electronically (Mandatory Requirement):**

   In accordance with the provisions of Section 242 of the Companies Act and Companies (Distribution of Dividends), Regulation 2017, a listed company, is required to pay cash dividend to the shareholders ONLY through electronic mode directly into the bank account designated by the entitled shareholders. In this regard, EcoPack Limited has already sent letters and Electronic Credit Mandate Forms to the shareholders and issued various notices through publication in newspapers requesting the shareholders to comply with the requirement of providing their International Bank Account Number.

   Those shareholders who have still not provided their IBAN are once again requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of valid CNIC to their respective CDC participant / CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar M/s THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400 (in case of shareholding in Physical Form).

| | |
|---|---|
| **i. Shareholders Details** | |
| Name of the Shareholder(s) | |
| Folio # /CDS Account No(s) | |
| CNIC No (Copy attached) | |
| Mobile / Landline No | |
| **ii. Shareholders' Bank Details** | |
| Title of Bank Account | |
| International Bank Account Number (IBAN) | |
| Bank's Name | |
| Branch's Name and Address | |

In case of non-provision of IBAN, the Company will have to withhold the cash dividend according to SECP directives.

**5. Withholding Tax on Dividend:**

As per Income Tax Ordinance, 2001, withholding tax will be determined separately keeping in view the Active/Non-Active Status of shareholder on the amount of dividend paid by the Company. Shareholders whose names are not entered into the Active Tax Payer List (ATL) provided on the website of Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for entitlement of the cash dividend i.e. October 14, 2024 (if approved by the shareholders); otherwise tax on their cash dividend will be deducted as per law.

**General Guidelines:**

I) For any query/problem/information, the investors may contact the Company and / or the Share Registrar: The Manager, Share Registrar Department, M/s THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400, Telephone Number: 021-35310191-96, email address: aa@thk.com.pk and/ or The Company Secretary, Telephone Number: 051-5974098 email address: a_abdullah@ecopack.com.pk.

II) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas, corporate physical shareholders should send a copy of their NTN certificate to the Company or its Share Registrar i.e. Transfer Agent, M/s THK Associates (Private) Limited. The shareholders while sending NTN or NTN Certificates, as the case may be, must quote Company name and their respective folio numbers.

III) As per the clarification issued by FBR, withholding tax will be determined separately on "Filer/Non-Filer" status of 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 the Registrar and Share Transfer Agent in writing as follows:

| | Principal Shareholder | | | Joint Shareholder(s) | |
|---|---|---|---|---|---|
| Folio / CDC Account No. | Total Shares | Name and CNIC No. | Shareholding Proportion (No. of Shares) | Name and CNIC No. | Shareholding Proportion (No. of Shares) |
| | | | | | |

**6. Submission of the CNIC/NTN details (Mandatory):**

In accordance with the notification of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 83(1)/2012 dated July 5, 2012 and other relevant rules, the electronic dividend warrants should also bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members.

As per Regulation No.4 and 6 of the Companies (Distribution of Dividend) Regulations, 2017, the Company shall be constrained to withhold the payment of dividend to the shareholders, in case of non-availability of identification number (CNIC or National Tax Number) of the Shareholder or authorized person.

Accordingly, the shareholders who have not yet submitted a copy of their valid CNIC or NTN, are once again requested to immediately submit the same to the Company's Share Registrar at M/s THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400, Telephone Number: 021-35310191-96, email address: aa@thk.com.pk

**7. Participation in the AGM vide Video-Link Facility:**

In pursuance of Section 132(2) of companies Act, 2017, modified via SECP's Circular no. 04 of 2021, dated February 15, 2021, the Company will provide the video link facility to all member(s) upon request. The member(s) should submit a request in writing to the Company at least seven days before the date of the meeting.

**8. Deposit of Physical Shares into CDC Account:**

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a 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 Act, i.e., May 30, 2017.

The Shareholders having physical shareholding are encouraged to convert their shares held in Physical Form into Book Entry Form as soon as possible. You may contact your Broker, a PSX Member, CDC Participant, or CDC Investor Account Service to assist you in opening a CDS Account and subsequent induction of the physical shares into Book Entry Form.

Should you need any further information or clarification, please feel free to contact THK Associates (Private) Limited on Tel # 021-35310191-96 or email at info@thk.com.pk

**9. Unclaimed Dividend:**

Shareholders, who by any reason, could not claim their dividends / shares, if any, are advised to contact our Share Registrar to collect / enquire about their unclaimed dividend/shares, if any.

In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

**10. Change of Address:**

The members are also requested to notify change in their address, if any, to our Share Registrar / Transfer Agent, M/s THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400.

**STATEMENT U/S 134(3) OF THE COMPANIES ACT, 2017, WITH RESPECT TO SPECIAL BUSINESS AS CONDUCTED IN THE NOTICE OF ANNUAL GENERAL MEETING TO BE HELD ON OCTOBER 28, 2024.**

**INCREASE IN THE AUTHORISED SHARE CAPITAL**

The share capital of the company is being increased to cater for any future need of issue of capital.

The following resolution will be proposed at the meeting to be passed as Special Resolution, with or without modification, addition(s) or deletion(s), as recommended by the Board of Directors:

Resolved that the authorized Share Capital of the Company be and is hereby increased from Rs. 500 million to Rs. 1 billion by addition of 50 million ordinary shares of Rs. 10/- each.

Further Resolved that alterations in clause V of the Memorandum of Association of the Company be made as under:

The figure and words "Rs. 500,000,000/- (Rupees Five Hundred Million Only) divided into 50,000,000" shall be replaced with the figure and words "Rs. 1,000,000,000/- (Rupees One Billion Only) divided into 100,000,000"

Further Resolved that alterations in clause 7 of Chapter III of the Articles of Association of the Company be made as under:

The figure and words "Rs. 500,000,000/- (Rupees Five Hundred Million Only) divided into 50,000,000" shall be replaced with the figure and words "Rs. 1,000,000,000/- (Rupees One Billion Only) divided into 100,000,000"

**Clause 7 of the Articles of Association of the Company will read as under:**

| | | |
|---|---|---|
| 7. | The Share Capital of the Company is Rs. 1,000,000,000/- (Rs. One billion Only) divided into 100,000,000 Ordinary Shares of Rs. 10/- each. The company shall have powers to Increase or reduce the capital of Company and to divide the shares in the for the time being into several classes. The rights as between various classes of ordinary shares, is any as to profits, votes and other benefits shall be strictly proportionate to the paid-up value of shares. | Share Capital |

A copy of the Memorandum and Articles of Association of the Company is available at the Company's Registered Office for inspection during working hours.

The directors of the Company do not have any interest in the special resolution that would require disclosure.

# CHAIRMAN'S REVIEW REPORT

The politico-economic environment took a bated breath during the second half of the financial year as some of the important milestones of much delayed national elections and eagerly awaited transfer of power to elected representatives took place in an otherwise tumultuous year under review. The new coalition government took the reins of power and promptly renegotiated an IMF package which had been in abeyance during the transition period of the Care-taker dispensation. All things considered, the macro-economic conditions started taking a turn for the better as inflation showed clear signs of receding and hope for interest rate descent became visible for the future. The conflict in the middle-east region, along with the unending Ukraine war, continued to cast its shadow on logistics and kept prices of commodities escalated, particularly crude oil prices.

Your company's management grappled with these challenges, and despite a disappointing Q3 which exacerbated its losses, a motivated senior management team made strenuous efforts at sales and production and, I am pleased to confirm, was able to reverse the 9-months losses whereby the company posted its highest ever profit after tax (PAT) of its history to date. Under the watchful guidance of the Board of directors, your company remained diligent and adhered to the high standards of corporate governance as meetings of the Boards' committees and the Board were held regularly to take stock of the changing and challenging landscape and apply suitable remedies.

The company's well-defined management SOPs were regularly followed and good governance practices were continually advised and adhered to for the larger benefit of all stakeholders. Transparency and robust debate and discussion on the Board has been a vital part of the company's culture and value system. This has always stood your company in good stead and I am confident that it will define EcoPack as an outstanding outlier in its sector of industry, as we progress ahead toward higher growth and profitability

I am pleased to report that the Civil Suit No.1954 of 2022 filed by the incumbent CEO of the company at the Honorable Sindh High Court (SHC) against the company and others, has been withdrawn by the CEO on September 16, 2024, and an order of withdrawal of Suit has been passed by the Honorable SHC on the same date.

On behalf of the Board of Directors, I would like to commend the Management of the company for its positive approach and endeavors to achieve a new milestone in its financial results.

**Asad Ali Sheikh**
Chairman of the Board of Directors
EcoPack Limited.

**Karachi**
September 27, 2024

# چیئرمین جائزہ رپورٹ:

زیر جائزہ ہنگامہ خیز مالی سال کی دوسری ششماہی میں سیاسی اقتصادی منظر نامے نے اس وقت تھوڑا سانس لینا شروع کیا جب انتہائی تاخیر شدہ انتخابات ہونے کے بعد منتخب نمائندوں کو اقتدار کی منتقلی کے سنگ میل عبور ہوئے جن کا شدت سے انتظار کیا جارہا تھا۔

نئی مخلوط حکومت نے اقتدار کی باگ ڈور سنبھالی اور فوری طور پر آئی ایم ایف پیکج پر دوبارہ گفت وشنید کی جو نگران حکومت کے عبوری دور کے دوران التواء کا شکار تھا۔ تمام عوامل کو مد نظر رکھا گیا، افراط زر میں کمی کے واضح آثار نظر آئے اور مستقبل میں شرح سود میں کمی کی امید کے ساتھ معاشی حالات میں بہتری کے آثار نمایاں ہونے لگے۔ مشرق وسطیٰ کے خطے میں تنازعے اور یوکرائن کی نہ ختم ہونے والی جنگ نے لاجسٹکس کو متاثر کرنا جاری رکھا جس کی وجہ سے اشیاء بالخصوص خام تیل کی قیمتوں میں اضافہ ہوا۔

آپ کی کمپنی کی انتظامیہ نے ان چیلنجوں کا مقابلہ کیا اور نقصانات میں اضافے والی مایوس کن تیسری سہ ماہی کے باوجود پر عزم سینئر مینجمنٹ ٹیم نے سیلز اور پروڈکشن میں سخت کوششیں کیں اور مجھے اس بات کی تصدیق کرتے ہوئے خوشی ہورہی ہے کہ کمپنی 9 ماہ کے نقصانات کا ازالہ کرنے میں کامیاب رہی جس کے دوران کمپنی نے اپنی اب تک کی تاریخ کا سب سے زیادہ بعد از ٹیکس نفع حاصل کیا۔ بورڈ آف ڈائریکٹرز کی جو کنار ہنمائی میں، بدلتے ہوئے چیلنجنگ منظر نامے کا جائزہ لینے اور مناسب تدابیر اختیار کرنے کے لیے بورڈ اور بورڈ کی کمیٹیوں کے اجلاس باقاعدگی سے ہوتے رہے اور آپ کی کمپنی مستعد رہتے ہوئے کارپوریٹ گورننس کے اعلیٰ معیارات پر عمل پیرا رہی۔

کمپنی کے اچھی طرح سے وضع شدہ انتظامی SOPs پر باقاعدگی سے عمل کیا گیا اور تمام اسٹیک ہولڈرز کے وسیع تر فائدے کے لیے اچھے انتظامی طریقوں کے بارے میں مسلسل آگاہ کیا گیا اور ان پر عمل کیا گیا۔ بورڈ میں شفافیت اور مضبوط بحث ومباحثہ کمپنی کی ثقافت اور اقدار کے نظام کا ایک اہم حصہ رہا ہے۔ اس چیز نے ہمیشہ آپ کی کمپنی کو اچھی جگہ پر کھڑا کیا ہے اور مجھے یقین ہے کہ جب ہم مزید ترقی اور منافع بخشیت کی سمت میں آگے بڑھیں گے تو یہ ایکوپیک کو اپنے صنعتی شعبے میں ایک ممتاز مقام دلوائے گی۔

مجھے یہ اطلاع دیتے ہوئے خوشی ہورہی ہے کہ کمپنی کے موجودہ چیف ایگزیکٹو افیسر کی طرف سے کمپنی اور دیگر کے خلاف سندھ ہائی کورٹ میں دائر دیوانی مقدمہ نمبر 1954 سال 2022 کو چیف ایگزیکٹو آفیسر نے 16 ستمبر 2024 کو واپس لے لیا ہے، اور اسی تاریخ کو معزز سندھ ہائی کورٹ نے مقدمہ واپس لینے کا حکم جاری کر دیا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے، مالیاتی نتائج میں ایک نیا سنگ میل حاصل کرنے کے لیے کمپنی انتظامیہ کے مثبت نقطہ نظر اور کوششیں قابل تعریف ہیں۔

اسد علی شیخ

چیئرمین بورڈ آف ڈائریکٹرز، ایکوپیک لمیٹڈ

کراچی

27 ستمبر 2024

# DIRECTORS' REPORT

The Board of Directors of EcoPack Limited is pleased to present its Directors' Report and the audited annual financial statements along with the Auditors Report thereon, for the financial year ended June 30, 2024:

## OVERVIEW

Despite the continuing high inflationary environment and adverse macro-economic challenges faced by the country throughout the outgoing FY 2024, your company was able to reverse the losses incurred during the first 9-months which were especially exacerbated in the penultimate 3QFY24. The last quarter of the year comprising the peak summer months, however, witnessed high production and sales as both inflation and interest rates began a gradual descent from the historic highs seen in the earlier part of the year under review.

Your company's management, under the guidance of its board, took up the challenge and made strenuous all-round efforts to enhance production and sales of its products, while sensibly mitigating costs and rationalizing prices to achieve a much-needed turnaround in profitability. With the help of strong bottle sales in the 4th quarter mainly, your company was able to post a 'profit after tax' (PAT) of Rs. 128.9 million for the year, thereby reversing the earlier 9-month 'loss after tax' of Rs 30.1 million – a sharp swing in profit of over Rs 159 million. Your management was, however, very proactive and diligent in ensuring considerable cost-cutting in expenses and suitable adjustments in prices on account of justifiable price increases to ameliorate the runaway inflation. This was necessary to cover the exponential rise in interest rates, electricity rates and truck-freight charges, among other COGS increments such as manpower salaries and minimum wages, etc., impacting it in the outgoing financial year.

## SALES & FINANCIAL HIGHLIGHTS

A Summarized Profit & Loss statement for the year ended June 30, 2024 is hereby appended below:

| ***PKR in million except EPS*** | **FY 2024** | FY 2023 |
|---|---|---|
| Gross Revenue | **7,333** | 6,694 |
| Net Revenue | **6,212** | 5,689 |
| Gross Profit | **775** | 580 |
| GP as % of Net Revenue | **12%** | 10% |
| Operating Profit | **465** | 305 |
| EBITDA | **636** | 454 |
| Net Profit | **129** | 40 |
| Earnings Per Share (PKR) | **2.67** | 0.83 |

We are pleased to apprise you that we have achieved the highest ever topline revenue of EcoPack's history in FY2024. Sales revenue increased by 9% from Rs. 5.7 billion to Rs. 6.2 billion as compared to last year. The major factors of this significant growth are: (i) the enhanced sales volumes of bottles by 17% as compared to the FY 2023 and (ii) enhanced sale pricing to mitigate and absorb various cost push factors. Accordingly, production volumes also increased, thereby, enhancing capacity utilization to an all-time high of 67% in Bottles from 57% last year and 65% in Preforms from 59% last year. Besides other cost escalating factors, electricity costs also substantially increased by 36% in per unit terms, i.e., an increase from Rs. 32.01/unit to Rs. 43.64/unit. Despite the tough economic conditions in Pakistan, and huge inflationary headwinds,

your management team has succeeded in passing these cost push factors in a positive trajectory. Despite turbulent economic conditions in Pakistan, your company succeeded in achieving a gross profit of Rs. 775.3 million against a gross profit of Rs. 579.6 million YoY, witnessing a substantial growth of 34%. Similarly, Operating Profit reflects a growth of 53% i.e., an increase of Rs. 160.4 million from Rs. 304.8 million last year to Rs. 465.3 million during the year under review.

Financial charges increased from Rs. 223.8 million to Rs. 242.5 million, an increase of 8%, mainly on account of enhanced business activity and the commensurate additional working capital utilized during the year. Despite such higher utilization of working capital due to increased activity and comparatively higher cost of raw and packing materials, the financial cost was partially controlled due to efficient management of working capital finance. The SBP 'discount rate' remained high as compared to FY23, leading to higher interest rates in the year under review. Average three-month KIBOR increased from 19.04% last year to 21.85% during FY24, an increase of 15%.

Profit before tax (PBT) has been recorded at Rs. 222.7 million against a PBT of Rs. 80.9 million last year, an increase of 175%, i.e., improvement of Rs. 141.7 million. Accordingly, we have achieved a Profit after tax (PAT) of Rs. 128.9 million against a PAT of Rs. 40.1 million last year. This is the highest ever PAT result attained in the history of the company.

Earnings per share (basic and diluted) for FY24 are Rs. 2.67 per share against earnings per share of Rs. 0.83 per share for the previous corresponding year.

## FUTURE OUTLOOK

As inflation is widely expected to decrease on the back of lower anticipated interest rates, as well as a declining trend in crude oil prices internationally, the purchasing power of the mass consumers is likely to improve. Consequently, consumption of soft-drinks and bottled water is expected to grow significantly in a country with long summers and a rapidly rising young and mobile population, eager to quench its thirst. Hence, significant expansions are currently underway to augment the filling capacities of plants of both international and national companies and brands.

Your company too, needs to monitor and keep abreast of this growth challenge by evaluating suitable investments in its production capacity and output, to cater to both current and new customers in a fast-expanding F&B industry.

Such timely and well considered steps will ensure its leadership in key profitable segments of a robust and dynamic, growth-oriented beverage industry.

Your company is also seriously exploring alternate measures to reduce significant increases in energy costs, as well as finding solutions for cheaper packing materials and cost-effective logistics. These are essential targets in order to remain cost competitive as customers look for growth by keeping their retail prices affordable for consumers.

## RISKS

Macro-economic uncertainty and political instability in the country continue to be the key concerns for businesses and consumers alike. While the rate of inflation is coming down in tandem with bank interest rates, devaluation of the PKR against hard currencies has an inherent inflationary driver, which could compel companies to increase prices of their products and services. This could in turn erode the purchasing power of the general public and impact consumption adversely.

Conflict in the middle-eastern region has the potential to escalate and disrupt logistics & shipping rates, as well as add volatility to crude oil prices. Since petroleum products are the country's single biggest import, such an eventuality can spell adverse consequences on Pakistan's economy which is trying to make a brave recovery despite multiple challenges on various fronts. It is imperative for all stakeholders to reach a minimum consensus to ensure stability and adherence to good governance for a critical and urgent economic revival.


