



ISO 9001:2008 &  
ISO 14001:2004 Certified

# Security Papers LIMITED

No. SY-67(8) / 038

08 OCT 2024

The General Manager  
Pakistan Stock Exchange,  
Stock Exchange Building, Stock Exchange Road,  
Karachi.

**Invitation to attend the Corporate Briefing Session  
of Security Papers Limited**

This is to inform you that the Corporate Briefing Session (CBS) of Security Papers Limited (the "Company") will be held on Thursday, October 10, 2024 at 03:30 p.m., at the Auditorium of Pakistan Stock Exchange (PSX), 3<sup>rd</sup> Floor, Admin Block, Stock Exchange Building, Karachi, to brief the investors / analysts / shareholders about the Company's profile and its performance.

The Company will provide video link facility to the shareholders and analysts for their kind participation in the CBS. Those who wish to attend the CBS are requested to get themselves registered by sending their particulars at the designated e-mail address i.e. [yasir@security-papers.com](mailto:yasir@security-