## OTHER MATTERS

Suit No. 1954 of 2022 at Sindh High Court:

The instant suit was filed by Mr. Hussain Jamil (the incumbent Chief Executive Officer of the Company) against the Company and others before the Honorable High Court of Sindh ("SHC"). Through this suit, Mr. Jamil, inter alia, challenged his alleged illegal removal as the Chief Executive Officer of the Company and violations of takeover laws by certain persons. The suit was, however, withdrawn by Mr. Jamil on September 16, 2024, and an order regarding the withdrawal was passed by the SHC on the same date.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

**ASAD ALI SHEIKH**
DIRECTOR
**September 27, 2024**

**HUSSAIN JAMIL**
CHIEF EXECUTIVE OFFICER

آپ کی کمپنی توانائی کے اخراجات میں نمایاں اضافے کو کم کرنے کے سنجیدگی سے متبادل اقدامات تلاش کر رہی ہے اور اس کے ساتھ ساتھ سستے پیکنگ مواد اور موثر لاگت لاجسٹکس کے حل تلاش کر رہی ہے۔ لاگت میں مسابقتی رہنے کے لیے یہ ضروری اہداف ہیں کیونکہ ہمارے صارفین اپنی خوردہ قیمتوں کو اپنے صارفین کے لیے قابل استطاعت رکھ کر ترقی کے خواہاں ہیں۔

## خطرات

ملک میں میکرو اکنامک غیر یقینی صورتحال اور سیاسی عدم استحکام کاروبار اور صارفین دونوں کے لیے یکساں طور پر اہم خدشات بنے ہوئے ہیں۔ اگرچہ افراط زر کی شرح بینک کی شرح سود کے ساتھ نیچے آ رہی ہے، مضبوط کرنسیوں کے مقابلے میں پاکستانی روپے کی قدر میں کمی ایک موروثی افراط زر کا محرک ہے جو کمپنیوں کو اپنی مصنوعات اور خدمات کی قیمتوں میں اضافہ کرنے پر مجبور کر سکتی ہے۔ اس کے نتیجے میں عام لوگوں کی قوت خرید میں کمی واقع ہو سکتی ہے اور کھپت پر منفی اثر پڑ سکتا ہے۔

مشرق وسطیٰ کے خطے میں تنازعات لاجسٹکس اور شپنگ کے نرخوں میں اضافے اور خلل ڈالنے کے ساتھ ساتھ خام تیل کی قیمتوں میں اتار چڑھاؤ بڑھا سکتے ہیں۔ چونکہ پیٹرولیم مصنوعات ملک کی واحد سب سے بڑی درآمدات ہیں، لہذا ایسی صورت حال پاکستان کی معیشت پر منفی اثرات مرتب کر سکتی ہے جو مختلف محاذوں پر متعدد چیلنجوں کے باوجود بہادری سے بحالی کی کوشش کر رہی ہے۔ تمام اسٹیک ہولڈرز کے لیے ضروری ہے کہ وہ ایک اہم اور فوری معاشی بحالی کے لیے استحکام اور گڈ گورننس کی پابندی کو یقینی بنانے کے لیے کم از کم اتفاق رائے تک پہنچیں۔

## دیگر معاملات

### سندھ ہائی کورٹ میں مقدمہ نمبر 1954 سال 2022:

مقدمہ ہذا جناب حسین جمیل (کمپنی کے موجودہ چیف ایگزیکٹو آفیسر) نے کمپنی و دیگران کے خلاف معزز سندھ ہائی کورٹ ("SHC") میں دائر کیا تھا۔ اس مقدمے کے ذریعے، دیگر چیزوں کے علاوہ، جناب جمیل نے کمپنی کے چیف ایگزیکٹو آفیسر کے طور پر انکی مبینہ غیر قانونی برطرفی اور چند افراد کی جانب سے ٹیک اوور کے قوانین کی خلاف ورزیوں کو چیلنج کیا تھا۔ تاہم جناب جمیل نے مورخہ 16 ستمبر 2024 کو مقدمہ واپس لے لیا تھا جس پر SHC نے اسی دن مقدمہ واپس لیے جانے کا حکم جاری کر دیا تھا۔

**بورڈ آف ڈائریکٹرز کی جانب سے**

| | |
|---|---|
| حسین جمیل | اسد علی شیخ |
| چیف ایگزیکٹو آفیسر | ڈائریکٹر |
| | 27 ستمبر 2024 |

ہمیں آپ کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ ہم نے مالی سال 2024 میں ایکو پیک کی تاریخ کی سب سے زیادہ قبل از ٹیکس آمدن حاصل کی ہے۔ گذشتہ سال 5.7 بلین روپے کی آمدن کی نسبت اس سال 9 فیصد اضافے کے بعد 6.2 بلین روپے کی آمدن ہوئی۔ اس نمایاں نمو کے اہم عوامل یہ ہیں: (i) مالی سال 2023 کے مقابلے میں بوتلوں کی فروخت کے حجم میں 17 فیصد اضافہ اور (ii) قیمت کے مختلف عوامل کو کم کرنے اور جذب کرنے کے لیے فروخت کی قیمتوں میں اضافہ۔ اس کے مطابق پیداواری حجم میں بھی اضافہ ہوا جس سے بوتلوں اور پریفارمز کی پیداواری گنجائش کا استعمال بالترتیب اب تک کی بلند ترین سطحوں 67 فیصد اور 65 فیصد تک لے جایا گیا جو گزشتہ سال بالترتیب 57 فیصد اور 59 فیصد تھا۔ لاگت میں اضافے کے دیگر عوامل کے علاوہ، بجلی کی قیمتوں میں بھی 36 فیصد اضافہ کے ساتھ فی یونٹ قیمت 32.01 روپے سے بڑھ کر 43.64 روپے فی یونٹ ہو گئی۔ پاکستان میں سخت معاشی حالات اور مہنگائی کی شدید لہروں کے باوجود، آپ کی انتظامی ٹیم لاگت کے ان عوامل کو مثبت انداز میں منتقل کرنے میں کامیاب ہوئی ہے۔ پاکستان میں تلاطم خیز معاشی حالات کے باوجود، آپ کی کمپنی گذشتہ سال کے 579.6 ملین روپے کے مجموعی نفع کی نسبت اس سال 775.3 ملین روپے کا مجموعی منافع حاصل کرنے میں کامیاب رہی اور اس طرح 34 فیصد کی نمایاں نمو دیکھنے میں آئی۔ اسی طرح، آپریٹنگ نفع میں 53 فیصد کا اضافہ دیکھنے میں آیا یعنی گذشتہ سال کے 304.8 ملین روپے کی نسبت، زیر جائزہ سال میں 160.4 ملین روپے کے اضافے سے 465.3 ملین روپے کا نفع ہوا۔

مالیاتی چارجز 8 فیصد اضافے کے بعد 223.8 ملین روپے سے بڑھ کر 242.5 ملین روپے ہو گئے جس کی بنیادی وجہ کاروباری سرگرمی میں اضافہ اور سال کے دوران اس کے مساوی اضافی ورکنگ کیپیٹل کا استعمال تھا۔ اضافی کاروباری سرگرمی اور خام و پیکنگ میٹریلز کی نسبتاً زیادہ لاگت کی وجہ سے ورکنگ سرمایہ کے زیادہ استعمال کے باوجود، ورکنگ کیپیٹل فنانس کے موثر استعمال کی بدولت مالیاتی لاگت کو جزوی طور پر کنٹرول کیا گیا۔ مالی سال 2023 کی نسبت، اس سال SBP کا 'ڈسکاونٹ ریٹ' بلند سطح پر رہا جس کی وجہ سے زیر جائزہ سال میں شرح سود زیادہ رہی۔ تین ماہ کا اوسط KIBOR گذشتہ سال کے 19.04 فیصد سے بڑھ کر مالی سال 2024 میں 21.85 فیصد رہا اور اس طرح 15 فیصد کا اضافہ دیکھنے میں آیا۔

قبل از ٹیکس نفع، گذشتہ مالی سال کے 80.9 ملین روپے کی نسبت امسال 222.7 ملین روپے ریکارڈ کیا گیا ہے جو کہ 175٪ اضافہ تھا یعنی 141.7 ملین روپے کی بہتری دیکھنے میں آئی۔ اسی طرح، ہم نے بعد از ٹیکس، 128.9 ملین روپے کا نفع حاصل کیا جو کہ گذشتہ سال 40.1 ملین روپے تھا۔ یہ کمپنی کی تاریخ میں حاصل ہونے والا سب سے زیادہ بعد از ٹیکس نفع ہے۔

مالی سال 2024 کے لیے فی حصص (basic & diluted) آمدنی، 2.67 روپے فی حصص ہے جو کہ گذشتہ مساوی سال کے دوران 0.83 روپے فی حصص تھی۔

## مستقبل کے امکانات

چونکہ کم متوقع شرح سود کی وجہ سے افراط زر میں بڑے پیمانے پر کمی کی توقع ہے اور بین الاقوامی سطح پر خام تیل کی قیمتوں میں کمی کا رجحان ہے، لہذا بڑے پیمانے پر صارفین کی قوت خرید میں اضافے کا امکان ہے۔ نتیجتاً، طویل گرمیوں اور اپنی پیاس کو بجھانے کے لیے بے تاب، تیزی سے بڑھتی ہوئی نوجوان اور موبائل آبادی والے ملک میں سافٹ ڈرنکس اور بوتل بند پانی کی کھپت میں نمایاں اضافہ متوقع ہے۔ لہذا، فی الحال بین الاقوامی اور قومی کمپنیوں و برانڈز کے پلانٹس کی بھرنے کی گنجائش میں اضافے کے لیے نمایاں توسیع جاری ہے۔

آپ کی کمپنی کو بھی اس ترقی کے چیلنج کا جائزہ لینے اور اپنی پیداوار کی صلاحیت اور پیداوار میں موزوں سرمایہ کاری کا اندازہ لگانے کی ضرورت ہے تاکہ وہ تیزی سے ترقی کرتی ہوئی فوڈ اینڈ بیوریجز (F&B) صنعت میں موجودہ اور نئے صارفین کی ضروریات کو پورا کر سکے۔

اس طرح کے بروقت اور اچھی طرح سوچے سمجھے اقدامات ایک مضبوط و متحرک، ترقی کرتی ہوئی مشروبات کی صنعت کے اہم منافع بخش حصوں میں اس کی قیادت کو یقینی بنائیں گے۔

# ڈائریکٹرز رپورٹ :

ایکوپیک لمیٹڈ کے بورڈ آف ڈائریکٹرز کو 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے ڈائریکٹرز رپورٹ اور آڈٹ شدہ سالانہ مالیاتی گوشواروں کے ساتھ آڈیٹرز کی رپورٹ کو انتہائی مسرت سے پیش کیا جا رہا ہے:

## جائزہ

ختم ہونے والے مالی سال 2024 کے دوران مسلسل بلند افراط زر کے ماحول اور ملک کو درپیش منفی میکرو اکنامک چیلنجز کے باوجود، آپ کی کمپنی پہلے 9 مہینوں کے دوران ہونے والے ان نقصانات کو پورا کرنے میں کامیاب رہی جو خاص طور پر مالی سال 2024 کی تیسری سہ ماہی میں بڑھ گئے تھے۔ سال کی آخری سہ ماہی جو موسم گرما کے عروج کے مہینوں پر مشتمل ہے، میں زیادہ پیداوار اور فروخت کا مشاہدہ کیا گیا کیونکہ زیر جائزہ سال کے اولین حصے میں نظر آنے والی افراط زر اور شرح سود دونوں کی تاریخی بلندیوں سے بتدریج نیچے واپسی شروع ہو گئی تھی۔

آپ کی کمپنی کی انتظامیہ نے، اپنے بورڈ کی رہنمائی میں چیلنج کو قبول کیا اور اپنی مصنوعات کی پیداوار اور فروخت بڑھانے کے لیے ہر محاذ پر بھرپور کوششیں کیں، جبکہ سمجھداری سے لاگت کو کم کیا اور قیمتوں کو معقول بنایا تاکہ منافع کی انتہائی ضروری درکار سطح پر واپس آیا جا سکے۔ بنیادی طور پر چوتھی سہ ماہی میں بوتلوں کی مضبوط فروخت کی مدد سے آپ کی کمپنی 128.9 ملین روپے کا بعد از ٹیکس منافع حاصل کر کے پچھلے نو مہینوں میں ہونے والے 30.1 ملین روپے کے 'بعد از ٹیکس نقصان' کا ازالہ کرنے میں کامیاب رہی اور اس طرح 159 ملین روپے سے زیادہ کا نفع حاصل ہوا۔ تاہم، آپ کی انتظامیہ مہنگائی کو کم کرنے کے لیے اخراجاتی لاگت میں کمی اور قیمتوں میں معقول اضافے کی مد میں مناسب ایڈجسٹمنٹ کو یقینی بنانے میں بہت فعال اور مستعد تھی۔ یہ ختم ہونے والے مالی سال پر اثر انداز ہونے والے دیگر COGS اضافوں مثلاً افرادی قوت کی تنخواہوں اور کم از کم اجرت وغیرہ میں اضافے کے ساتھ ساتھ شرح سود، بجلی کی قیمتوں اور ٹرک فریٹ چارجز میں غیر معمولی اضافے کو پورا کرنے کے لیے ضروری تھا۔

## فروخت اور مالیات کے اہم نقاط

مورخہ 30 جون 2024 کو ختم ہونے والے سال کے نفع و نقصان کا خلاصہ ذیل میں دیا گیا ہے:

| ملین میں پاکستانی روپے ماسوائے EPS | مالی سال 2024 | مالی سال 2023 |
|---|---|---|
| مجموعی ریونیو | 7,333 | 6,694 |
| صافی ریونیو | 6,212 | 5,689 |
| مجموعی نفع | 775 | 580 |
| مجموعی ریونیو کے % کے طور پر GP | 12٪ | 10٪ |
| آپریٹنگ نفع | 465 | 305 |
| EBITDA | 636 | 454 |
| صافی نفع | 129 | 40 |
| فی حصص آمدن (پاکستانی روپے میں) | 2.67 | 0.83 |

Manufacturers Of Quality PET Bottles & Preforms

Eco Pack Ltd

# ANNEXURE "A"

## TO THE DIRECTORS REPORT
## "SIX YEARS AT A GLANCE:

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|---|
| **Assets employed:** | | | | | | |
| Property, plant and equipment | **1,514,771** | 1,548,259 | 1,424,091 | 1,336,883 | 1,408,042 | 1,426,872 |
| Intangibles and others | **17,650** | 17,484 | 17,086 | 17,500 | 18,314 | 36,973 |
| Current Assets | **1,429,543** | 1,410,539 | 1,060,720 | 787,402 | 648,567 | 1,067,725 |
| | **2,961,964** | 2,976,282 | 2,501,897 | 2,141,785 | 2,074,923 | 2,531,570 |
| **Assets financed by:** | | | | | | |
| Shareholders' equity including revaluation surplus | **1,296,548** | 1,175,321 | 1,031,053 | 850,069 | 804,629 | 907,422 |
| Long term finances | **57,402** | 105,670 | 153,053 | 247,214 | 287,476 | 267,303 |
| Employee benefits | **54,081** | 43,738 | 33,418 | 33,979 | 104,884 | 126,996 |
| Deffered Liabilities | **51,681** | 33,761 | 18,497 | 24,297 | 52,434 | 129,234 |
| Short term finances | **1,115,403** | 1,190,094 | 784,473 | 770,857 | 583,116 | 894,636 |
| Other current liabilities | **386,849** | 427,698 | 481,403 | 215,369 | 242,384 | 205,979 |
| | **2,961,964** | 2,976,282 | 2,501,897 | 2,141,785 | 2,074,923 | 2,531,570 |
| **Profit & Loss:** | | | | | | |
| Sales | **6,212,186** | 5,689,493 | 5,025,212 | 3,100,689 | 3,053,947 | 4,074,873 |
| Cost of Sales | **5,436,922** | 5,109,882 | 4,461,954 | 2,731,442 | 2,833,957 | 3,640,879 |
| *Gross Profit* | **775,264** | 579,611 | 563,258 | 369,247 | 219,990 | 433,994 |
| Operating expenses | **309,958** | 274,745 | 295,150 | 210,085 | 207,658 | 198,075 |
| *Operating profit* | **465,306** | 304,866 | 268,108 | 159,162 | 12,332 | 235,919 |
| Financial charges | **242,551** | 223,870 | 122,390 | 92,659 | 157,213 | 127,088 |
| *Net profit / (loss) before taxation* | **222,755** | 80,996 | 145,718 | 66,503 | (144,881) | 108,831 |
| Taxation | **93,812** | 40,853 | 45,539 | 20,389 | (41,181) | 34,020 |
| *Net profit / (loss) after taxation* | **128,943** | 40,143 | 100,179 | 46,114 | (103,700) | 74,811 |
| **Other comprehensive income and Transactions with owners:** | | | | | | |
| Other comprehensive income | **(7,716)** | 104,125 | 80,805 | (674) | 18,247 | (305) |
| Bonus shares | **0%** | 0% | 15% | 10% | 0% | 10% |
| Cash dividend | **15%** | 0% | 0% | 0% | 0% | 5% |
| **Key Financial Ratios:** | | | | | | |
| Gross profit | **12.48%** | 10.19% | 11.21% | 11.91% | 7.20% | 10.65% |
| Operating profit | **7.49%** | 5.36% | 5.34% | 5.13% | 0.40% | 5.79% |
| Profit before tax to net sales | **3.59%** | 1.42% | 2.90% | 2.14% | -4.74% | 2.67% |
| Return on capital employed | **31.88%** | 22.44% | 21.69% | 13.77% | 0.99% | 16.49% |
| Fixed assets turnover (times) | **4.05** | 3.63 | 3.49 | 2.29 | 2.14 | 2.78 |
| Debt equity ratio | **11:89** | 13:87 | 24:76 | 33:67 | 36:64 | 23:77 |
| Current ratio | **0.92** | 0.85 | 0.82 | 0.77 | 0.70 | 0.87 |
| Earnings per share | **2.67** | 0.83 | 2.39 | 1.21 | (2.72) | 1.96 |

# ANNEXURE "B"

## TO THE DIRECTORS' REPORT
## COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE:

### STATEMENT OF DIRECTORS RESPONSIBILITIES

1. The financial statements prepared by the management present fairly its state of affairs, the results of its operations, cash-flows, and changes in equity.
2. Proper books of accounts have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International financial reporting standards, as applicable in Pakistan have been followed in preparation of financial statements and any departure there-from has been adequately disclosed and explained.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts on the Company's ability to continue as a going concern.
7. There has been no departure from the best practice of corporate governance, as detailed in the listing regulations.

### OTHER DISCLOSURES

1. Key operating and financial data for the last six years in summarized form is attached with the directors' report as Annexure "A".
2. There are no outstanding statutory payments on account of taxes, levies and charges except of normal and routine nature.
3. The company operates a contributory provident funded scheme for its management employees and defined benefit gratuity funded scheme for its non-management employees. The value of investments as at June 30, 2024 are as follows:

| | |
|---|---|
| • Provident Fund Rs. 17.65 million | • Gratuity Fund Rs. 0.62 million |

4. The Company's business activities have no apparent negative impacts on the environment.
5. In respect of "Corporate Social Responsibility" (CSR), please refer note No. 32 of the financial statements for the year ended June 30, 2024.
6. The Board of Directors in its meeting held on September 27, 2024 is pleased to recommend the payment of Cash Dividend for the year ended June 30, 2024 subject to approval by shareholders of the Company at the forthcoming Annual General Meeting.
7. The Composition of Board is as follows:

   a. Male : 05

   b. Female : 02

8. The composition of Board is as follows:

a) **Independent Directors**

(1) Mr. Ameen Jan (2) Mr. Zohair Ashir

b) **Non-executive Directors**

(1) Mr. Asad Ali Sheikh (2) Mr. Ali Jamil

(c) **Executive Director**

Mr. Hussain Jamil (Chief Executive Officer)

(d) **Female Directors**

(1) Ms. Sonya Jamil (Non-Executive Director)

(2) Ms. Laila Jamil (Non-Executive Director)

9. Board has approved the Remuneration Policy of Directors; significant features are as follows:

- The Board of Directors ("BOD") shall, from time to time, determine and approve the remuneration of the members of the BOD for attending Board Meetings. Such level of remuneration shall be appropriate and commensurate with the level of responsibility and expertise offered by the members of the BOD and shall be aimed at attracting and retaining members needed to govern the Company successfully and creating value addition.
- No single member of the BOD shall determine his/her own remuneration.
- The fee is paid to Directors (independent and non-executive) for attending the Board and Committee meetings and the same has been approved by the Board. They are also entitled to obtain reimbursement of expenses incurred on account of boarding, lodging, and travelling to attend such meetings. The total amount of money paid to the Directors during the year is indicated in **note No. 44** of the attached financial statements.

10. The Board has formed committees comprising of members given below:

**A.1) Audit Committee (Prevailing)**

| | | | |
|---|---|---|---|
| (1) | Mr. Ameen Jan | - | Chairman |
| (2) | Mr. Asad Ali Sheikh | - | Member |
| (3) | Mr. Ali Jamil | - | Member |
| (4) | Ms. Sonya Jamil | - | Member |

**A.2) Audit Committee (Former)**

| | | | |
|---|---|---|---|
| (1) | Mr. Ameen Jan | - | Chairman |
| (2) | Mr. Arif Ahmed Siddiqui | - | Member |
| (3) | Mr. Omer Tariq | - | Member |
| (4) | Ms. Sonya Jamil | - | Member |

**B.1) Human Resource and Remuneration (HR & R) Committee (Prevailing)**

| | | | |
|---|---|---|---|
| (1) | Mr. Zohair Ashir | - | Chairman |
| (2) | Mr. Hussain Jamil | - | Member |
| (3) | Mr. Ameen Jan | - | Member |
| (4) | Ms. Sonya Jamil | - | Member |
| (5) | Ms. Laila Jamil | - | Member |

**B.2) Human Resource and Remuneration (HR & R) Committee (Former)**

| | | | |
|---|---|---|---|
| (1) | Mr. Junaid Hameed Dagia | - | Chairman |
| (2) | Mr. Arif Ahmed Siddiqui | - | Member |
| (3) | Mr. Omer Tariq | - | Member |
| (4) | Ms. Sonya Jamil | - | Member |

11. During the year, 06 board of Directors, 06 Audit Committee & 05 HR & Remuneration Committee Meetings were held, and the attendance of each director is given below:

**A.1) Board of Directors Meetings (Prevailing):-**

The prevailing directors did not hold any meeting in the FY24 as the new Board was formed after the year-end date.

**A.2) Board of Directors Meetings (Former):-**

| Name of Directors | No. of Meetings Attended |
|---|---|
| Mr. Muhammad Kamran Nasir | 06 |
| Mr. Hussain Jamil | 06 |
| Mr. Ameen Jan | 04 |
| Mr. Junaid Hameed Dagia | 05 |
| Mr. Omer Tariq | 06 |
| Mr. Arif Ahmed Siddiqui | 06 |
| Ms. Sonya Jamil | 06 |

**B.1) Audit Committee Meetings (Prevailing):-**

The prevailing committee members did not hold any meeting in the FY24 as they were appointed after the year-end date.

**B.2) Audit Committee Meetings (Former):-**

| Name of Members | No. of Meetings Attended |
|---|---|
| Mr. Ameen Jan | 06 |
| Mr. Arif Ahmed Siddiqui | 06 |
| Mr. Omer Tariq | 06 |
| Ms. Sonya Jamil | 06 |

**C.1) Human Resource & Remuneration Committee Meetings (Prevailing):-**

The prevailing committee members did not hold any meeting in the FY24 as they were appointed after the year-end date.

**C.2) Human Resource & Remuneration Committee Meetings (Former):-**

| Name of Members | No. of Meetings Attended |
|---|---|
| Mr. Junaid Hameed Dagia | 05 |
| Mr. Arif Ahmed Siddiqui | 05 |
| Mr. Omer Tariq | 05 |
| Ms. Sonya Jamil | 05 |

12. Trading of shares by Directors, Spouse of a Director, Chief Executive Officer, Chief Financial Officer & Secretary of the Company during the year 2023-2024 is as under:

| Name | Designation | No. of Shares Acquired / (Sold) |
|---|---|---|
| Mr. Asad Ali Sheikh | Director | Nil |
| Mr. Zohair Ashir | Director | Nil |
| Mr. Muhammad Kamran Nasir | Director | Nil |
| Mr. Hussain Jamil | Chief Executive Officer | Nil |
| Mrs. Deborah Jamil | Spouse (Chief Executive Officer) | Nil |
| Mr. Ameen Jan | Director | Nil |
| Mr. Ali Jamil | Director | Nil |
| Ms. Laila Jamil | Director | Nil |
| Mr. Junaid Hameed Dagia | Director | Nil |
| Mr. Omer Tariq | Director | Nil |
| Mr. Arif Ahmed Siddiqui | Director | Nil |
| Ms. Sonya Jamil | Director | Nil |
| Mr. Muhammed Ali Adil | Chief Financial Officer | Nil |
| Mr. Ali Abdullah | Company Secretary | Nil |

**KEY MANAGEMENT PERSONNEL CHANGES:**

During the year 2023-2024, Mr. Awais Imdad resigned as the Company Secretary & Head of Internal Audit and was replaced by Mr. Ali Abdullah as the new Company Secretary & Head of Internal Audit.

**BOARD CHANGES:**

There were no changes in the composition of the Board during the year 2023-2024. However, post year-end, four of the directors resigned from their position and new directors were co-opted to fill the casual vacancy(ies) created by the resigning directors.

**AUDITORS:**

Auditors M/s A. F. Ferguson & Co., Chartered Accountants were appointed as auditors for the year ended June 30, 2024. The Board of Directors recommended the suggestion of the Audit Committee, to the 33rd AGM, for the appointment of M/s A. F. Ferguson & Co. Chartered Accountants as Auditors of the Company for the year ending June 30, 2025.

For & on behalf of the Board of Directors

**ASAD ALI SHEIKH**
DIRECTOR
September 27, 2024

**HUSSAIN JAMIL**
CHIEF EXECUTIVE OFFICER

| حصص کی تعداد خرید کردہ/(فروخت کردہ) | عہدہ | نام |
|---|---|---|
| کوئی نہیں | ڈائریکٹر | جناب اسد علی شیخ |
| کوئی نہیں | ڈائریکٹر | جناب زوبیر عاشر |
| کوئی نہیں | ڈائریکٹر | جناب محمد کامران ناصر |
| کوئی نہیں | چیف ایگزیکٹو آفیسر | جناب حسین جمیل |
| کوئی نہیں | شریک حیات (چیف ایگزیکٹو آفیسر) | مسز ڈیبورا جمیل |
| کوئی نہیں | ڈائریکٹر | جناب امین جان |
| کوئی نہیں | ڈائریکٹر | جناب علی جمیل |
| کوئی نہیں | ڈائریکٹر | محترمہ لیلیٰ جمیل |
| کوئی نہیں | ڈائریکٹر | جناب جنید حمید ڈاگیا |
| کوئی نہیں | ڈائریکٹر | جناب عمر طارق |
| کوئی نہیں | ڈائریکٹر | جناب عارف احمد صدیقی |
| کوئی نہیں | ڈائریکٹر | محترمہ سونیا جمیل |
| کوئی نہیں | چیف فنانشل آفیسر | جناب محمد علی عادل |
| کوئی نہیں | کمپنی سیکریٹری | جناب علی عبداللہ |

## کلیدی انتظامی عملے کی تبدیلیاں

سال 2023–2024 کے دوران، جناب اویس امداد نے کمپنی سیکریٹری اور داخلی آڈٹ کے سربراہ کے عہدے سے استعفیٰ دے دیا اور ان کی جگہ جناب علی عبداللہ کو نئے کمپنی سیکریٹری اور داخلی آڈٹ کے سربراہ کے عہدے پر تعینات کیا گیا۔

## بورڈ میں تبدیلیاں

سال 2023–2024 کے دوران بورڈ کی تشکیل میں کوئی تبدیلی نہیں کی گئی۔ تاہم، سال کے اختتام کے بعد، چار ڈائریکٹرز نے اپنے عہدے سے استعفیٰ دے دیا اور استعفیٰ دینے والے ڈائریکٹرز کی طرف سے پیدا کی گئی عارضی خالی آسامیوں کو پر کرنے کے لیے نئے ڈائریکٹرز کا انتخاب کیا گیا۔

## آڈیٹرز:

آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 30 جون 2024 کو ختم ہونے والے سال کے لیے آڈیٹر مقرر کیا گیا تھا۔ بورڈ آف ڈائریکٹرز نے 33ویں سالانہ عام اجلاس کو 30 جون 2025 کو ختم ہونے والے سال کے لیے میسرز اے ایف فرگوسن اینڈ کمپنی کی بطور آڈیٹر تقرری کے لیے آڈٹ کمیٹی کی تجویز کے مطابق سفارش کی ہے۔

**بورڈ آف ڈائریکٹرز کی جانب سے**

| | |
|---|---|
| **اسد علی شیخ** | **حسین جمیل** |
| ڈائریکٹر | چیف ایگزیکٹو آفیسر |
| تاریخ: 27 ستمبر 2023 | |

3) جناب عمر طارق - رکن

4) محترمہ سونیا جمیل - رکن

11. سال کے دوران، بورڈ آف ڈائریکٹرز کے 6، آڈٹ کمیٹی کے 6 اور انسانی وسائل و معاوضہ جات کمیٹی کے 5 اجلاس منعقد کیے گئے تھے اور ہر ایک ڈائریکٹر کی حاضری ذیل میں دی گئی ہے:

**A.1) بورڈ آف ڈائریکٹرز کے اجلاس (موجودہ)**

موجودہ ڈائریکٹرز نے مالی سال 2024 میں کوئی اجلاس منعقد نہیں کیا کیونکہ نیا بورڈ سال کی اختتامی تاریخ کے بعد تشکیل پایا تھا۔

**A.2) بورڈ آف ڈائریکٹرز کے اجلاس (سابقہ)**

| ڈائریکٹرز کے نام | اجلاس میں حاضریوں کی تعداد |
|---|---|
| جناب محمد کامران ناصر | 06 |
| جناب حسین جمیل | 06 |
| جناب آمین جان | 04 |
| جناب جنید حمید ڈاگیا | 05 |
| جناب عمر طارق | 06 |
| جناب عارف احمد صدیقی | 06 |
| محترمہ سونیا جمیل | 06 |

**B.1) آڈٹ کمیٹی کے اجلاس (موجودہ)**

موجودہ کمیٹی اراکین نے مالی سال 2024 میں کوئی اجلاس منعقد نہیں کیا کیونکہ انہیں سال کی اختتامی تاریخ کے بعد تعینات کیا گیا تھا۔

**B.2) آڈٹ کمیٹی کے اجلاس (سابقہ)**

| اراکین کے نام | اجلاس میں حاضریوں کی تعداد |
|---|---|
| جناب آمین جان | 06 |
| جناب عارف احمد صدیقی | 06 |
| جناب عمر طارق | 06 |
| محترمہ سونیا جمیل | 06 |

**C.1) انسانی وسائل اور معاوضہ کمیٹی کے اجلاس (موجودہ)**

موجودہ کمیٹی اراکین نے مالی سال 2024 میں کوئی اجلاس منعقد نہیں کیا کیونکہ انہیں سال کی اختتامی تاریخ کے بعد تعینات کیا گیا تھا۔

**C.2) انسانی وسائل و معاوضہ جات کمیٹی کے اجلاس (سابقہ)**

| اراکین کے نام | اجلاس میں حاضریوں کی تعداد |
|---|---|
| جناب جمیل حمید ڈاگیا | 05 |
| جناب عارف احمد صدیقی | 05 |
| جناب عمر طارق | 05 |
| محترمہ سونیا جمیل | 05 |

12. سال 2024-2023 کے دوران ڈائریکٹرز، ڈائریکٹر کا/کی شریک حیات، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر اور کمپنی کے سیکرٹری کے ذریعے حصص کی تجارت حسب ذیل ہے:

c. ایگزیکٹو ڈائریکٹر

جناب حسین جمیل (چیف ایگزیکٹو آفیسر)

d. خاتون ڈائریکٹر

(1) محترمہ سونیا جمیل (غیر ایگزیکٹو ڈائریکٹر) (2) محترمہ لیلی جمیل (غیر ایگزیکٹو ڈائریکٹر)

9. بورڈ نے ڈائریکٹرز کے لیے معاوضہ جات کی پالیسی کی منظوری دی ہے جس کے نمایاں خدوخال از ذیل ہیں:

- بورڈ آف ڈائریکٹرز (BOD) وقتاً فوقتاً بورڈ کے اجلاسوں میں شرکت کے لیے BOD اراکین کے معاوضے کا تعین اور منظوری دے گا۔ معاوضے کی ایسی سطح BOD اراکین کی ذمہ داریوں اور مہارت کے مطابق ہوگی اور اس کا مقصد کمپنی کو کامیابی سے چلانے اور اسکی قدری اہمیت میں اضافہ کرنے کے لیے ضروری اراکین کو راغب کرنا اور برقرار رکھنا ہوگا۔
- BOD کا کوئی رکن اپنے معاوضے کا خود سے تعین نہیں کرے گا۔
- بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے (آزاد اور غیر ایگزیکٹو ڈائریکٹرز) کو فیس ادا کی جاتی ہے اور بورڈ نے اس کی منظوری دے دی ہے۔ وہ اس طرح کے اجلاسوں میں شرکت کے لیے قیام وطعام اور سفر کی وجہ سے ہونے والے اخراجات کی وصولی کے بھی حقدار ہیں۔ سال کے دوران ڈائریکٹرز کو ادا کی جانے والی مکمل رقم منسلک مالی گوشواروں کے **نوٹ نمبر 44** میں ظاہر کی گئی ہے۔

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

**A.1) آڈٹ کمیٹی (موجودہ)**

| | | | |
|---|---|---|---|
| 1) | جناب آمین جان | – | چیئرمین |
| 2) | جناب اسد علی شیخ | – | رکن |
| 3) | جناب علی جمیل | – | رکن |
| 4) | محترمہ سونیا جمیل | – | رکن |

**A.2) آڈٹ کمیٹی (سابقہ)**

| | | | |
|---|---|---|---|
| 1) | جناب آمین جان | – | چیئرمین |
| 2) | جناب عارف حمید صدیقی | – | رکن |
| 3) | جناب عمر طارق | – | رکن |
| 4) | محترمہ سونیا جمیل | – | رکن |

**B.1) انسانی وسائل و معاوضہ جات کی (HR&R) کمیٹی (موجودہ)**

| | | | |
|---|---|---|---|
| 1) | جناب ذوہیر عاشر | – | چیئرمین |
| 2) | جناب حسین جمیل | – | رکن |
| 3) | جناب آمین جان | – | رکن |
| 4) | محترمہ سونیا جمیل | – | رکن |
| 5) | محترمہ لیلی جمیل | – | رکن |

**B.2) انسانی وسائل و معاوضہ جات کی (HR&R) کمیٹی (سابقہ)**

| | | | |
|---|---|---|---|
| 1) | جناب جنید حمید ڈاگیا | – | چیئرمین |
| 2) | جناب عارف احمد صدیقی | – | رکن |

# ڈائریکٹرز رپورٹ کے مطابق "ضمیمہ ب"

# کارپوریٹ گورننس کے ضابطے پر عمل درآمد

## ڈائریکٹرز کی ذمہ داریوں کا بیان

1. انتظامیہ کے تیار کردہ مالیاتی گوشوارے، اس کے معاملات، آپریشنز کے نتائج، نقدی کے بہاؤ اور ایکوئٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
2. حساب کتاب کے باقاعدہ کھاتہ جات بنائے گئے ہیں۔
3. مالیاتی گوشواروں کی تیاری میں درست اکاؤنٹنگ پالیسیوں کو مستقل طور پر نافذ کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
4. مالیاتی گوشواروں کی تیاری میں پاکستان میں نافذ العمل بین الاقوامی مالیاتی رپورٹنگ کے معیارات پر عمل کیا گیا ہے اور ان معیارات سے کسی قسم کی روگردانی کی مناسب طور پر نشاندہی اور وضاحت کی گئی ہے۔
5. اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اس کا موثر نفاذ و نگرانی کی گئی ہے۔
6. مستقبل میں کمپنی کے چلتے رہنے کی صلاحیت میں کوئی نمایاں شکوک و شبہات نہیں ہیں۔
7. لسٹنگ کے قوانین میں صراحت کردہ کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی انحراف نہیں کیا گیا ہے۔

## دیگر معلومات

1. گذشتہ چھ سال کے کلیدی آپریٹنگ و مالیاتی اعداد و شمار خلاصہ کی صورت میں ڈائریکٹرز رپورٹ کے ضمیمہ "الف" کے طور پر منسلک ہیں۔
2. عام اور معمول کی ادائیگیوں کے علاوہ ٹیکسز، لیویز کی مد میں کسی قسم کے قانونی واجبات نہیں ہیں۔
3. کمپنی اپنے انتظامی ملازمین کے لیے ایک کنٹری بیوٹری پراویڈنٹ فنڈ اسکیم چلاتی ہے اور اس نے اپنے غیر انتظامی ملازمین کے لیے بینیفٹ گریجویٹی سکیم متعارف کروائی ہوئی ہے۔ جون 30، 2024 تک کی سرمایہ کاری کی رقم درج ذیل ہے:

| | |
|---|---|
| • گریجویٹی فنڈ مبلغ 0.62 ملین روپے | • پراویڈنٹ فنڈ مبلغ 17.65 ملین روپے |

4. کمپنی کی کاروباری سرگرمیوں کے ماحول پر کوئی واضح منفی اثرات نہیں ہیں۔
5. "کاروباری سماجی ذمہ داری" (CSR) کے حوالے سے، براہ مہربانی 30 جون 2024 کو ختم ہونے والے سال کے مالیاتی گوشواروں کے نوٹ نمبر 32 کو ملاحظہ کریں۔
6. بورڈ آف ڈائریکٹرز کو مورخہ 27 ستمبر 2024 کو ہونے والے اپنے اجلاس میں 30 جون 2024 کو ختم ہونے والے سال کے لیے کیش ڈیویڈنڈ کی ادائیگی کی سفارش کرکے خوشی ہو رہی ہے جو کہ آئندہ ہونے والے سالانہ عام اجلاس میں کمپنی کے حصص داران کی منظوری سے مشروط ہے۔
7. بورڈ کی تشکیل از ذیل ہے

a. مرد : 05

b. خواتین : 02

8. بورڈ کی تشکیل از ذیل ہے:

a. آزاد ڈائریکٹرز

(1) جناب آمین جان (2) جناب ذوہیر عاشر

b. غیر ایگزیکٹو ڈائریکٹرز

(1) جناب اسد علی شیخ (2) جناب علی جمیل

# PATTERN OF SHARE HOLDING

ANNEXURE - C
AS AT JUNE 30, 2024

| Serial No | No. Of Shareholders | Shareholding | | Total Shares Held | Percentage % |
|---|---|---|---|---|---|
| | | From | To | | |
| 1 | 314 | 1 | 100 | 9,899 | 0.02% |
| 2 | 614 | 101 | 500 | 169,388 | 0.35% |
| 3 | 416 | 501 | 1000 | 279,190 | 0.58% |
| 4 | 687 | 1001 | 5000 | 1,647,874 | 3.41% |
| 5 | 89 | 5001 | 10000 | 584,181 | 1.21% |
| 6 | 38 | 10001 | 15000 | 473,390 | 0.98% |
| 7 | 20 | 15001 | 20000 | 347,435 | 0.72% |
| 8 | 3 | 20001 | 25000 | 68,591 | 0.14% |
| 9 | 7 | 25001 | 30000 | 193,564 | 0.40% |
| 10 | 5 | 30001 | 35000 | 162,348 | 0.34% |
| 11 | 5 | 35001 | 40000 | 187,953 | 0.39% |
| 12 | 2 | 40001 | 45000 | 86,393 | 0.18% |
| 13 | 2 | 45001 | 50000 | 94,557 | 0.20% |
| 14 | 1 | 60001 | 65000 | 70,000 | 0.15% |
| 15 | 1 | 70001 | 75000 | 70,150 | 0.15% |
| 16 | 1 | 85001 | 90000 | 90,304 | 0.19% |
| 17 | 1 | 100001 | 105000 | 97,000 | 0.20% |
| 18 | 1 | 150001 | 155000 | 101,200 | 0.21% |
| 19 | 1 | 190001 | 195000 | 151,800 | 0.31% |
| 20 | 1 | 215001 | 220000 | 215,728 | 0.45% |
| 21 | 1 | 250001 | 255000 | 253,460 | 0.53% |
| 22 | 1 | 450001 | 4550000 | 454,250 | 0.94% |
| 23 | 1 | 580001 | 585000 | 580,112 | 1.20% |
| 24 | 1 | 615001 | 620000 | 617,377 | 1.28% |
| 25 | 1 | 1735001 | 1740000 | 1,738,225 | 3.60% |
| 26 | 1 | 2215001 | 2220000 | 2,215,590 | 4.59% |
| 27 | 1 | 2850001 | 2855000 | 2,832,352 | 5.87% |
| 28 | 1 | 2970001 | 2975000 | 2,972,333 | 6.16% |
| 29 | 1 | 3055001 | 3060000 | 3,056,700 | 6.33% |
| 30 | 1 | 3560001 | 3565000 | 3,564,298 | 7.39% |
| 31 | 1 | 4620001 | 4625000 | 4,624,150 | 9.58% |
| 32 | 3 | 4620001 | 4715000 | 14,145,000 | 29.31% |
| 33 | 1 | 6100001 | 6105000 | 6,103,625 | 12.65% |
| | **2224** | **Total Shares Held** | | **48,258,417** | 100.00% |

# CATEGORIES OF SHAREHOLDERS

| S.NO | Name | Number of Share Holders | Total Shares Held | Percentage |
|---|---|---|---|---|
| 1 | **Directors, Chief Executive Officer, and their Spouse and Minor Children:-** | | | |
| | Mr. Hussain Jamil | 1 | 8,319,215 | 17.239% |
| | Mrs. Deborah Jamil | 1 | 10,774 | 0.022% |
| | Mrs. Sonya Jamil | 1 | 649 | 0.001% |
| | Mr. Ameen Jan | 1 | 575 | 0.001% |
| | Mr. Muhammad Kamran Nasir | 1 | 575 | 0.001% |
| | Mr. Muhammad Junaid Hameed Dagia | 1 | 2,875 | 0.006% |
| | Mr. Arif Ahmed Siddiqui | 1 | 575 | 0.001% |
| | Mr. Omer Tariq | 1 | 3,056,700 | 6.334% |
| | **Sub-Total:** | **8** | **11,391,938** | **23.606%** |
| 2 | **Associated Companies, Undertakings and related parties** | NIL | NIL | 0.00% |
| 3 | **NIT AND ICP** | | | |
| | M/S. Investment Corporation Of Pakistan | 1 | 194 | 0.000% |
| | National Bank of pakistan Trustee Wing, Head Office | 1 | 495 | 0.001% |
| | **Sub-Total:** | **2** | **689** | **0.001%** |
| 4 | **Banks, Development Financial Institutions & Non Banking Financial Institutions:-** | | | |
| | National Development Fin.Corp.Investor | 1 | 14,593 | 0.030% |
| | PRUDENTIAL STOCK FUND LTD. (03360) | 1 | 215,728 | 0.447% |
| | PRUDENTIAL STOCK FUND LTD. | 1 | 24,607 | 0.051% |
| | Margalla Financial (Private) Limited | 1 | 20,000 | 0.041% |
| | **Sub-Total:** | **4** | **274,928** | **0.570%** |
| 5 | **Insurance Companies** | NIL | NIL | 0.00% |
| 6 | **Modarabas And Mutual Funds:-** | | | |
| | First Equity Modaraba | 1 | 46,057 | 0.095% |
| | **Sub-Total:** | **1** | **46,057** | **0.095%** |

# CATEGORIES OF SHAREHOLDERS

| S.NO | Name | Number of Share Holders | Total Shares Held | Percentage |
|---|---|---|---|---|
| 7 | **Share holding 10% or more voting interest** | | | |
| | Hussain Jamil | 1 | 8,319,215 | 17.239% |
| | **Total** | 1 | 8,319,215 | 17.239% |
| 8 | **General Public** | | | |
| | Local - Individuals | 2,186 | 21,769,685 | 45.111% |
| | **Sub-Total:** | 2,186 | 21,769,685 | 45.111% |
| | Foreign Investors:- | | | |
| | M/S Somers Nominee (Far East) Limited | 1 | 12,943 | 0.027% |
| | **Sub-Total:** | 1 | 12,943 | 0.027% |
| 9 | **Others** | | | |
| | M/s Freedom Enterprises (Pvt) Ltd. | 1 | 5,221 | 0.011% |
| | Dr. Arslan Razaque Securities (Smc-Pvt) | 1 | 2,227 | 0.005% |
| | Fikree'S (Pvt) Ltd. | 1 | 33,350 | 0.069% |
| | Prudential Securities Limited | 2 | 1,251 | 0.003% |
| | LSE Capital Limited | 1 | 31,110 | 0.064% |
| | Maple Leaf Capital Limited | 1 | 1 | 0.000% |
| | Muhammad Ahmed Nadeem Securities (Smc-Pvt) | 1 | 1,043 | 0.002% |
| | Federal Board Of Revenue | 1 | 580,112 | 1.202% |
| | S.A. Prosperity (Pvt.) Ltd. | 1 | 144 | 0.000% |
| | Capital Financial Services (Pvt.) Ltd. | 1 | 7,590 | 0.016% |
| | MAM Securities (Pvt) Limited | 1 | 203 | 0.000% |
| | MRA Securities Limited - MF | 1 | 3,500 | 0.007% |
| | Dawood Equities Limited- MF | 2 | 11,325 | 0.023% |
| | Multiline Securities Limited - MF | 1 | 10,000 | 0.021% |
| | Y.S. Securities (Private) Limited | 1 | 1,450 | 0.003% |
| | NCC - Pre Settlement delivery account | 1 | 18,500 | 0.038% |
| | High Land Securities (Private) Limited | 1 | 1,000 | 0.002% |
| | Sumya Builders & Developers | 1 | 4,715,000 | 9.770% |
| | Crosby Paksitan (Private) Limited | 1 | 4,624,150 | 9.582% |
| | Eastern Express Company (Private) Limited | 1 | 4,715,000 | 9.770% |
| | **Sub-Total:** | 22 | 14,762,177 | 30.590% |
| | **Grand Total:** | 2,224 | 48,258,417 | 100% |

# INDEPENDENT AUDITORS' REVIEW REPORT

## TO THE MEMBERS OF ECOPACK LIMITED

## REVIEW REPORT ON 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 Ecopack Limited, (the Company) for the year ended June 30, 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 June 30, 2024.

Further, we draw attention to following instances of non-compliances to the annexed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019:

| S. No. | Paragraph reference | Description |
|---|---|---|
| (i) | 18 | Certain directors did not confirm that they do not serve on more than seven boards of listed companies. |
| (ii) | 18 | The Company did not send minutes of the Audit committee meetings held during the year to the Board of Directors. |
| (iii) | 19 | The Company did not send the notices and agenda for the135th meeting of the Board of Directors seven days before the meeting. |
| (iv) | 19 | The Company did not circulate the Minutes of the 138th meeting of the Board of Directors within fourteen days after the meeting. |
| (v) | 19 | The Company does not have an Environmental, Social and Governance Policy. |
| (vi) | 19 | The Board did not perform evaluation of board of directors as per the requirements of Regulation. |

**A. F. Ferguson & Co.**
Chartered Accountants
Islamabad
Date: September 30, 2024
UDIN: CR2024100830qEjpCWZK

# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

## (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

**Name of Company** : EcoPack Limited
**Year Ending** : June 30, 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are seven as per the following:
   a. Male : 06
   b. Female : 01

2. The composition of the Board is as follows:

| Category | Names |
|---|---|
| **Independent Director** | Mr. Ameen Jan<br>Mr. M. Junaid Hameed Dagia |
| **Non-executive Director** | Mr. Muhammad Kamran Nasir<br>Mr. Omer Tariq<br>Mr. Arif Ahmed Siddiqui |
| **Executive Director** | Mr. Hussain Jamil (Chief Executive Officer) |
| **Female Director** | Ms. Sonya Jamil (Non-executive Director) |

**The Company believes that having two elected independent directors with requisite competencies, skills, knowledge and experience is adequate to exercise independence in decision making within the Board hence, appointment of a third independent director is not warranted.*

3. Three of the company's directors have confirmed in writing that none of them serves as a director of more than seven listed companies, including this company. However, no written confirmation has been received from the remaining four directors.

4. 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..

5. 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 or updating is maintained by the Company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / Shareholders, as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations. The accounts of the company are approved by the Board and filed in accordance with the rules and regulations of the regulatory authorities.

7. The meetings of the Board were presided over by the former Chairman for the year 2023-24. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board except the instances mentioned in paragraph 18 and 19.

8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.

9. Out of seven Directors, three of the Directors of the Company have obtained certification under Directors' Training Program in previous years and whereas none of the Directors attended Directors' Training Program in the current year. It is pertinent to note that all Directors of the Company hold qualifications and relevant experience on the Board which deem them suitable for holding the office of directorship of the company and steps are being taken to enable the remaining directors to undergo the Directors' Training Program.

10. The Board has previously approved the appointment of the Chief Financial Officer, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment and complied

with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed Committees comprising of members given below:

| Audit Committee | HR and Remuneration Committee |
|---|---|
| Mr. Ameen Jan (Chairman) | Mr. M. Junaid Hameed Dagia (Chairman) |
| Mr. Arif Ahmed Siddiqui | Mr. Arif Ahmed Siddiqui |
| Mr. Omer Tariq | Mr. Omer Tariq |
| Ms. Sonya Jamil | Ms. Sonya Jamil |

13. The terms of reference of the aforesaid Committees have been formed, documented, and advised to the Committees for Compliance.

14. The frequency of meetings of the Committees were as per following:

a) Audit Committee – including quarterly - 6 meetings held during the year.
b) HR and Remuneration Committee – on required basis - 5 meetings held during the year.

15. The Board has previously set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and conversant with the policies and procedures of the Company.

16. 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 and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan 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 Directors of the Company.

17. 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.

18. Management confirms that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with except for the below mentioned non-compliances:

| Mandatory requirement | Reg.No. | Explanation |
|---|---|---|
| **Declaration from the Director:** No Director shall be elected or nominated or hold office as a director of a listed company including as an alternate director of more than seven listed companies simultaneously. However, only three directors out of seven directors have given confirmation in this respect to the company. | 3 | Three of the company's directors have confirmed in writing that none of them serves as a director of more than seven listed companies, including this company. However, no written confirmation has been received from the remaining four directors. |
| **Audit Committee:** The Company is required to circulate the minutes of Audit Committee to all its members and Directors prior to the next meeting of the Board. in case a synopsis of the proceedings have been communicated by the Chairman of Audit Committee to the Board, the company is still required to circulate the minutes of Audit Committee along with the minutes of the meeting of the Board. However, during the year, the minutes of the Audit Committee meeting were sent only to the members of the Audit Committee. | 27(5) | The synopsis of the proceedings at the Audit Committee are communicated to the Board in every subsequent meeting of the Board of Directors. The management has been strictly advised to ensure compliance in future. |

19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below.

| Non-mandatory requirement | Reg.No. | Explanation |
|---|---|---|
| **Responsibilities of the Board and its members:** The Board of Directors was required to perform evaluation of Board of Directors annually. However, no annual evaluation was performed during the year. | 10(3) (v) | The Directors have deferred the evaluation of Board of Directors to a later date. |
| **Responsibilities of the Board and its members:** The Company does not have Environmental Social Governance (ESG) policy. | 10(4) (xiv) | The management has been advised to develop Environmental Social Governance Policy and seek the Board's approval for their implementation. |
| **Agenda and discussion in meetings:** The Management was unable to Send the Notices and Agenda for the 135th meeting of Board of Directors seven days prior to the meeting. | 11(2) | The 135th Meeting of the Board was an emergent meeting where non-financial matters of the company were discussed. However, the Notice and Agenda was duly disseminated to the Board three days before the meeting. |
| **Minutes of meeting:** Ecopack was unable to Send the Minutes of the meeting of 138th Board of Directors meeting within 14 days from the date of the meeting. | 12(1) | The minutes were circulated with a delay of one (01) day. The company secretary has been advised to adhere to the timelines of circulating the minutes to the Board with greater caution. |
| **Nomination Committee:** 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) | By virtue of the size & structure of the Board, the need for the Nomination Committee has not been observed as the Board effectively discharges all the responsibilities of Nomination Committee as recommended by the Regulations. |
| **Risk Management Committee:** 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 of risk management procedures and present a report to the Board. | 30(1) | Risk management and its mitigants including monitoring and review of all material controls are duly addressed by the Board itself and through its Audit Committee. EcoPack also has a duly approved Risk Management and Mitigation Policy in this regard. Hence, the need for a discrete Risk Management Committee has not been observed. |

**Asad Ali Sheikh**
Chairman

**September 27, 2024**

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF ECOPACK LIMITED

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

**Opinion**

We have audited the annexed financial statements of Ecopack Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and 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 a summary of 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, 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 June 30, 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 Matter**

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. This matter was 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 this matter.

Following is the key audit matters:

| S.No. | Key Audit Matter | How the matter was addressed in our audit |
|---|---|---|
| i) | **Revenue recognition**<br>*(Refer notes 4.19 and 28 to the financial statements)*<br>The Company is engaged in the production and sale of preforms and bottles in local markets. The Company recognized gross revenue of Rs. 7,333,128 thousand from the sales of preforms and bottles in local market. During the year, price of preforms and bottles increased from last year.<br>We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company, large number of revenue transactions with a large number of customers in various geographical | Our audit procedures in relation to the matter, amongst others, included:<br>• Understood and evaluated management controls over revenue and checked their validation;<br>• Performed verification of sample of revenue transactions with underlying documentation including dispatch documents and sales invoices;<br>• Performed cut-off procedures on sample basis to ensure revenue has been recognised in the correct period;<br>• Checked on a sample basis, approval of sales prices by the appropriate authority;<br>• Performed analytical procedures to analyse |

locations, inherent risk of material misstatement and significant increase in revenue from last year.

variation in the price and quantity sold during the year; and

- Assessed the appropriateness of disclosures made in the financial statements related to revenue.

**Information Other than the Financial Statements and Auditor's 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 auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not and will 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.

**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.

- 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) no zakat was deductible 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 Mr. JehanZeb Amin.

A.F.Ferguson & Co.

**A. F. Ferguson & Co.**
Chartered Accountants
Islamabad
Date: September 30, 2024
UDIN: AR202410083C1PHJq2tX

# Statement of Financial Position
## As at June 30, 2024

| | Note | June 30, 2024 | June 30, 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| **NON CURRENT ASSETS** | | | |
| Property, plant & equipment | 7 | **1,514,771** | 1,548,259 |
| Intangible assets | 8 | **3,144** | 3,663 |
| Long term deposits | | **14,506** | 13,821 |
| | | **1,532,421** | 1,565,743 |
| **CURRENT ASSETS** | | | |
| Stores, spares and loose tools | 9 | **102,795** | 80,970 |
| Stock-in-trade | 10 | **504,403** | 505,528 |
| Trade debts | 11 | **613,827** | 545,334 |
| Loans and advances | 12 | **88,200** | 181,840 |
| Deposits, prepayments and other receivables | 13 | **10,133** | 12,539 |
| Cash and bank balances | 14 | **110,185** | 84,328 |
| | | **1,429,543** | 1,410,539 |
| **TOTAL ASSETS** | | **2,961,964** | 2,976,282 |
| **SHARE CAPITAL AND RESERVES** | | | |
| Authorised capital | | **500,000** | 500,000 |
| Issued, subscribed and paid-up capital | 15 | **482,584** | 482,584 |
| Revenue reserve - Unappropriated profits | | **573,887** | 419,483 |
| Capital Reserve - Surplus on revaluation of property, plant and equipment | 16 | **240,077** | 273,254 |
| | | **1,296,548** | 1,175,321 |
| **NON-CURRENT LIABILITIES** | | | |
| Long term finances - secured | 17 | **-** | 54,530 |
| Deferred government grant | 18 | **89** | 936 |
| Lease liabilities | 19 | **57,402** | 51,140 |
| Deferred tax liabilities - net | 20 | **51,592** | 32,825 |
| | | **109,083** | 139,431 |
| **CURRENT LIABILITIES** | | | |
| Employees' retirement benefits | 21 | **54,081** | 43,738 |
| Trade and other payables | 22 | **362,325** | 404,006 |
| Contract liabilities | 23 | **20,606** | 20,296 |
| Unclaimed dividend | | **-** | 3,396 |
| Provision for taxation - net | 24 | **3,918** | - |
| Short term borrowings and running finance - secured | 25 | **1,014,596** | 1,124,271 |
| Current maturity of non-current liabilities | 26 | **100,807** | 65,823 |
| | | **1,556,333** | 1,661,530 |
| Contingencies and commitments | 27 | **-** | - |
| **TOTAL EQUITY AND LIABILITIES** | | **2,961,964** | 2,976,282 |

The annexed notes 1 to 48 form an integral part of these financial statements.

| Chief Financial Officer | Chief Executive Officer | Director |
|---|---|---|

Manufacturers Of Quality PET Bottles & Preforms
Eco Pack Ltd

# Statement of Profit or Loss

## For the year ended June 30, 2024

| | Note | June 30, 2024 | June 30, 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| Revenue from contracts with customers | | **7,333,128** | 6,693,618 |
| Sales tax and discounts | | **(1,120,942)** | (1,004,125) |
| Revenue from contracts with customers - net | 28 | **6,212,186** | 5,689,493 |
| Cost of sales | 29 | **(5,436,922)** | (5,109,882) |
| **GROSS PROFIT** | | **775,264** | 579,611 |
| Selling & distribution expenses | 30 | **(163,948)** | (145,944) |
| Administrative and general expenses | 31 | **(129,117)** | (121,865) |
| Other expenses | 32 | **(28,527)** | (12,898) |
| Other income | 33 | **11,851** | 5,646 |
| Net impairment loss on financial assets | 11.1 | **(217)** | 316 |
| | | **(309,958)** | (274,745) |
| **OPERATING PROFIT** | | **465,306** | 304,866 |
| Finance cost | 34 | **(242,551)** | (223,870) |
| **PROFIT BEFORE TAXATION & LEVY** | | **222,755** | 80,996 |
| Minimum tax - levy | 35 | **(1,630)** | (68,381) |
| **PROFIT BEFORE TAXATION** | | **221,125** | 12,615 |
| Income tax expense | 36 | **(92,182)** | 27,528 |
| **PROFIT AFTER TAXATION** | | **128,943** | 40,143 |
| Earnings per share - basic and diluted (Rs) | 37.1 | **2.67** | 0.83 |

The annexed notes 1 to 48 form an integral part of these financial statements.

| Chief Financial Officer | Chief Executive Officer | Director |
|---|---|---|

# Statement of Comprehensive Income
## For the year ended June 30, 2024

| | Notes | **June 30, 2024** | June 30, 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| **PROFIT AFTER TAXATION** | | **128,943** | 40,143 |
| **OTHER COMPREHENSIVE INCOME** | | | |
| Items that will not be reclassified to statement of profit or loss: | | | |
| - Surplus on revaluation of property, plant and equipment | | - | 164,863 |
| Less: Deferred tax on surplus on revaluation of property, plant and equipment | | - | (51,857) |
| - Reversal of surplus on recognition of impairment loss on idle machinery | | - | (5,101) |
| Related tax | | - | 1,683 |
| -Difference due to change in rate of tax | 16 | **(5,957)** | - |
| | | **(5,957)** | 109,588 |
| Remeasurement gain / (loss) on defined benefit plan | 21.2 | **(2,698)** | (8,153) |
| Less: Income tax on remeasurement gain / (loss) on defined benefit plan | | **939** | 2,690 |
| | | **(1,759)** | (5,463) |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | | **121,227** | 144,268 |

The annexed notes 1 to 48 form an integral part of these financial statements.

| | | |
|---|---|---|
| **Chief Financial Officer** | **Chief Executive Officer** | **Director** |

# Statement of Changes in Equity

## For the year ended June 30, 2024

| | Share Capital | Unappropriated profits | Surplus on revaluation of property and plant | Total |
|---|---|---|---|---|
| | ---------------- Rupees in thousand ---------------- | | | |
| **Balance as at July 1, 2022** | **419,638** | **427,835** | **183,580** | **1,031,053** |
| - Profit for the year | - | 40,143 | - | 40,143 |
| - Other comprehensive Income | - | (5,463) | 109,588 | 104,125 |
| Total comprehensive income for the year | - | 34,680 | 109,588 | 144,268 |
| Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the year - net of deferred taxation | - | 19,914 | (19,914) | - |
| **Transaction with members recorded directly in equity** | | | | |
| *Distribution to members* | | | | |
| - Issuance of bonus shares @ 15% | 62,946 | (62,946) | - | - |
| **Balance as at June 30, 2023** | **482,584** | **419,483** | **273,254** | **1,175,321** |
| **Balance as at July 1, 2023** | 482,584 | 419,483 | 273,254 | 1,175,321 |
| - Profit for the year | - | 128,943 | - | 128,943 |
| - Other comprehensive income | - | (1,759) | (5,957) | (7,716) |
| Total comprehensive income for the year | - | 127,184 | (5,957) | 121,227 |
| Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the year - net of deferred taxation | - | 27,220 | (27,220) | - |
| **Balance as at June 30, 2024** | **482,584** | **573,887** | **240,077** | **1,296,548** |

The annexed notes 1 to 48 form an integral part of these financial statements.

| Chief Financial Officer | Chief Executive Officer | Director |
|---|---|---|

# Statement of Cash Flows

## For the year ended June 30, 2024

| | Note | June 30, 2024 | June 30, 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| Profit before taxation | | **222,755** | 80,996 |
| Adjustments for non-cash items: | | | |
| Depreciation and amortization | 29, 30 & 31 | **170,863** | 149,321 |
| Gain on disposal of property, plant and equipment | 33 | **(628)** | (929) |
| Provision for slow moving stock in trade | 10.1 | **2,941** | 441 |
| Provision for Workers' Welfare Fund | 32 | **5,349** | 358 |
| Provision for Workers' Profit Participation Fund | 32 | **11,954** | 4,282 |
| Write back of liabilities | 33 | **(10,065)** | (3,786) |
| Provision for obsolete stores and spares | 9.1 | **5,925** | - |
| Impairment on idle factory equiment/ fixed assets | 32 | **6,618** | 8,087 |
| Expected credit losses on trade debts | 11.1 | **217** | (316) |
| Provision for gratuity | 21.2 | **12,447** | 8,187 |
| Interest income on bank deposits short-term investments | | **-** | (334) |
| Finance cost | 34 | **242,551** | 223,870 |
| | | **670,927** | 470,177 |
| Changes in working capital | | | |
| Increase in inventories | 9 & 10 | **(29,566)** | (128,741) |
| Increase in trade debts | | **(68,400)** | (104,496) |
| Decrease/ (increase) in loans and advances | 12 | **1,815** | (103,404) |
| Decrease/ (increase) in deposits, prepayments and other receivables | 13 | **2,406** | (7,928) |
| Increase/ (decrease) in trade and other payables | | **47,432** | (52,011) |
| | | **(46,313)** | (396,580) |
| | | **624,614** | 73,597 |
| Finance cost paid - short term borrowings | | **(242,386)** | (157,571) |
| Workers' Profit Participation Fund paid | 22 & 32 | **(4,189)** | (7,286) |
| Workers Welfare Fund paid | 22 & 32 | **(441)** | (637) |
| Change in long term security deposits | | **(685)** | (1,212) |
| Contributions to gratuity | 21.2 | **(4,802)** | (6,012) |
| Income taxes paid | | **(79,965)** | (35,290) |
| **Net cash generated from/ (used in) operating activities** | | **292,146** | (134,411) |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Purchase of property, plant and equipment - net | | **(115,390)** | (93,391) |
| Investment in intangible assets | 8 | **(358)** | - |
| Short-term investments | | **-** | 7,125 |
| Interest income on short-term investments | | **-** | 33 |
| Sale proceeds from disposal of property, plant and equipment | | **4,052** | 13,666 |
| **Net cash used in investing activities** | | **(111,696)** | (72,567) |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Repayment of lease liabilities | 19 | **(50,584)** | (141,565) |
| Proceeds from long-term finances | | **34,379** | - |
| Repayment of long-term finances | | **(40,542)** | (62,860) |
| Interest on unclaimed dividend | | **530** | 459 |
| Short-term borrowings (repaid) / received | | **(85,026)** | 459,798 |
| Finance cost paid on long-term finances | | **(19,088)** | (14,627) |
| **Net cash (used in) / generated from financing activities** | | **(160,331)** | 241,205 |
| **NET INCREASE IN CASH AND CASH EQUIVALENTS** | | **20,119** | 34,227 |
| Cash and cash equivalents at beginning of the year | | **59,740** | 25,513 |
| **CASH AND CASH EQUIVALENTS AT END OF THE YEAR** | 38 | **79,859** | 59,740 |

The annexed notes 1 to 48 form an integral part of these financial statements.

| Chief Financial Officer | Chief Executive Officer | Director |
|---|---|---|

# Notes to the Financial Statements

## For the year ended June 30, 2024

**1. LEGAL STATUS AND OPERATIONS**

Ecopack Limited (the Company) was incorporated in Pakistan on August 25, 1991 as a private limited company and converted to a public limited company on April 29, 1992 under the then applicable Companies Ordinance, 1984 (repealed upon enactment of the Companies Act, 2017) and commenced its commercial production in 1993. The Company has its shares quoted on the Pakistan Stock Exchange Limited. The Company is principally engaged in manufacturing and sale of Polyethylene Terephthalate (PET) bottles and preforms for beverages and other liquid packaging industry. The head office of the Company is situated at 19, Main Street City Villas, Near High Court Road, Rawalpindi and its registered office and manufacturing facility is located at Hattar Industrial Estate, Khyber Pakhtunkhwa.

**2. 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:

i) International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

ii) 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 Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**3. CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS**

3.1 There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on January 1, 2024. However, these do not have any significant impact on the Company's financial statements.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

| | | Effective date (annual reporting periods beginning on or after |
|---|---|---|
| IAS 1 | Presentation of Financial Statements (Amendments) | January 1, 2024 |
| IAS 7 | Statement of Cash Flows (Amendments) | January 1, 2024 |
| IAS 21 | The Effects of changes in Foreign Exchange Rates | January 1, 2025 |
| | (Amendments) | January 1, 2026 |
| IFRS 16 | Leases (Amendments) | January 1, 2024 |
| IFRS 7 | Financial Instruments: Disclosures (Amendments) | January 1, 2026 |
| IFRS 17 | Insurance Contracts | January 1, 2026 |
| IFRS 9 | Financial Instruments – Classification and Measurement of Financial Instruments (Amendments) | January 1, 2026 |

The management anticipates that adoption of above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

3.3 Further, to the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2024;

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
IFRIC 12 Service Concession Arrangement

## 4. MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted the amendment to IFRS regarding disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements from July 1, 2023 onwards). 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.

### 4.1 Basis of preparation

These financial statements have been prepared under the historical cost convention except as otherwise stated in respective accounting policies notes.

The material accounting policies adopted in the preparation of these financial statements are set-out below. These material policies have been consistently applied to all the years presented, unless otherwise stated.

### 4.2 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. These financial statements are presented in Pakistani Rupees, which is the company's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupee unless otherwise stated.

### 4.3 Property, plant and equipment

#### 4.3.1 Owned assets

These are stated at cost less accumulated depreciation and impairment losses, if any. Whereas factory building & roads on lease-hold land and plant & machinery are stated at revalued amount less accumulated depreciation and impairment losses, if any. Cost in relation to operating fixed assets comprises of acquisition and other directly attributable costs. Revaluation is carried out by independent expert. The Company carries out revaluations periodically, considering the change in circumstances and assumptions from latest revaluation. The latest revaluation was carried out at June 30, 2023. The management and its expert believe that there are no significant change in circumstances necessitating new revaluation as at June 30, 2024. Capital work-in-progress and major spare parts and standby equipment are stated at cost.

The cost of replacing part of an item of owned assets is recognized in the carrying amount of the item if it is probable the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The cost of the day-to-day servicing of owned assets are recognized in the statement of profit and loss as incurred.

Increase in the carrying amount arising on revaluation of freehold land, building and roads and plant & machinery are recognized in other comprehensive income and accumulated in shareholders' equity under the heading surplus on revaluation of property, plant and equipment. To the extent that the increase reverses a decrease previously recognized in statement of profit or loss, the increase is first recognized in statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to statement of profit or loss.

Depreciation on property, plant and equipment is calculated using either straight line method or reducing balance method to allocate their cost over their estimated useful life at the rates specified in note 7.1. Depreciation for factory assets is charged to cost of sales while depreciation for other property, plant and equipment is charged to administrative and general expenses and selling and distribution expenses on actual usage basis. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management till disposal.

The gain or loss on disposal of an asset, calculated as difference between the sale proceed and carrying amount of the asset, is recognized as other income in statement of profit or loss for the year.

**4.3.2 Capital work-in-progress**

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred and advances made in respect of operating fixed assets, capital stores and intangibles assets in the course of their acquisition, construction and installation.

**4.3.3 Right-of-use assets**

The Company assesses whether a contract is or contains a lease at inception of the contract. If the Company assesses contract contains a lease and meets the requirements of IFRS 16, the Company recognises right-of-use assets at the commencement date of the lease i.e. the date the underlying asset is available for use. Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities except plant and machinery for which the Company has elected to use the revaluation model.

The cost comprising the following:

- the amount of the initial measurement of lease liabilities;
- any lease payments made at or before the commencement date less any lease incentives received;
- initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use assets are depreciated over the underlying assets' useful life.

**4.4 Impairment of non-financial assets**

Assets that are subject to depreciation / amortisation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Reversals of the impairment losses are restricted to the extent that assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. An impairment loss or reversal of impairment loss is recognised in the statement of profit or loss.

**4.5 Intangible assets**

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

Intangible assets are measured on initial recognition at cost, being the fair value of the consideration given. Following the initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company does not have an intangible asset with indefinite useful life. Intangible assets with finite useful lives are amortized over the period of their useful economic life. The Company's intangible assets with finite useful lives include software, which are amortized on a straight line basis over their period of useful economic life.

In respect of additions and disposals of intangible assets made during the year, amortization is charged to the statement of profit or loss when it is available for use till disposal.

Changes in the expected useful lives or the expected pattern of consumption of future economic benefits, embodied in the intangible assets, are accounted for by changing the life or amortization method, as appropriate, and treated as a change in accounting estimate. The recognized expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category, consistent with the function of the intangible asset.

### 4.6 Stores and spares

Stores and spares are stated at cost less allowance for obsolete and slow moving items. Cost is determined using weighted average method. Items in transit are measured at invoice value plus other related charges paid thereon, up to the statement of financial position date.

### 4.7 Stock-in-trade

Raw materials and packing materials are valued at weighted average cost and finished goods are valued at lower of weighted average cost and net realizable value. Raw material and packing material in transit are measured at invoice value plus other charges paid thereon, up to the statement of financial position date.

Preforms and PET Bottles are stated at the lower of cost and net realisable value. Cost is determined using the average manufacturing cost method. The cost of finished goods and work in process comprises raw materials, direct labour, other direct costs and related production overheads.

Net realisable value is the estimated selling price in ordinary course of business, less estimated cost of completion and costs that would necessarily be incurred to make the sale.

The Company reviews the carrying amount of stock in trade on regular basis and provision is made for obsolescence for items which are slow moving. A provision is made for excess of book value over the estimated net realizable value.

### 4.8 Trade debts

These are recognised and carried at the original invoice amounts, being the fair value, less an allowance for uncollectible amounts, if any. As explained in note 4.22 to these financial statements, the Company applies IFRS 9 simplified approach to measure the expected credit losses (ECL). The ECL model requires the Company to recognise an allowance for doubtful debt on all financial assets carried at amortized cost, as well as debt instruments classified as financial assets carried at fair value through other comprehensive income, since initial recognition, irrespective whether a loss event has occurred.

### 4.9 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances, short term running finance / bank overdrafts and short-term investments that are highly liquid, readily convertible to known amounts of cash with insignificant risk of changes in value and have original maturity period of three month or less from the date of acquisition. Bank overdrafts are shown in current liabilities on the statement of financial position.

### 4.10 Borrowings and borrowing cost

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. All other borrowing costs are charged to statement of profit or loss.

### 4.11 Employees' benefits

The Company operates a provident fund and a funded gratuity scheme for its employees as per details below:

#### 4.11.1 Defined contribution plan

The Company operates an approved contribution provident fund for its permanent employees. Equal monthly contributions are made, both by the Company and the employees to the fund at the specified rate of employees' basic salary. The Company's obligation for the contribution to the provident fund is recognized in the statement of profit or loss, as incurred. Investments out of provident fund have been made in accordance with the provisions of section 218 of Companies Act, 2017 and applicable rules.

### 4.11.2 Defined benefit plan

The Company operates an approved gratuity fund for its non-management employees, who have completed specified years of service with the Company. The liability recognized in respect of the gratuity fund is the present value of the defined benefit obligation under the scheme at the statement of financial position date.

The liability for gratuity is provided on the basis of amounts payable in respect of accumulated period of service of eligible employees on the basis of actuarial valuation, using Projected Unit Credit Method. The details of actuarial valuation carried out as at June 30, 2024 are given in note 21.

Calculation of gratuity requires assumptions to be made of future outcomes which mainly include increase in remuneration, expected long-term return on plan assets and the discount rate used convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

The actuarial gains and losses (remeasurement gains / losses) on employees' retirement benefit plans are recognized immediately in other comprehensive income.

Past service costs are recognized in the statement of profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes restructuring-related costs.

The Company recognizes the following changes in the defined benefit obligation in the statement of profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Interest expense on net liability / (asset).

### 4.12 Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms and conditions.

Lease payments in the measurement of the lease liability comprise the following:

a) fixed payments, including in-substance fixed payments;
b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
c) amounts expected to be payable under a residual value guarantee; and
d) the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liabilities are measured at amortised cost using the effective interest method. These are remeasured when there is a change in future lease payments arising from a change in fixed lease payment, an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liabilities are remeasured in this way, the corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in profit and loss if the carrying amount of right-to-use asset has been reduced to zero.

The Company has opted not to recognize right of use assets for low value assets and short term leases of equipment and vehicles i.e. leases with a term of twelve (12) months or less. The payments associated with such leases are recognized in statement of profit or loss when incurred.

### 4.13 Trade and other payables

Liabilities for trade and other payables, including payable to related parties, are carried at cost, which is the fair value of the consideration to be paid in future for goods and/or services received, whether or not billed to the Company.

### 4.14 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

Contingent liability is disclosed when the Company has as possible obligation as a result of past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from the past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability.

### 4.15 Taxation

Income tax comprises of current and deferred tax. Income tax expense is recognised in the statement of profit or loss, as incurred.

#### (i) Current

Provision for current taxation is based on taxable income for the year determined in accordance with prevailing law for taxation on income at the applicable rates of taxation after taking into account tax credits and tax rebates, if any. Income tax expense is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

#### (ii) Deferred

Deferred income tax is recognised using the statement of financial position liability method in respect of all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that deductible temporary differences will reverse in the future and taxable income will be available against which the deductible temporary differences, unused tax losses and tax credit can be utilised.

Deferred tax asset and liability is measured at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted. Deferred tax is charged or credited to income except in the case of items credited or charged to equity in which case it is included in equity.

### 4.16 Minimum tax - Levy

In accordance with the application guidance issued by the Institute of Chartered Accountants of Pakistan (ICAP) relating to IAS-12 "Income taxes", any amount in excess of normal tax liability and not based on taxable income is to be treated as a levy. Accordingly, the Company classifies any amount over and above the normal tax as per the enacted tax laws as minimum tax differential and same is treated as levy in term of IAS 37 "Provisions, contingent liabilities and contingent assets" and IFRIC 21 "Levies" and not treated as part of income tax balances if any to be recognised under IAS-12.

### 4.17 Dividend and revenue reserve appropriation

Dividend and movement in revenue reserves are recognised in the financial statements in the period in which these are approved.

**4.18 Foreign currency transactions and balances**

Foreign currency transactions are translated into Pakistani Rupees at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into functional currency using the exchange rate prevailing at the statement of financial position date. Exchange differences are dealt with through the statement of profit or loss.

**4.19 Revenue recognition**

The Company recognises revenue at point of time when control of product is transferred to customer. Control is considered to be transferred in case of local sales when the finished goods are directly uplifted by customer from the warehouse or when it is delivered by the Company at customer premises. In case of export sales, control is considered to be transferred when the finished goods are shipped to the customer.

Revenue is measured based on the consideration agreed with a customer and excludes sales tax / government levies and amounts collected on behalf of third parties. Revenue is presented net of discounts, rebates and returns.

No element of financing is deemed present as the sales are made with a credit term ranging from 20-45 days, which is consistent with the market price.

**4.20 Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The management has determined that the Company has two reportable segments i.e. injection and blowing

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and for assessing performance. Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Finance cost, other income, other expenses and taxation are managed at the Company level. Unallocated assets include security deposits, prepayments & other receivables and bank balances whereas unallocated liabilities include loans from related parties, deferred taxation, accrued mark-up and short term borrowings.

**4.21 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. 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.

**4.22 Financial instruments**

Financial instruments are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company losses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

**(a) Financial assets**

**Classification**

The Company classifies its financial assets in the following measurement categories:

i) amortized cost where the effective interest rate method will apply;
ii) fair value through profit or loss;
iii) fair value through other comprehensive income.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investment in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commit to purchase or sell the asset. Further financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

**Measurement**

At initial recognition, the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company can classifies its debt instruments:

**(i) Amortised cost**

Assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in statement of profit or loss and presented in other income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

**(ii) Fair value through other comprehensive income (FVTOCI)**

Debt securities, where the contractual cashflows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cashflows and selling financial assets are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and impairment expenses are presented as separate line item in the statement of profit or loss.

**(iii) Fair value through profit and loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and presented in finance income/cost in the period in which it arises.

**Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to statement of profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in statement of profit or loss as other income when the Company's right to receive payments is established.

**Impairment of financial assets**

The Company assess on a historical as well as forward-looking basis, the expected credit loss (ECL) as associated with its debt instruments, trade debts, short term investment and deposits and other receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Loans and advances
- Trade deposits and other receivables
- Short term investments
- Cash and bank balances

**(i) General approach for loans and advances, trade deposits and other receivables and cash and bank balances**

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognised when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognised without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

**Significant increase in credit risk**

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are considered while assessing credit risk

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increase in credit risk on other financial instruments of the same debtor; and
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

**Definition of default**

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

Irrespective of the above analysis, in case of trade debts, the Company considers that default has occurred when a debt is more than 90 days past due, unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

**Credit - impaired financial assets**

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

**(ii) Simplified approach for trade debts**

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; and
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts with individually significant balance are separately assessed for ECL measurement. All other trade debts are grouped and assessed collectively based on shared credit risk characteristics and the days past due. The expected credit losses on these financial assets are estimated using a provision matrix approach based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

**Recognition of loss allowance**

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

**Write-off**

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

**(b) Financial Liabilities**

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

**(i) Fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

**(ii) Other financial liabilities**

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortized cost, using the effective interest rate method and are measured at present value. Gain and losses are recognized in profit or loss for the year, when the liabilities are derecognized as well as through effective interest rate amortisation process.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or they expire.

**Offsetting financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**4.23 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

| | | |
|---|---|---|
| Level 1 | - | Quoted (unadjusted) market prices in active markets for identical assets or liabilities; |
| Level 2 | - | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and |
| Level 3 | - | Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable |

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Board determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

## 5 SUMMARY OF OTHER ACCOUNTING POLICIES

### 5.1 Other income

The Company recognises following in other income:

(i) Income on bank deposits and short-term investments using the effective yield method.
(ii) Dividend income is recognized when the right to receive dividend is established.
(iii) Income from other non-recurring goods and services is recognised when the control is transferred and performance obligations are fulfilled.

### 5.2 Share based payment arrangements

The entity recognizes a cost over the vesting period and a corresponding liability. Measurement is based on the fair value of the liability at each reporting date, and it is remeasured until settlement date. The share based payment is classified and accounted for as either equity settled or cash settled, depending on whether the entity has a present obligation to settle in cash.

### 5.3 Government grants

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and all the conditions precedent thereto will be complied with.

Government grant includes any benefit earned on account of a government loan obtained at below-market rate of interest. 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.

## 6. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the approved accounting and reporting standards requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows:

(i) Estimated useful life of operating fixed assets - note 4.3.1

The Company annually reviews appropriateness of the method of depreciation, useful life and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of asset is made for possible impairment on an annual basis. Any change in these estimates in the future, might affect the carrying amount of the respective item of property and equipment, with a corresponding effect on the depreciation and impairment.

(ii) Surplus on revaluation of property, plant and equipment - note 4.3.1

The Company carries out revaluations, considering the change in circumstances and assumptions from latest revaluation. The fair value of the Company's free hold land, buildings & roads and plant & machinery is assessed by management based on independent valuation performed by an external property valuation expert as at year end. For valuation of free hold land, buildings & roads and plant & machinery, the current market price or depreciated replacement cost method is used, whereby, current cost of construction of similar free hold land, buildings & roads and plant & machinery in similar locations has been adjusted using suitable depreciation rates to arrive at present market value. This technique requires significant judgment as to estimating the revalued amount in terms of their quality, structure, layout and locations.

(iii) Provision for stores and spares - note 4.6

For items which are slow-moving and/or identified as obsolete, adequate provision is made for any excess book value over estimated realisable value on a regular basis. The Company reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence.

(iv) Write down of stock in trade to net realizable value - note 4.7

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

If the expected net realisable value is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value. Provision is made in the unconsolidated financial statements for obsolete and slow moving stock-in-trade based on management estimate.

(v) Estimation of impairment loss allowance - note 4.22

The Company reviews the Expected Credit Loss (ECL) model which is based on the historical credit loss experience over the life of the trade receivables and adjusted, if required. The ECL model is reviewed on a quarterly basis.

(vi) Provision for employees' defined benefit plans - note 4.11

Defined benefit plans are provided for all employees of the Company. These calculations require assumptions to be made of future outcomes, the principal ones being in respect of increases in remuneration and the discount rate used to convert future cash flows to current values. The assumptions used vary for the different plans as they are determined by independent actuaries annually.

(vii) Provision for current and deferred tax - note 4.15

In making the estimate for tax payable, the Company takes into account applicable tax laws, the decisions taken by the appellate authorities on certain issues in the past and professional advice of tax consultant of the Company.

(viii) Provisions and contingencies - notes 4.14 and 27

The management exercises judgement in measuring and recognizing provisions and exposures to contingent liabilities related to pending litigations or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

(ix) Estimation of lease term and incremental borrowing rate for lease liabilities and right of use assets - notes 4.3.3 and 4.12.

IFRS 16 requires the Company to assess the lease term as the non-cancellable lease term in line with the lease contract together with the period for which the Company has extension options which the Company is reasonably certain to exercise and the periods for which the Company has termination options for which the Company is not reasonably certain to exercise those termination options.

A significant portion of the lease contracts included within Company's lease portfolio includes lease contracts which are extendable through mutual agreement between the Company and the lessor or lease contracts which are cancellable by the Company on immediately or on short notice. In assessing the lease term for the adoption of IFRS 16, the Company concluded that these cancellable future lease periods should be included within the lease term in determining the lease liability upon initial recognition. The reasonably certain period used to determine the lease term is based on facts and circumstances related to the underlying leased asset and lease contracts and after consideration of business plan of the Company which incorporates economic, potential demand of customers and technological changes.

| | Note | **2024** | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| **7. PROPERTY, PLANT AND EQUIPMENT** | | | |
| Operating fixed assets | 7.1 | **1,448,543** | 1,511,155 |
| Capital work-in-progress | 7.9 | **18,903** | 181 |
| Capital machines' spares | | **47,325** | 36,923 |
| | | **1,514,771** | 1,548,259 |

### 7.1 Operating fixed assets

| | Owned | | | | | | | Right-of-use assets | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Lease-hold land | Factory building and roads on lease-hold land | Plant and machinery | Factory equipment | Office equipment | Furniture and fixtures | Vehicles | Plant and machinery | Vehicles | Total |
| | Rupees in thousand | | | | | | | | | |
| **Year ended June 30, 2023** | | | | | | | | | | |
| Opening net book value | 75,725 | 95,584 | 730,261 | 103,746 | 14,669 | 971 | 2,830 | 336,464 | 25,681 | 1,385,930 |
| Additions | - | 1,577 | 50,462 | 37,864 | 2,652 | 101 | 1,770 | - | 40,347 | 134,793 |
| Revaluation | 29,125 | 16,143 | 119,595 | - | - | - | - | - | - | 164,863 |
| Disposals | | | | | | | | | | |
| - Cost | - | - | - | - | (269) | - | (10,199) | - | (11,355) | (21,823) |
| - Accumulated depreciation | - | - | - | - | 82 | - | 1,724 | - | 7,280 | 9,086 |
| | - | - | - | - | (187) | - | (8,475) | - | (4,075) | (12,737) |
| Transfers from right-of-use assets to owned | | | | | | | | | | |
| - Cost | - | - | 207,479 | - | - | - | 10,113 | (207,479) | (10,113) | - |
| - Accumulated Depreciation | - | - | (68,590) | - | - | - | (1,515) | 68,590 | 1,515 | - |
| | - | - | 138,889 | - | - | - | 8,598 | (138,889) | (8,598) | - |
| Impairment on idle factory equiment / fixed assets - note 6.7 | - | - | (13,188) | - | - | - | - | - | - | (13,188) |
| Depreciation charge | - | (4,883) | (70,046) | (32,764) | (2,392) | (108) | (934) | (28,910) | (8,469) | (148,506) |
| Closing net book value | 104,850 | 108,421 | 955,993 | 108,846 | 14,742 | 964 | 3,789 | 168,665 | 44,886 | 1,511,155 |
| **As at July 1, 2023** | | | | | | | | | | |
| Cost / revalued amount | 104,850 | 172,252 | 1,958,304 | 558,119 | 39,067 | 4,891 | 14,413 | 242,291 | 60,451 | 3,154,638 |
| Accumulated depreciation | - | (63,831) | (1,002,311) | (449,273) | (24,325) | (3,927) | (10,624) | (73,626) | (15,565) | (1,643,483) |
| Net book value | 104,850 | 108,421 | 955,993 | 108,846 | 14,742 | 964 | 3,789 | 168,665 | 44,886 | 1,511,155 |
| Annual rate of depreciation (%) | - | 5% - 10% | 5% - 20% | 5% - 40% | 10% - 33% | 10% | 20% | 6% | 20% | |
| **Year ended June 30, 2024** | | | | | | | | | | |
| Opening net book value | 104,850 | 108,421 | 955,993 | 108,846 | 14,742 | 964 | 3,789 | 168,665 | 44,886 | 1,511,155 |
| Additions | - | 3,155 | 20,102 | 59,934 | 6,024 | 57 | 959 | - | 27,175 | 117,416 |
| Revaluation | - | - | - | - | - | - | - | - | - | - |
| Disposals | | | | | | | | | | |
| - Cost | - | - | - | - | (3,848) | - | (4,686) | - | (5,189) | (13,723) |
| - Accumulated depreciation | - | - | - | - | 3,622 | - | 3,185 | - | 3,492 | 10,299 |
| | - | - | - | - | (226) | - | (1,501) | - | (1,697) | (3,424) |
| Transfers from right-of-use assets to owned | | | | | | | | | | |
| - Cost | - | - | 204,602 | - | - | - | 5,622 | (204,602) | (5,622) | - |
| - Accumulated Depreciation | - | - | (74,184) | - | - | - | (3,627) | 74,184 | 3,627 | - |
| | - | - | 130,418 | - | - | - | 1,995 | (130,418) | (1,995) | - |
| Impairment on idle factory equiment / fixed assets - note 7.7 | - | (231) | (3,845) | (2,742) | - | - | - | - | - | (6,818) |
| Depreciation charge | (3,886) | (5,498) | (94,982) | (43,485) | (2,852) | (103) | (863) | (8,735) | (9,782) | (169,986) |
| Closing net book value | 100,964 | 105,847 | 1,007,686 | 122,553 | 17,688 | 918 | 4,389 | 29,512 | 58,567 | 1,446,543 |
| **As at June 30, 2024** | | | | | | | | | | |
| Cost / revalued amount | 104,850 | 175,407 | 2,183,008 | 618,053 | 41,243 | 4,948 | 16,318 | 37,689 | 76,815 | 3,258,331 |
| Accumulated depreciation | (3,886) | (69,560) | (1,175,122) | (495,500) | (23,355) | (4,030) | (11,929) | (8,177) | (18,228) | (1,809,788) |
| Net book value | 100,964 | 105,847 | 1,007,686 | 122,553 | 17,688 | 918 | 4,389 | 29,512 | 58,567 | 1,446,543 |
| Annual rate of depreciation (%) | 1% | 5% - 10% | 5% - 20% | 5% - 40% | 10% - 33% | 10% | 20% | 6% | 20% | |

**7.2** All the disposals were made in accordance with the company's policy. The operating fixed assets disposed off during the year had an aggregate book value less than five million rupees. However, following assets' individual book value exceeds five hundred thousand rupees:

| Particulars | Cost | Book value | Sale value | Gain on disposal | Purchaser and Relationship | Mode of disposal |
|---|---|---|---|---|---|---|
| Motor Vehicle - Toyota Corolla | 2,132 | 720 | 788 | 68 | Mr. Muzammil Ahmed (Employee) | As per policy |
| Motor Vehicle - Suzuki Swift | 1,546 | 504 | 628 | 124 | Mr. Ubaidullah (Employee) | As per policy |
| Motor Vehicle - Honda City | 1,545 | 524 | 565 | 41 | Sardar Imran (Employee) | As per policy |
| Motor Vehicle - Honda Vezel | 3,057 | 977 | 1,186 | 209 | Mr. Zamir-ul-Hassan (Employee) | As per policy |
| | **8,280** | **2,725** | **3,167** | **442** | | |

**7.3** Had the revalued operating fixed assets of the Company been recognised under the cost model, the carrying values of these assets would have been as follows:

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Leasehold land | **2,884** | 2,995 |
| Factory building and roads on leasehold land | **67,799** | 68,954 |
| Plant and machinery- owned | **903,990** | 813,580 |
| | **974,673** | 885,529 |

**7.4** Forced sales value of the fixed assets based on last valuation conducted at June 30, 2023 (previously at December 31, 2021) are as follows:

| | June 30, 2023 | December 31, 2021 |
|---|---|---|
| | Rupees in thousand | |
| Leasehold land | **83,880** | 60,580 |
| Factory building and roads on leasehold land | **86,773** | 74,552 |
| Plant and machinery- owned | **780,310** | 593,801 |
| | **950,963** | 728,933 |

**7.5** Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

| Location | Usage of immovable property | Total Area | Covered Area |
|---|---|---|---|
| | | (in sq. ft.) | |
| Plot - 112,112-A,113, Phase V, Hattar Industrial Estate, Hattar, KPK. | Registered office and factory | 100,255 | 89,925 |

**7.6** Depreciation for the year has been allocated as follows on the basis of actual usage:

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| Cost of sales | 29 | **155,887** | 136,567 |
| Selling & distribution expenses | 30 | **2,442** | 2,565 |
| Administrative and general expenses | 31 | **11,657** | 9,374 |
| | | **169,986** | 148,506 |

**7.7** Reconciliation of impairment charged in fixed assets schedule and expense charged in SOPL:

| | 2024 | 2023 |
|---|---|---|
| Impairment on idle factory equiment / fixed assets | **6,618** | 13,188 |
| Impact of related revaluation surplus charged through OCI | **-** | (5,101) |
| Impairment expense charges in statement of profit or loss | **6,618** | **8,087** |

**7.8** The gross carrying amount of fully depreciated property, plant and equipment that is still in use is Rs. 18,039 thousand.

| | | Plant and machinery | Vehicles - leased | Total |
|---|---|---|---|---|
| **7.9** | **Capital work-in-progress:** | Rupees in thousand | | |
| | As at June 30, 2022 | 89 | 12,801 | 12,890 |
| | Additions during the year | 1,637 | 16,929 | 18,566 |
| | Capitalized during the year | (1,545) | (29,730) | (31,275) |
| | As at June 30, 2023 | 181 | - | 181 |
| | As at July 1, 2023 | **181** | **-** | **181** |
| | Additions during the year | **21,937** | **18,495** | **40,432** |
| | Capitalized during the year | **(3,215)** | **(18,495)** | **(21,710)** |
| | As at June 30, 2024 | **18,903** | **-** | **18,903** |

| | | Note | 2024 | 2023 |
|---|---|---|---|---|
| **8.** | **INTANGIBLE ASSETS** | | Rupees in thousand | |
| | **Softwares** | | | |
| | **Cost** | | **9,321** | 9,321 |
| | Additions | | **358** | |
| | **Accumulated amortization** | | | |
| | - Opening balance | | **(5,658)** | (4,844) |
| | - Amortization charge for the year | 8.1 | **(877)** | (814) |
| | | | **(6,535)** | (5,658) |
| | | | **3,144** | 3,663 |
| | Rate of amortization (per annum) | | **10%** | 10% |

**8.1** Amortization charge has been allocated to administrative and general expenses.

| | | Note | 2024 | 2023 |
|---|---|---|---|---|
| **9.** | **STORES, SPARES AND LOOSE TOOLS** | | | |
| | Stores and spares | | **163,860** | 125,855 |
| | Loose tools | | **2,600** | 2,453 |
| | | | **166,460** | 128,308 |
| | Provision against slow moving stores and spares | 9.1 | **(16,340)** | (10,415) |
| | Capital spares transferred to property, plant and equipment | | **(47,325)** | (36,923) |
| | | | **102,795** | 80,970 |
| **9.1** | Movement in Provision against slow moving stores and spares: | | | |
| | Balance at the beginning of the year | | **10,415** | 10,415 |
| | Charge / (Reversal) for the year | | **5,925** | - |
| | | | **16,340** | 10,415 |
| **10.** | **STOCK-IN-TRADE** | | | |
| | Raw materials | | **158,193** | 126,751 |
| | Packing materials | | **29,272** | 38,990 |
| | Work in process - preforms | | **208,114** | 228,532 |
| | Finished goods - bottles | | **112,206** | 111,696 |
| | | | **507,785** | 505,969 |
| | Provision for obsolescence | 10.1 | **(3,382)** | (441) |
| | | 10.2 | **504,403** | 505,528 |
| **10.1** | Movement in provision for obsolescence: | | | |
| | Balance at the beginning of the year | | **441** | - |
| | Charge / (Reversal) for the year | | **2,941** | 441 |
| | | | **3,382** | 441 |

**10.2** Certain short-term borrowings of the Company are secured by way of collateral charge on stock-in-trade to the extent of Rs. 188,000 thousand as at June 30, 2024.

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |

**11. TRADE DEBTS**

| | Note | 2024 | 2023 |
|---|---|---|---|
| Trade debts - unsecured | | **619,037** | 550,327 |
| Expected credit loss allowance | 11.1 | **(5,210)** | (4,993) |
| | | **613,827** | 545,334 |

**11.1** Movement in expected credit loss allowance:

| | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **4,993** | 5,309 |
| Expected credit losses/(reversal) for the year | **217** | (316) |
| | **5,210** | 4,993 |

**11.2** The provision matrix is as follows:

| June 30, 2024 | Current | Upto 30 days past due | More than 30 days past due | More than 60 days past due | More than 90 days past due | Total |
|---|---|---|---|---|---|---|
| Expected loss rate | **0.65%** | **1.59%** | **14.04%** | **37.50%** | **47.21%** | |
| Gross carrying amount - trade receivables | **557,520** | **59,844** | **512** | **1** | **1,160** | **619,037** |
| Loss allowance | **3,638** | **952** | **72** | **-** | **548** | **5,210** |

| June 30, 2023 | Current | Upto 30 days past due | More than 30 days past due | More than 60 days past due | More than 90 days past due | Total |
|---|---|---|---|---|---|---|
| Expected loss rate | 0.53% | 1.25% | 12.13% | 34.39% | 45.30% | |
| Gross carrying amount - trade receivables | 380,397 | 167,170 | 1,118 | 7 | 1,635 | 550,327 |
| Loss allowance | 2,024 | 2,089 | 136 | 3 | 741 | 4,993 |

**12. LOANS AND ADVANCES**

| | Note | 2024 | 2023 |
|---|---|---|---|
| Suppliers and contractors - unsecured | | **79,777** | 171,602 |
| Employees: | | | |
| Personal - secured | 12.1 & 12.2 | **5,241** | 6,288 |
| Operational - unsecured | | **3,182** | 3,950 |
| | | **88,200** | 181,840 |

**12.1** These include interest free advances of Rs 2,048 thousand (2023: Rs 2,016 thousand), given in accordance with the Company's policy. These are secured against termination benefit of employees and have not been discounted, as the impact of discounting is considered to be insignificant.

**12.2** These include receivable from key management personnel against car financing amounting to Rs 3,473 thousand (2023: Rs 4,272 thousand).

**13. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| Deposits | | **100** | 100 |
| Prepayments | | **1,792** | 1,435 |
| Other receivables | 13.1 | **8,241** | 11,004 |
| | | **10,133** | 12,539 |

**13.1** This includes LC margin amounting to Rs 7,416 thousand (2023: Rs 7,022 thousand).

| 14. | CASH AND BANK BALANCES | Note | 2024 | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| | At banks | | | |
| | - in current accounts | | **106,159** | 80,905 |
| | - in saving accounts | 14.1 | **3,926** | 3,323 |
| | | | **110,085** | 84,228 |
| | Cash in hand | | **100** | 100 |
| | | | **110,185** | 84,328 |

**14.1** This represent dividend account balance, maintained separately and carries mark-up at the rate of 20.5% (2023: 19.5%) per annum.

## 15. SHARE CAPITAL

### 15.1 Authorized share capital

This represents 50,000,000 (2023: 50,000,000) ordinary shares of Rs 10 each.

### 15.2 Issued, subscribed and paid-up capital

| 2024 | 2023 | | 2024 | 2023 |
|---|---|---|---|---|
| Number of shares | | | Rupees in thousand | |
| **10,262,664** | 10,262,664 | Ordinary shares of Rs 10 each issued against cash | **102,627** | 102,627 |
| **37,995,753** | 37,995,753 | Ordinary shares of Rs 10 each issued as fully paid bonus shares | **379,957** | 379,957 |
| **48,258,417** | 48,258,417 | | **482,584** | 482,584 |

**15.3** Ordinary shares have a par value of Rs 10 each. They entitle the holder to participate in dividends, as declared from time to time, and to share in the proceedings of the winding up of the Company in the proportion to the number of and amounts paid on the shares held. Further, the holder is entitled to one vote per share at the general meetings of the Company, except to vote for the appointment of Director(s). In this case the voting right is multiple of number of Directors to be elected.

## 16. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Company follows revaluation model for lease-hold land, factory building and roads on lease-hold land and plant & machinery. During the year the management and its expert believe that there are no significant change in circumstances necessitating new revaluation. The last fair valuation of these items were assessed by management based on independent valuation performed by an external valuation expert property valuation expert as on June 30, 2023. For valuation of these items, the current market price or depreciated replacement cost method was used, whereby, current purchase / construction cost of similar items in similar locations was adjusted using suitable depreciation rates to arrive at present market value. This technique requires significant judgment as to estimating the revalued amount in terms of their quality, structure, layout and locations. Movement during the year is as follows:

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Balance at the beginning of the year | **357,675** | 227,635 |
| Add: surplus on revaluation carried-out during the year | - | 164,863 |
| Reversal of surplus on recognition of impairment loss on idle machinery | - | (5,101) |
| Incremental depreciation transferred to unappropriated profits | **(41,749)** | (29,722) |
| | **315,926** | 357,675 |
| Less: deferred tax on | | |
| - Balance at beginning of the year | **(84,421)** | (44,055) |
| - surplus for the year | - | (51,857) |
| - difference due to change in rate of tax | **(5,957)** | - |
| - reversal of revaluation surplus for the year | - | 1,683 |
| - incremental depreciation charged during the year | **14,529** | 9,808 |
| | **(75,849)** | (84,421) |
| Balance at the end of the year | **240,077** | 273,254 |

**16.1 Restriction on distribution**

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

## 17 LONG TERM FINANCES - SECURED

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| **Loans from banking companies - secured** | | | |
| Bank Al-Habib Limited - I | 17.1 | **20,000** | 36,000 |
| Bank Al-Habib Limited - II | 17.2 | **21,070** | 28,523 |
| Bank Al-Habib Limited - III | 17.3 | **23,874** | - |
| PAIR Investment Company Limited - I | 17.4 | **15,239** | 20,976 |
| | | **80,183** | 85,499 |
| Less: current portion of long term finances | 17.5 | **(80,183)** | (30,969) |
| | | - | 54,530 |

**17.1** This represents term loan obtained in year 2019 for letter of credit arrangements of the capital expenditure. Tenor of the loan is five years, including six months grace period. This is repayable in 20 equal quarterly installments started from May 24, 2019. It carries mark-up at 3 months KIBOR plus 1.5% per annum payable on quarterly basis. This loan is secured by specific (first exclusive) charge of Rs 171,000 thousand on imported / purchased machinery. Principal repayments of the loan were deferred for a period of one year in pursuance of BPRD Circular No. 6 dated April 10, 2020.

**17.2** This represents subsidized rate term loan obtained during the year 2020 under Temporary Economic Refinance Facility (TERF) of State Bank of Pakistan (SBP) for letter of credit arrangements of the capital expenditure. Tenor of the loan is six years, including one year grace period. This is repayable in 20 equal quarterly installments starting from March 1, 2022. It carries mark-up at 5% per annum payable on quarterly basis. This loan is secured by specific (first exclusive) charge of Rs 171,000 thousand over imported / purchased machinery. Loan proceeds of subsidized loans have been recognized at present value of future cashflows discounted at market interest rate. The difference between loan proceeds and the present value of future cashflows has been recognized as deferred government grant.

**17.3** This represents term loan obtained in fiscal year 2023-24 for letter of credit arrangements of the capital expenditure. Tenor of the loan is three years. This is repayable in 36 equal monthly installments. The loan is priced at 1.5% per annum over 3 months KIBOR. This loan is secured by first exclusive charge over fixed assets (plant & machinery) for Rs. 55 million duly registered with SECP over machinery imported.

17.4 This represents finance obtained from PAIR Investment Company Limited under sale and lease back arrangement. As per terms of agreement, the Company has an option to repurchase the assets back upon expiry of lease term, accordingly proceeds through this arrangement are classified as a financial liability in accordance with IFRS 9. Tenor of the arrangement is 5 years and with 60 equal monthly installments. It carries mark-up at 3 months KIBOR plus 1.5% per annum. The loan is secured by charge over plant and machinery of the Company amounting to Rs 54,710 thousand.

17.5 The Company has not been able to comply with loan covenants as per the requirements of the loan agreements. In terms of provisions of International Accounting Standard on Presentation of financial statements (IAS 1), the Company does not have an unconditional right to defer settlement of liabilities for at least twelve months after the statement of financial position date, accordingly all liabilities under respective loan agreements are required to be classified as current liabilities. Based on above, loan installments for an amount of Rs 32,476 thousand due after June 30, 2025 have been shown as current liability.

## 18 DEFERRED GOVERNMENT GRANT

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Balance at the beginning of the year | **1,783** | 3,103 |
| Amortisation of deferred grant | **(847)** | (1,320) |
| | **936** | 1,783 |
| Less: Current portion shown under current liabilities | **(847)** | (847) |
| | **89** | 936 |

This represent deferred government grant in respect of represents subsidized rate term loan (note 17.2) obtained during the year 2020 under Temporary Economic Refinance Facility (TERF) of State Bank of Pakistan (SBP) for letter of credit arrangements of the capital expenditure.

## 19 LEASE LIABILITIES

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| Balance at the beginning of the year | | **81,674** | 177,537 |
| Additions during the year | | **31,157** | 27,218 |
| Unwinding of interest on lease liabilities | | **10,700** | 18,484 |
| Payments made during the year | | **(50,584)** | (141,565) |
| | | **72,947** | 81,674 |
| Less: Current portion shown under current liabilities | 26 | **(15,545)** | (30,534) |
| Amount due after June 30, 2025 | | **57,402** | 51,140 |

19.1 The future minimum lease payments and the period in which they become due are:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Rupees in thousand | | | |
| | **Minimum lease payments** | **Present Value** | Minimum lease payments | Present Value |
| Upto one year | **26,191** | **15,545** | 40,931 | 30,534 |
| More than one year but less then five years | **73,194** | **57,402** | 71,250 | 47,372 |
| More than five years | **-** | **-** | 4,268 | 3,768 |
| Total minimum lease payments | **99,385** | **72,947** | 116,449 | 81,674 |
| Less: Amount representing finance charges | **(26,438)** | **-** | (34,775) | - |
| Present value of minimum lease payments | **72,947** | **72,947** | 81,674 | 81,674 |
| Less: Current portion | **(15,545)** | **(15,545)** | (30,534) | (30,534) |
| | **57,402** | **57,402** | 51,140 | 51,140 |

19.2 The Company's leased assets comprise of plant and machinery and vehicles. Leased vehicles have been obtained during different time periods from year 2020 to year 2024. Plant and machinery and vehicles both have lease term of five years and lease for solar is of seven years. Under the terms of lease arrangement, the Company has an option to acquire leased assets at the end of respective lease term and intends to exercise the option. There are no restrictions imposed on the Company under the terms of leases. The interest rate used for the calculation of the present value of minimum lease payments, are 4.25% to 25.43% (2023: 4.25% to 24.24%) per annum.

| | | Note | 2024 | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| 19.3 | Interest expense on leased liabilities | 34 | **10,700** | 18,484 |
| | Expense related to short term leases | | **39,999** | 39,253 |

## 20 DEFERRED TAX LIABILITIES - NET

| | Note | 2024 | 2023 |
|---|---|---|---|
| **Taxable temporary differences arising in respect of:** | | | |
| Accelerated depreciation and amortization | | **227,068** | 186,887 |
| Revaluation on surplus of property, plant and equipment | | **75,849** | 84,421 |
| Right-of-use-assets | | **5,255** | 43,520 |
| | | **308,172** | 314,828 |
| **Deductible temporary differences arising in respect of:** | | | |
| Staff retirement benefit - gratuity | | **(18,820)** | (14,433) |
| Carried forward tax losses | | **-** | (11,955) |
| Minimum tax | 20.2 | **(228,722)** | (246,955) |
| Provisions | | **(9,038)** | (8,660) |
| | | **(256,580)** | (282,003) |
| | | **51,592** | 32,825 |

### 20.1 Movement of deferred tax is as follows:

| | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **32,825** | 16,714 |
| Deferred tax recognized in statement of profit or loss | **13,749** | (31,373) |
| Recognized in other comprehensive income | **5,018** | 47,484 |
| | **51,592** | 32,825 |

20.2 The deferred tax asset in respect of tax credits has been recognised taking into account the availability of future taxable profits as per business plan of the Company. The existence of future taxable profits is based on business plan which involves making judgements regarding key assumptions underlying the estimation of the future taxable profits of the Company. These assumptions, if not met have significant risk of causing a material adjustment to the carrying amount of deferred tax. It is probable that the Company will be able to achieve the profits projected in the business plan. The minimum tax credits expire as follows:

| | (Rupees in thousand) |
|---|---|
| Deferred tax asset available till tax year 2025 | **45,809** |
| Deferred tax asset available till tax year 2026 | **74,337** |
| Deferred tax asset available till tax year 2027 | **58,609** |
| Deferred tax asset available till tax year 2029 | **18,502** |
| Deferred tax asset available till tax year 2031 | **8,461** |
| Deferred tax asset available till tax year 2032 | **15,588** |
| Deferred tax asset available till tax year 2033 | **7,416** |

| | | Note | 2024 | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| **21** | **EMPLOYEES' RETIREMENT BENEFITS** | | | |
| | Staff retirement gratuity - net | 21.1 | **54,081** | 43,738 |

**21.1** Reconciliation of the liability recognized in the statement of financial position

| | Note | 2024 | 2023 |
|---|---|---|---|
| Present value of defined benefit obligation | | **53,575** | 44,313 |
| Fair value of plan assets | 21.3 | **(621)** | (575) |
| Benefits due but not paid | | **1,127** | - |
| Liability at the end of the year | | **54,081** | 43,738 |

**21.2 Movement in the net liability recognised in the statement of financial position**

| | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **43,738** | 33,418 |
| Expense recognized in statement of profit or loss | **12,447** | 8,187 |
| Contributions to fund | **(4,802)** | (6,020) |
| Remeasurement (gain) / loss in other comprehensive income | **2,698** | 8,153 |
| | **54,081** | 43,738 |

**21.3 Movement in the fair value of plan assets**

| | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **575** | 492 |
| Contributions during the year | **4,802** | 6,020 |
| Return on plan assets | **88** | 66 |
| Benefits paid | **(4,873)** | (6,012) |
| Actuarial loss on plan assets | **29** | 9 |
| | **621** | 575 |

| | 2024 | 2023 | 2024 | 2023 |
|---|---|---|---|---|
| | — Percentage — | | Rupees in thousand | |
| **21.4 Fair value of plan assets** | | | | |
| Saving accounts | **32.83%** | 38.78% | **204** | 223 |
| Investments | **67.17%** | 61.22% | **417** | 352 |
| | **100.00%** | 100.00% | **621** | 575 |

**21.5 Movement in the present value of defined benefit obligation:**

| | 2024 | 2023 |
|---|---|---|
| Opening balance of defined benefit obligation | **44,313** | 33,910 |
| Current service cost | **5,822** | 4,158 |
| Interest cost on defined benefit obligation | **6,713** | 4,095 |
| Benefits paid | **(4,873)** | (6,012) |
| Benefits due but not paid | **(1,127)** | - |
| Remeasurement (gain) / loss charged in other comprehensive income | **2,727** | 8,162 |
| | **53,575** | 44,313 |

| | 2024 | 2023 |
|---|---|---|
| **21.6 Expense recognized in statement of profit or loss is as follows:** | Rupees in thousand | |
| Current service cost | **5,822** | 4,158 |
| Interest cost on defined benefit obligation | **6,713** | 4,095 |
| Return on plan assets | **(88)** | (66) |
| | **12,447** | 8,187 |

**21.7** Expected future provision for the year ending June 30, 2025 is Rs 13,361 thousand.

**21.8 Remeasurement gain / (loss) in other comprehensive income are as follows:**

| | 2024 | 2023 |
|---|---|---|
| Actuarial gains from changes in financial assumptions | **(280)** | (1,311) |
| Experience adjustments | **3,007** | 9,473 |
| Remeasurement loss on defined benefit obligation | **2,727** | 8,162 |
| Actuarial loss on plan assets | **(29)** | (9) |
| | **2,698** | 8,153 |

**21.9** Comparison of present value of defined benefit obligation for the current year and previous four years is as follows:

| | Present value of defined benefit obligation | Experience adjustments on obligations |
|---|---|---|
| | Rupees in thousand | |
| June 2024 | 53,575 | 2,727 |
| June 2023 | 56,436 | 8,162 |
| June 2022 | 33,910 | (3,961) |
| June 2021 | 35,116 | (986) |
| June 2020 | 133,820 | (17,256) |

| | 2024 | 2023 |
|---|---|---|
| **21.10 Year End Sensitivity Analysis (± 100 bps) on Defined Benefit Obligation** | Rupees in thousand | |
| Discount Rate + 100 bps | **49,617** | 41,090 |
| Discount Rate - 100 bps | **58,125** | 48,012 |
| Salary Increase + 100 bps | **58,199** | 48,088 |
| Salary Increase - 100 bps | **49,479** | 40,964 |

The average duration of the defined benefit obligation is 8 years.

**21.11** Following significant assumptions were used by the actuary in valuation of the scheme:

| | 2024 | 2023 |
|---|---|---|
| Discount rate per annum (%) | **14.75%** | 16.25% |
| Expected rate of increase in salary level per annum (%) - for future years | **14.75%** | 16.25% |
| Average expected remaining working life time of employees | **8 years** | 8 years |

**21.12** The plan is a defined benefit plan invested through approved trust fund. The fund is governed under Trusts Act. Trust Deed and Rules of Fund, Companies Act, 2017, the Income Tax Ordinance, 2001 and the Income Tax Rules, 2002. The trustees of the fund are appointed by the Company and are responsible for plan administration and investment. All trustees are employees of the Company.

**21.13** The defined plan exposes the company to the following risks:

**Final salary risk:**

The risk that the final salary at the time of cessation of service is greater than what the company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

**Withdrawal risks:**

The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

**Mortality risks:**

The risk that the actual mortality experience is different. Similar to the withdrawal risk, the effect depends on the beneficiaries' service / age distribution and the benefit.

**Discount rate fluctuation:**

The plan liabilities are calculated using a discount rate set with reference to market yields on government bonds. A decrease in market yields on government bonds will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans bond holdings.

**Investment risks:**

The risk of the investment underperforming and not being sufficient to meet the liabilities. The risk is mitigated by closely monitoring the performance of investment.

**Risk of insufficiency of assets:**

This is managed by making regular contribution to the fund as advised by the actuary.

| | Note | **2024** | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| **22. TRADE AND OTHER PAYABLES** | | | |
| Trade creditors | | **164,933** | 284,339 |
| Accrued and other liabilities | | **126,775** | 71,006 |
| Levy payable | | **-** | 3,820 |
| Payable to provident fund | | **1,917** | - |
| Sales tax payable | | **43,040** | 35,652 |
| Payable to Federal Government | 22.1 | **3,926** | - |
| Withholding taxes payable | | **3,823** | 3,951 |
| Workers' profit participation fund payable | | **12,645** | 4,880 |
| Workers' welfare fund payable | | **5,266** | 358 |
| | | **362,325** | 404,006 |

**22.1** The represents dividend declared and not paid for more than three years and is accordingly classified as trade and other payables as per requirements of Companies Act, 2017.

| | Note | **2024** | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| **23. CONTRACT LIABILITIES** | | | |
| Advances from customers | 23.1 | **20,606** | 20,296 |

**23.1** This represents advances received from customers in the ordinary course of business. Revenue recognised from opening balance of contract liabilities is Rs 20,296 thousand (2023: Rs 36,994 thousand).

## 24. PROVISION FOR TAXATION - NET

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Opening balance | **-** | 3,845 |
| Paid during the year | **74,515** | - |
| Charge for the year | **(78,433)** | (3,845) |
| Closing balance | **(3,918)** | - |

## 25. SHORT TERM BORROWINGS AND RUNNING FINANCE - SECURED

| | 2024 Facility Amount | 2024 | 2023 |
|---|---|---|---|
| | Rupees in thousand | | |
| Short term borrowings - secured - note 25.1 | 1,050,000 | **845,021** | 1,099,683 |
| Short term running finance - secured - note 25.2 | 75,000 | **30,326** | 24,588 |
| Short term pledge finance - secured | 150,000 | **139,249** | - |
| | 1,275,000 | **1,014,596** | 1,124,271 |

**25.1** From banking companies - Secured

| | | | |
|---|---|---|---|
| - Inland bills purchased - IBPs | 240,000 | **85,583** | 289,188 |
| - Finance against trust receipt | 810,000 | **746,357** | 767,027 |
| | 1,050,000 | **831,940** | 1,056,215 |
| Others | | | |
| - Accrued mark-up on short term borrowings | - | **13,081** | 43,468 |
| | 1,050,000 | **845,021** | 1,099,683 |

**25.1.1** The Company has obtained short term borrowing from various commercial banks and Non-Banking Finance Company (NBFC) to meet its working capital requirements, carrying mark-up ranging from 3 months KIBOR plus 1.0% to 1.5% (2023: 3 Months KIBOR plus 1.0% to 1.5%) per annum. Short term borrowings facility available for the year is 1,050,000 thousand (2023: 1,160,000 thousand).

**25.1.2** These borrowings are secured by way of joint first pari passu and ranking hypothecation charges of entire present and future current & fixed assets of the Company.

**25.2** Running finance facilities are secured by way of joint first pari passu and ranking hypothecation charges of entire present and future current & fixed assets of the Company, carrying mark-up ranges from 1-3 months KIBOR plus 1.25% to 1.5% (2023: 1.25% to 1.5%)

## 26. CURRENT MATURITY OF NON-CURRENT LIABILITIES

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| Current portion of long term loans | 17 | **80,183** | 30,969 |
| Current portion of lease liabilities | 19 | **15,545** | 30,534 |
| Current portion of deferred government grant | 18 | **847** | 847 |
| Accrued mark-up on long term loans | | **3,622** | 2,857 |
| Accrued mark-up on lease liabilities | | **610** | 616 |
| | | **100,807** | 65,823 |

## 27. CONTINGENCIES AND COMMITMENTS

### 27.1 Contingencies

**27.1.1** In respect of tax year 2017, Deputy Commissioner Inland Revenue (DCIR) passed an order on May 20, 2020, against the Company regarding inadmissibility of sales tax input amounting to Rs 35,995 thousand. Commissioner Inland Revenue (Appeals) [CIR(A)] upheld the order of DCIR. The Company has filed an appeal against the decision of CIR(A) before Appellate Tribunal, which is pending for adjudication.

The management and its advisor are confident that the case will be decided in its favor as the demand is without legal substance. Accordingly, no provision has been recognized in these financial statements in this respect.

**27.1.2** A Suit No.1954 of 2022 was filed by Mr. Hussain Jamil (the incumbent Chief Executive Officer of the Company) against the Company and others before the Honourable High Court of Sindh ("SHC"). Through this suit, Mr. Jamil, inter alia, challenged his alleged illegal removal as the Chief Executive Officer of the Company and violations of takeover laws by certain persons. Subsequent to the year end Mr. Jamil moved an application to SHC on September 16, 2024 for withdrawal of suit and the said application has been acceeded to by the SHC. An order for even date has also been passed by the SHC with no order on any cost to the Company.

### 27.2 Commitments

**27.2.1** Bank guarantees have been issued by two financial institutions of the Company for an aggregate amount of Rs 7,154 thousand (2023: Rs 7,154 thousand) in favor of the Company's fuel and utility suppliers.

**27.2.2** Local letter of credit for purchase of raw material amounts to Rs 86,839 thousand (2023: Rs Nil).

## 28. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

| | **2024** | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Sales-Local | | |
| - PET Preforms | **2,583,124** | 2,690,016 |
| - PET Bottles | **4,750,004** | 4,003,602 |
| | **7,333,128** | 6,693,618 |
| Less: Sales tax | | |
| - PET Preforms | **(395,821)** | (403,910) |
| - PET Bottles | **(725,121)** | (597,417) |
| | **(1,120,942)** | (1,001,327) |
| - Sales returns and discounts | **-** | (2,798) |
| Total Sales tax and discounts | **(1,120,942)** | (1,004,125) |
| | **6,212,186** | 5,689,493 |

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |

## 29. COST OF SALES

| | Note | 2024 | 2023 |
|---|---|---|---|
| Raw material consumed | | **3,598,409** | 3,814,259 |
| Packing material consumed | | **239,849** | 218,857 |
| Stores, spares and loose tools consumed | | **78,863** | 85,154 |
| Salaries, wages and other benefits | 29.1 | **418,697** | 305,191 |
| Fuel and power | | **771,514** | 519,350 |
| Travelling and conveyance | | **19,790** | 18,641 |
| Vehicle running and maintenance | | **18,448** | 15,202 |
| Rent, rates and taxes | | **37,198** | 36,147 |
| Repair and maintenance | | **15,762** | 11,822 |
| Safety and security | | **19,837** | 13,817 |
| Medical & utilities | | **10,703** | 9,205 |
| Communication charges | | **2,803** | 2,496 |
| Printing, postage and stationery | | **4,623** | 3,457 |
| Technical testing and analysis | | **1,544** | 896 |
| Fees, subscription and professional charges | | **2,813** | 2,379 |
| Entertainment | | **1,086** | 1,011 |
| Staff welfare & support | | **10,151** | 8,163 |
| Depreciation | 7.6 | **155,887** | 136,567 |
| Provision for slow moving stock in trade | | **2,941** | 441 |
| Provision for obsolete stores and spares | | **5,925** | - |
| Others | | **171** | 267 |
| | | **5,417,014** | 5,203,322 |
| Work-in-process - opening | | **228,532** | 117,973 |
| Work-in-process - closing | | **(208,114)** | (228,532) |
| | | **20,418** | (110,559) |
| Cost of goods manufactured | | **5,437,432** | 5,092,763 |
| Finished goods - opening | | **111,696** | 128,815 |
| Finished goods - closing | | **(112,206)** | (111,696) |
| | | **(510)** | 17,119 |
| | | **5,436,922** | 5,109,882 |

**29.1** This includes an amount of Rs 18,976 thousand (2023: Rs 12,961 thousand), in respect of employees' retirement benefits.

| | | Note | 2024 | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| **30.** | **SELLING EXPENSES** | | | |
| | Salaries and other benefits | 30.1 | **29,569** | 26,809 |
| | Freight charges | | **116,250** | 104,198 |
| | Vehicle running and maintenance | | **6,062** | 4,725 |
| | Medical & utilities | | **1,214** | 1,433 |
| | Travelling and conveyance | | **3,698** | 2,589 |
| | Rent, rates and taxes | | **877** | 834 |
| | Communications | | **619** | 550 |
| | Entertainment | | **688** | 559 |
| | Repair and maintenance | | **879** | 471 |
| | Utilities | | **1,395** | 1,065 |
| | Printing and stationery | | **55** | 62 |
| | Advertisement and sales promotion | | **72** | 84 |
| | Depreciation | 7.6 | **2,442** | 2,565 |
| | Others | | **28** | - |
| | | | **163,948** | 145,944 |

**30.1** This includes an amount of Rs 2,367 thousand (2023: Rs 1,655 thousand), in respect of employees' retirement benefits.

| | | Note | 2024 | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| **31.** | **ADMINISTRATIVE AND GENERAL EXPENSES** | | | |
| | Salaries and other benefits | 31.1 | **67,757** | 63,872 |
| | Directors' meeting fee | | **6,700** | 6,500 |
| | Legal and professional charges | | **8,167** | 9,245 |
| | Vehicle running and maintenance | | **11,975** | 10,530 |
| | Medical & utilities | | **2,529** | 2,140 |
| | Rent, rate and taxes | | **1,924** | 2,272 |
| | Auditors' remuneration | 31.2 | **2,910** | 2,890 |
| | Courses, seminar and subscription | | **2,605** | 2,870 |
| | Repair and maintenance | | **3,086** | 2,208 |
| | Safety & security | | **1,342** | 221 |
| | Travelling and conveyance | | **3,660** | 6,237 |
| | Utilities | | **987** | 800 |
| | Entertainment | | **1,730** | 1,070 |
| | Communications | | **530** | 326 |
| | Printing and stationery | | **214** | 128 |
| | Advertisement | | **405** | 307 |
| | Depreciation and amortization | 7.6 & 8 | **12,534** | 10,189 |
| | Others | | **62** | 60 |
| | | | **129,117** | 121,865 |

**31.1** This includes an amount of Rs 2,599 thousand (2023: Rs 3,562 thousand), in respect of staff retirement benefits.

| | | Note | 2024 | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| **31.2** | **Auditors' Remuneration** | | | |
| | Statutory audit | | **1,725** | 1,725 |
| | Half year review | | **575** | 575 |
| | Review of code of corporate governance and other services | | **150** | 150 |
| | Tax services | | **250** | 250 |
| | Out-of-pocket expenses | | **210** | 190 |
| | | | **2,910** | 2,890 |
| **32.** | **OTHER EXPENSES** | | | |
| | Workers' Welfare Fund | | **5,349** | 358 |
| | Workers' Profit Participation Fund | | **11,954** | 4,282 |
| | Donation - without directors' interest | | **465** | 171 |
| | Loss on Scrap sales - net of expenses | | **4,141** | - |
| | Impairment on idle equipment/ machinery | 32.1 | **6,618** | 8,087 |
| | | | **28,527** | 12,898 |

32.1 The management has assessed that some of the factory equipment are no longer useable and accordingly has recorded impairment. All the impaired equipment are of generic nature. These are recorded at fair value less cost of disposal.

| | | Note | 2024 | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| **33.** | **OTHER INCOME** | | | |
| | **Income from financial assets** | | | |
| | Interest income on bank deposits and short-term investments | | **-** | 334 |
| | **Income from other than financial assets** | | | |
| | Gain on Scrap sales - net of expenses | | **-** | 524 |
| | Gain on disposal of property, plant and equipment | | **628** | 929 |
| | Write back of liabilities | | **10,065** | 3,786 |
| | Foreign exchange gain | | **1,158** | - |
| | Others | | **-** | 73 |
| | | | **11,851** | 5,646 |
| **34.** | **FINANCE COST** | | | |
| | Mark-up on: | | | |
| | Long term finances | | **19,853** | 14,629 |
| | Short-term borrowings | | **199,846** | 183,718 |
| | | | **219,699** | 198,347 |
| | Unwinding of interest on lease liabilities | 19 | **10,700** | 18,484 |
| | Bank and other charges | | **12,152** | 7,039 |
| | | | **242,551** | 223,870 |

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |

## 35. MINIMUM TAX - LEVY

This represents portion of minimum tax paid under the provisions of Income tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/ IAS 37.

| | 2024 | 2023 |
|---|---|---|
| Minimum tax levy in terms of requirements of IFRIC 21/ IAS 37 | | |
| - for the year | - | 68,381 |
| - prior years | 1,630 | - |
| | 1,630 | 68,381 |

## 36. INCOME TAX EXPENSE

| | 2024 | 2023 |
|---|---|---|
| Current tax | 78,433 | 3,845 |
| Deferred tax | 13,749 | (31,373) |
| | 92,182 | (27,528) |

**36.1** Reconciliation of income tax expense and accounting profit:

| | 2024 | 2023 |
|---|---|---|
| Profit before taxation | 222,755 | 80,996 |
| Applicable company's tax rate | 32% | 29% |
| Tax charge at the applicable tax rate | 71,282 | 23,489 |
| Effect of change in rate of tax for deferred tax | 15,261 | 12,600 |
| Expenses not allowed for tax | 149 | 50 |
| Effect of minimum tax classified to levy | (1,630) | (68,381) |
| Other differences | 7,120 | 4,714 |
| | 92,182 | (27,528) |

## 37. EARNINGS PER SHARE - BASIC AND DILUTED

| | 2024 | 2023 |
|---|---|---|
| 37.1 Profit after taxation (Rupees in '000') | 128,943 | 40,143 |
| Weighted average number of ordinary shares | 48,258,417 | 48,258,417 |
| Earnings per share - basic and diluted (Rupees) | 2.67 | 0.83 |

**37.2** There is no dilution effect on the basic earnings per share of the Company as the Company has no convertible potential dilutive instruments outstanding as on June 30, 2024, which would have effect on the basic EPS, if the option to convert would have been exercised.

## 38. CASH AND CASH EQUIVALENTS

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | Rupees in thousand | |
| Cash and bank balances | 14 | 110,185 | 84,328 |
| Short-term running finance - secured | 25 | (30,326) | (24,588) |
| | | 79,859 | 59,740 |

## 39. SEGMENT REPORTING

### 39.1 Description of operating segments

Business segments are determined based on the Company's management and internal reporting structure. The Company has two operating segments which are also the reporting segments i.e., injection and blowing.

| Reportable segments | Operations |
|---|---|
| Injection | Engaged in buying PET Resin/ receive from customers and other raw materials for the purpose of production of PET preforms (finished product of this segment) which is used as a raw material in Blowing segment for manufacturing of PET bottles. |
| Blowing | Engaged in using PET preforms produced by the Injection segment, purchasing PET preforms/ receive from customers and other raw materials from external suppliers for the purpose of production of PET bottles (finished product of this segment). |

The Company's Chief Executive officer reviews the internal management reports of each segment at least quarterly.

### 39.2 Information about reportable segments

Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

| | Injection | | Blowing | | Total | |
|---|---|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| | Rupees in thousand | | | | | |
| Total Revenue | **3,971,469** | 3,977,290 | **4,024,883** | 3,404,851 | **7,996,352** | 7,382,141 |
| Less: Intersegment sales (eliminated) | **(1,784,166)** | (1,692,648) | - | - | **(1,784,166)** | (1,692,648) |
| **Revenue-net** | **2,187,303** | 2,284,642 | **4,024,883** | 3,404,851 | **6,212,186** | 5,689,493 |
| Total Cost of Sales | **(1,951,272)** | (2,099,396) | **(5,269,816)** | (4,700,701) | **(7,221,088)** | (6,802,530) |
| Less: Intersegment cost (eliminated) | - | - | **1,784,166** | 1,692,648 | **1,784,166** | 1,692,648 |
| **Cost of sales-net** | **(1,951,272)** | (2,099,396) | **(3,485,650)** | (3,008,053) | **(5,436,922)** | (5,109,882) |
| Gross profit | **236,031** | 185,246 | **539,233** | 396,798 | **775,264** | 579,611 |
| Selling expenses | **(57,726)** | (54,999) | **(106,222)** | (81,966) | **(163,948)** | (145,944) |
| Administrative expenses | **(45,462)** | (53,518) | **(83,655)** | (79,759) | **(129,117)** | (121,865) |
| Net impairment gain/(loss) on financial assets | **(76)** | 127 | **(141)** | 189 | **(217)** | 316 |
| | **(103,264)** | (108,390) | **(190,018)** | (161,536) | **(293,282)** | (267,493) |
| Operating profit | **132,767** | 76,856 | **349,215** | 235,262 | **481,982** | 312,118 |
| Segment assets | **1,602,470** | 1,487,969 | **1,151,460** | 1,222,795 | **2,753,930** | 2,710,764 |
| Unallocated assets | - | - | - | - | **208,034** | 265,518 |
| | **1,602,470** | 1,487,969 | **1,151,460** | 1,222,795 | **2,961,964** | 2,976,282 |
| Segment liabilities | **769,799** | 878,788 | **786,540** | 839,041 | **1,556,339** | 1,717,829 |
| Unallocated liabilities | - | - | - | - | **109,077** | 83,132 |
| | **769,799** | 878,788 | **786,540** | 839,041 | **1,665,416** | 1,800,961 |
| Capital expenditure | **17,259** | 64,660 | **59,521** | 23,765 | **76,780** | 88,425 |
| Unallocated capital expenditure | - | - | - | - | **40,636** | 46,368 |
| | **17,259** | 64,660 | **59,521** | 23,765 | **117,416** | 134,793 |

### 39.3 Reconciliations of information on reportable segments to the amounts reported in the statement of profit or loss:

| | **2024** | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Operating profit of the reportable segments | **481,982** | 312,118 |
| Add: other income | **11,851** | 5,646 |
| Less: other expenses | **(28,527)** | (12,898) |
| Finance cost | **(242,551)** | (223,870) |
| Profit before taxation as per statement of profit or loss | **222,755** | 80,996 |

**39.4** Revenue from four customers of the Company amounted to Rs. 3,865 million (2023: Rs. 3,672 million), comprises more than 10% from each customer of the entity's revenue. The segments from which these revenues were generated are listed below:

- Blowing Segment: three customers having revenues amounting to Rs. 3,056 million (2023: Rs. 2,557 million).

- Injection Segment: one customer having revenue amounting to Rs. 809 million (2023: Rs. Rs. 1,115 million).

## 40. FINANCIAL INSTRUMENTS

### 40.1 Financial assets and liabilities

| | Amortised Cost | Fair value through profit and loss | Fair value through other comprehensive income | Total |
|---|---|---|---|---|
| **June 30, 2024** | Rupees in thousand | | | |
| **Financial assets:** | | | | |
| Maturity upto one year | | | | |
| Trade debts | **613,827** | - | - | **613,827** |
| Loans and advances | **5,241** | - | - | **5,241** |
| Deposits, prepayments and other receivables | **7,516** | - | - | **7,516** |
| Cash and bank balances | **110,185** | - | - | **110,185** |
| Maturity above one year | | | | |
| Long term deposits | - | **14,506** | - | **14,506** |
| | **736,769** | **14,506** | - | **751,275** |
| **Financial liabilities:** | | | | |
| Maturity upto one year | | | | |
| Employees' retirement benefits | **54,081** | - | - | **54,081** |
| Trade and other payables | **291,708** | - | - | **291,708** |
| Unclaimed dividend | - | - | - | - |
| Short term borrowings and running finance - secured | **1,014,596** | - | - | **1,014,596** |
| Current maturity of non-current liabilities | **100,807** | - | - | **100,807** |
| Maturity above one year | | | | |
| Long term finances - secured | - | - | - | - |
| Lease liabilities | **57,402** | - | - | **57,402** |
| | **1,518,594** | - | - | **1,518,594** |
| **June 30, 2023** | | | | |
| **Financial assets:** | | | | |
| Maturity upto one year | | | | |
| Trade debts | 545,334 | - | - | 545,334 |
| Loans and advances | 10,238 | - | - | 10,238 |
| Deposits, prepayments and other receivables | 11,104 | - | - | 11,104 |
| Cash and bank balances | 84,328 | - | - | 84,328 |
| Maturity above one year | | | | |
| Long term deposits | - | 13,821 | - | 13,821 |
| | 651,004 | 13,821 | - | 664,825 |
| **Financial liabilities:** | | | | |
| Maturity upto one year | | | | |
| Employees' retirement benefits | 43,738 | | | 43,738 |
| Trade and other payables | 355,345 | - | - | 355,345 |
| Unclaimed dividend | 3,396 | - | - | 3,396 |
| Short term borrowings and running finance - secured | 1,124,271 | - | - | 1,124,271 |
| Current maturity of non-current liabilities | 65,823 | - | - | 65,823 |
| Maturity above one year | | | | |
| Long term finances - secured | 54,530 | - | - | 54,530 |
| Lease liabilities | 51,140 | - | - | 51,140 |
| | 1,698,243 | - | - | 1,698,243 |

## 41. FINANCIAL RISK MANAGEMENT

### 41.1 Financial risk factors

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

The Board of Directors (the Board) has the overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of the Company oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

### a) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the credit worthiness of counterparties.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk primarily arises from trade debts, loans and advances, other receivables and balances with banks. To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other relevant factors. Where considered necessary, advance payments are obtained from certain parties. The management has set an allowed credit period to reduce the credit risk. Credit risk on bank balances is limited as the counter parties are banks with reasonably high credit ratings. In respect of other counter parties, due to the Company's long standing business relationship with them, management does not expect non-performance by these counter parties on their obligations to the Company.

The Company recognises ECL for trade debts using the simplified approach as explained in note 4.22. As per the aforementioned approach, the loss allowance was determined as follows:

| | **June 30, 2024** | | June 30, 2023 | |
|---|---|---|---|---|
| | Gross carrying value | Loss allowance | Gross carrying value | Loss allowance |
| | Rupees in thousand | | | |
| Current (not past due) | **557,520** | **(3,638)** | 380,396 | (2,024) |
| 1–30 days past due | **59,844** | **(952)** | 167,170 | (2,089) |
| 31–60 days past due | **512** | **(72)** | 1,118 | (136) |
| 61–90 days past due | **1** | **-** | 7 | (3) |
| More than 90 days past due | **1,160** | **(548)** | 1,636 | (741) |
| | **619,037** | **(5,210)** | 550,327 | (4,993) |

ECL on other receivables is calculated using simplified approach (as explained in note 4.22). As at the reporting date, Company envisages that default risk on account of non-realisation of other receivables is minimal and thus based on historical trends adjusted to reflect current and forward looking information loss allowance has been estimated by the Company using a range of probable recovery pattern of related other receivables and assigning a time value of money to same. As per the aforementioned approach, the loss allowance for other receivables as at June 30, 2024 and June 30, 2023 is considered to be insignificant.

Based on past experience, the management believes that no further impairment allowance is necessary in respect of trade debts, loans and advances and other financial assets.

The credit quality of the Company's bank balances and short term investments have been assessed below by reference to external credit ratings of counterparties determined by the Pakistan Credit Rating Agency Limited (PACRA) and JCR - VIS Credit Rating Company Limited (JCR-VIS). The counterparties for which external credit ratings were not available have been assessed by reference to internal credit ratings determined based on their historical information for any defaults in meeting obligations.

| | **2024** | 2023 |
|---|---|---|
| | Rupees in thousand | |
| **Counterparties without external credit rating** | | |
| Trade debts | **613,827** | 545,334 |
| Loans and advances | **5,241** | 10,238 |
| Deposits, prepayments and other receivables | **7,516** | 11,104 |
| | **626,584** | 566,676 |

**Counterparties with external credit rating**

| | **Long-term rating** | **Rating agency** | **2024** | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| **Bank balances** | | | | |
| Bank Al-Habib Limited | AAA | **PACRA** | **98,546** | 7,509 |
| Askari Bank Limited | AA+ | **PACRA** | **-** | 70,581 |
| MCB Bank Limited | AAA | **PACRA** | **11,004** | 1,071 |
| The Bank of Khyber Limited | A+ | **PACRA** | **275** | 3,957 |
| National Bank Limited | AAA | **PACRA** | **260** | 259 |
| Bank Islami | AA - | **PACRA** | **-** | 851 |
| | | | **110,085** | 84,228 |

**b) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below analyses the contractual maturities of the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the maturity date. The amounts disclosed in the table are undiscounted cash flows.

| | Carrying amount | Contractual cash flows | Less than 1 Year | Between 1 to 5 years | 5 years and above |
|---|---|---|---|---|---|
| | Rupees in thousand | | | | |
| **As at June 30, 2024** | | | | | |
| Long term finance - secured | **80,183** | **95,773** | **59,411** | **36,362** | **-** |
| Lease liabilities | **72,947** | **99,385** | **26,191** | **73,194** | **-** |
| Trade and other payables | **291,708** | **291,708** | **291,708** | **-** | **-** |
| Short term borrowings - secured | **984,270** | **984,270** | **984,270** | **-** | **-** |
| Short term running finance - secured | **30,326** | **30,326** | **30,326** | **-** | **-** |
| | **1,459,434** | **1,501,462** | **1,391,906** | **109,556** | **-** |
| **As at June 30, 2023** | | | | | |
| Long term finance - secured | 85,499 | 107,870 | 40,403 | 67,467 | - |
| Lease liabilities | 81,674 | 103,044 | 38,595 | 60,628 | 3,821 |
| Trade and other payables | 355,345 | 355,345 | 355,345 | - | - |
| Unclaimed dividend | 3,396 | 3,396 | 3,396 | - | - |
| Short term borrowings - secured | 1,099,683 | 1,099,683 | 1,099,683 | - | - |
| Short term running finance - secured | 24,588 | 24,588 | 24,588 | - | - |
| | 1,650,185 | 1,693,926 | 1,562,010 | 128,095 | 3,821 |

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest/ mark-up rates effective at the respective year-ends. The rates of interest / mark-up have been disclosed in the respective notes to these financial statements.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

**c) Market risk**

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company incurs financial liabilities to manage its market risk. All such activities are carried out with the approval of the Board. The Company is exposed to interest rate risk, currency risk and market price risk.

**(i) Foreign currency risk**

Foreign 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. The Company is mainly exposed to currency risk from its creditors.

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Foreign currency liabilities of the Company are as follows: | | |
| Trade and other payables | **7,107** | 41,307 |

**Sensitivity analysis:**

Management runs a sensitivity analysis (what-if) in case USD currency appreciate in comparison with the functional currency by 10%.

Had there been a revaluation of monetary assets and liabilities, the foreign exchange gains / (losses) in the statement of profit or loss would have been as follows:

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Gross exposure on statement of profit or loss | **711** | 4,131 |
| Net of tax exposure on statement of profit or loss | **483** | 2,933 |

A 10% depreciation of USD vs. the functional currency would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

| | | 2024 | 2023 |
|---|---|---|---|
| | | Rupees | |
| Average rate for the year | **USD** | **282.70** | 182.25 |
| Reporting date rate | **USD** | **278.20** | 206.00 |

### ii) Interest rate risk

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

The Company's exposure to the risk of changes in market interest rates relates primarily to the fund obtained from various banks with floating interest rates.

| | 2024 | 2023 | Carrying Amount 2024 | 2023 |
|---|---|---|---|---|
| | | | Rupees in thousand | |
| **Fixed rate instruments** | | | | |
| Financial assets | | | - | - |
| Financial liabilities | **4.25%- 5.0%** | 4.25%- 5.0% | **50,996** | 58,738 |
| **Variable rate instruments** | | | | |
| Financial assets | **20.5%** | 19.5% | **3,926** | 3,323 |
| Financial liabilities | **1 to 3month KIBOR + 1.0% to 1.5%** | 3month KIBOR + 1.0% to 1.5% | **1,121,898** | 1,189,238 |

***Sensitivity analysis***

Management runs a sensitivity analysis (what-if) in case interest rate appreciate in comparison with the current interest rate by 1%.

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Gross exposure on statement of profit or loss | | |
| Financial Assets | **39** | 33 |
| Financial Liabilities | **11,036** | 12,480 |
| | **11,076** | 12,513 |
| Net of tax exposure on statement of profit or loss | | |
| Financial Assets | **27** | 24 |
| Financial Liabilities | **7,505** | 8,861 |
| | **7,532** | 8,885 |

### iii) Price risk

Price risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) such as equity price risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any significant price risk as at reporting date.

### 41.2 Capital risk management

The Company is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital and the level of dividend to ordinary shareholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders and / or issue new shares. There was no change to the Company's approach to the capital management during the year.

The Company is not subject to externally imposed capital requirements except for the maintenance of certain financial covenants. Under the terms of certain borrowing facilities, the Company is required to comply the following financial covenants:

- current ratio must not be less than 1.

The Company is non-compliant with this covenant as at the reporting date. As at June 30, 2024, the current ratio is 0.92 (2023 : 0.85). Accordingly, the liabilities under these financing agreements have been classified as current liabilities in these financial statements.

The Company monitors capital using a gearing ratio, which is calculated as net debt divided by total capital plus net debt. Net debt is calculated as amounts payable by the Company less cash and bank balances. Capital signifies equity as shown in the statement of financial position plus net debt. The Company's gearing ratio is as follows:

| | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Long term finances - secured | **80,183** | 85,499 |
| Lease liabilities | **72,947** | 81,674 |
| Employees' retirement benefits | **54,081** | 43,738 |
| Trade and other payables | **362,325** | 400,186 |
| Unclaimed dividend | - | 3,396 |
| Short term borrowings - secured | **984,270** | 1,099,683 |
| Short term running finance - secured | **30,326** | 24,588 |
| Less: cash and cash equivalents | **(110,185)** | (84,328) |
| Net debt | **1,473,947** | 1,654,436 |
| Issued, subscribed and paid-up capital | **482,584** | 482,584 |
| Revenue reserve - Unappropriated profits | **573,887** | 419,483 |
| Surplus on revaluation of property, plant and equipment | **240,077** | 273,254 |
| Total capital | **1,296,548** | 1,175,321 |
| Capital and net debt | **2,770,495** | 2,829,757 |
| Gearing ratio | **0.53** | 0.58 |

### 41.3 Off-setting of financial assets and liabilities

For the year ended June 30, 2024, no financial assets and liabilities were subject to offsetting.

## 42. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying values of financial assets and liabilities approximate their fair value.

### 42.1 Fair value hierarchy

Certain property, plant and equipment of the Company was valued by independent valuer to determine the fair value of property, plant and equipment as at June 30, 2023. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of property, plant and equipment'. During the year, the management and its expert believe that there are no significant change in circumstances necessitating new revaluation The different levels have been defined as follows:

- Level 1

Quoted prices (unadjusted) in active market for identical assets/ liabilities.

- Level 2

Inputs other than quoted prices included within level 1 that are observable for the asset or 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).

Level 2 fair value of revalued property, plant and equipment (PPE) has been derived using the current market price or depreciated replacement cost method. Sales prices of comparable property, plant and equipment in identical circumstances or close proximity are adjusted for differences in key attributes such as property size, structure, location, capacity etc. The most significant inputs into this valuation approach are price per Marla, price per square feet, depreciated replacement cost etc.

## 43. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

| | Liabilities | | | | Equity | | | Total |
|---|---|---|---|---|---|---|---|---|
| | Short term borrowings | Short-term running finance | Finance lease liabilities | Long term finances | Share capital | Surplus on revaluation of PPE | Un - appropriated profits | |
| | ------------------ Rupees in thousand ------------------ | | | | | | | |
| **Balance at July 1, 2023** | **1,099,683** | **24,588** | **81,674** | **85,499** | **482,584** | **273,254** | **419,483** | **2,466,765** |
| **Changes from financing cash flows** | | | | | | | | |
| Proceeds from loans | **4,476,088** | **5,738** | - | **34,379** | - | - | - | **4,516,125** |
| Repayment of loans | **(4,561,034)** | - | - | **(40,542)** | - | - | - | **(4,601,576)** |
| Repayment of lease liabilities | - | - | **(50,584)** | - | - | - | - | **(50,584)** |
| *Total changes from financing cash flows* | **(85,026)** | **5,738** | **(50,584)** | **(6,163)** | - | - | - | **(136,035)** |
| **Other changes** | | | | | | | | |
| *Liability related* | | | | | | | | |
| Finance leases obtained | - | - | **31,157** | - | - | - | - | **31,157** |
| Unwinding of interest on lease liabilities | - | - | **10,700** | - | - | - | - | **10,700** |
| Finance cost expense for the year | **207,530** | - | - | - | - | - | - | **207,530** |
| Finance cost paid - short-term borrowings | **(237,917)** | - | - | - | - | - | - | **(237,917)** |
| Transferred to deferred grant | - | - | - | - | - | - | - | - |
| Amortisation of deferred grant | - | - | - | **847** | - | - | - | **847** |
| *Total liability related other changes* | **(30,387)** | - | **41,857** | **847** | - | - | - | **12,317** |
| *Equity related* | | | | | | | | |
| Total comprehensive income for the year | - | - | - | - | - | **(5,957)** | **127,184** | **121,227** |
| Transfer of incremental depreciation | - | - | - | - | - | **(27,220)** | **27,220** | - |
| Issue of bonus shares | - | - | - | - | - | - | - | - |
| *Total equity related other changes* | - | - | - | - | - | **(33,177)** | **154,404** | **121,227** |
| **Balance at June 30, 2024** | **984,270** | **30,326** | **72,947** | **80,183** | **482,584** | **240,077** | **573,887** | **2,464,274** |
| | | | | | | | | |
| Balance at July 1, 2022 | 606,640 | 202 | 177,537 | 147,039 | 419,638 | 183,580 | 427,835 | 1,962,471 |
| **Changes from financing cash flows** | | | | | | | | |
| Proceeds from loans | 3,212,898 | 24,386 | - | - | - | - | - | 3,237,284 |
| Repayment of loans | (2,719,855) | - | - | (62,860) | - | - | - | (2,782,715) |
| Repayment of lease liabilities | - | - | (141,565) | - | - | - | - | (141,565) |
| *Total changes from financing cash flows* | 493,043 | 24,386 | (141,565) | (62,860) | - | - | - | 313,004 |
| **Other changes** | | | | | | | | |
| *Liability related* | | | | | | | | |
| Finance leases obtained | - | - | 27,218 | - | - | - | - | 27,218 |
| Unwinding of interest on lease liabilities | - | - | 18,484 | - | - | - | - | 18,484 |
| Finance cost expense for the year | - | - | - | - | - | - | - | - |
| Finance cost paid - short-term borrowings | - | - | - | - | - | - | - | - |
| Transferred to deferred grant | - | - | - | - | - | - | - | - |
| Amortisation of deferred grant | - | - | - | 1,320 | - | - | - | 1,320 |
| *Total liability related other changes* | - | - | 45,702 | 1,320 | - | - | - | 47,022 |
| *Equity related* | | | | | | | | |
| Total comprehensive income for the year | - | - | - | - | - | 109,588 | 34,680 | 144,268 |
| Transfer of incremental depreciation | - | - | - | - | - | (19,914) | 19,914 | - |
| Issue of bonus shares | - | - | - | - | 62,946 | - | (62,946) | - |
| *Total equity related other changes* | - | - | - | - | 62,946 | 89,674 | (8,352) | 144,268 |
| Balance at June 30, 2023 | 1,099,683 | 24,588 | 81,674 | 85,499 | 482,584 | 273,254 | 419,483 | 2,466,765 |

## 44. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including all benefits, to Chief Executive, Non-Executive Directors and Executives of the Company is as follows:

| | Chief Executive | | Directors | | Executives | |
|---|---|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| | Rupees in thousand | | | | | |
| Meeting fee | **-** | - | **6,700** | 6,500 | **-** | - |
| Managerial remuneration | **24,351** | 24,351 | **-** | - | **48,008** | 42,024 |
| Employee benefits | **2,435** | 2,435 | **-** | - | **29,505** | 25,827 |
| Company's contribution to provident and gratuity fund | **-** | - | **-** | - | **6,203** | 5,406 |
| Other perquisites | **1,593** | 1,593 | **-** | - | **6,144** | 4,894 |
| | **28,379** | 28,379 | **6,700** | 6,500 | **89,860** | 78,151 |
| Number of persons | **1** | 1 | **6** | 11 | **17** | 16 |

**44.1** In addition to the above, the Chief Executive Officer and some of the executives have been provided with the facility of Company maintained cars, as per policy. Charge for the year in respect of staff retirement benefit is determined on basis of actual contribution.

## 45. PLANT CAPACITY AND ACTUAL PRODUCTION

| | **2024** | 2023 |
|---|---|---|
| **Blowing** | | |
| Capacity - no. of bottles (in '000) | **327,144** | 327,144 |
| Production - no. of bottles (in '000) | **219,154** | 186,591 |
| Utilization | **67%** | 57% |
| **Injection** | | |
| Capacity - no. of preforms (in '000) | **684,807** | 728,864 |
| Production - no. of preforms (in '000) | **444,667** | 432,383 |
| Utilization | **65%** | 59% |

**Reason for under-utilization of capacity**

Being seasonal nature of business, beverages and associated products have lower demand during winter season, therefore, production capacity during said period remain under-utilized, resulting in reduced capacity utilization over the year.

## 46. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Company comprise its directors, the employees' retirement benefit plan and key management personnel which include the CEO and directors. Amounts due from / (due to) related parties are disclosed in the relevant notes to these financial statements. The remuneration of Chief Executive, Directors and Executives is disclosed in note 44 to the statement of financial statements. Aggregate transactions with related parties during the year were as follows:

| Transactions during the year | 2024 | 2023 |
|---|---|---|
| | Rupees in thousand | |
| Contribution to staff provident fund | **22,989** | 21,378 |
| Contribution to employees' gratuity fund | **4,802** | 6,012 |
| Remuneration to key management personnel | **75,184** | 71,667 |
| Directors fee | **6,700** | 6,500 |
| Sales proceeds from disposal of car to CEO | - | 2,579 |
| Bonus shares issued | - | 15% |

## 47. GENERAL

### 47.1 Number of employees

| | 2024 | 2023 |
|---|---|---|
| Number of employees at June 30 | | |
| - Permanent | **237** | 219 |
| - Contractual | **513** | 449 |
| Average number of employees during the year | | |
| - Permanent | **230** | 227 |
| - Contractual | **493** | 454 |

### 47.2 Seasonality

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

### 47.3 Corresponding figures

Corresponding figures have been re-arranged and re-classified for the purposes of comparison and better presentation as per reporting framework. However, the change in corresponding figures has no material impact on previously reported financial position, financial performance and cash flow of the Company.

### 47.4 Rounding off

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

### 47.5 Non-adjusting event after the date of statement of financial position

The Board of Directors in its meeting held on September 27, 2024 has proposed a final cash dividend at the rate of 15% i.e. Rs. 1.50 per ordinary share (2023: NIL) for the year ended June 30, 2024. This appropriation will be placed before the shareholders for approval in the forthcoming Annual General Meeting and the effect thereof will be accounted for in the financial statements for the year ending June 30, 2025.

## 48. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorised for issue by the Board of Directors of the Company on September 27, 2024.

| Chief Financial Officer | Chief Executive Officer | Director |
|---|---|---|

# PROXY FORM

The Company Secretary
EcoPack Limited
Plot 112-113, Phase 5, Industrial
Estate Hattar, District Haripur
Khyber Pakhtunkhwa

I / We ______________________________ of ______________________________

being member (s) EcoPack Limited, and holder of Ordinary Share as per register

Folio No ____________________ and / or CDC Participant

I.D. No. ____________________ and Account / Sub-Account No. ____________

do hereby appoint ______________________________ of ______________________________ as

my / our proxy to attend, speak and vote for me / us and on my / our behalf at the 33rd Annual General Meeting of the Company to be held on Monday October 28, 2024 ______________________________ and

at any adjournment thereof. As witness I / We set my / our hand (s) this ____________________ day of ____________ 2024 signed the said proxy in the presence of:

Witnesses:

1. Signature: ______________________________
   Name: ______________________________
   Address: ______________________________
   ______________________________
   CNIC or Passport No. ______________________________

2. Signature: ______________________________
   Name: ______________________________
   Address: ______________________________
   ______________________________
   CNIC or Passport No. ______________________________

Revenue Stamp

Signature

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

Note:

I. The Proxy Form in order to be valid must be deposited with the Company not later than 48 hours before the time of holding the meeting.

ii. The proxy must be a member of the company.

iii. CDC Shareholders and their Proxies must attached either an attested photocopy of their Computerized National Identity Card or Passport with the proxy form.

Manufacturers Of Quality PET Bottles & Preforms

**Eco Pack Ltd**

**HEAD OFFICE:**
19, Citivillas Near High Court Road, Rawalpindi
PABX: +92 51 5974098 & 99
Fax: +92 51 5974097

**KARACHI OFFICE:**
Suite # 306, 3rd Floor, Clifton Diamond,
Block-4, Clifton, Karachi
Ph: +92 21 35291051 & 52
Fax: +92 21 35291053

**LAHORE OFFICE:**
Office # 5, 1st Floor, Al-Hafeez View,
Sir Syed Road, Gulberg-III, Lahore
Ph: +92 300 5015139

**REGISTERED OFFICE & FACTORY:**
112-113, Phase V, Hattar Industrial Estate Hattar,
District Haripur, Khyber Pakhtunkhwa
Tel: +92 995 617720 & 23, 617347
Fax: +92 995 617074
Web: www.ecopack.com.pk

Printed by: **SIGMA Press** 0300-9569632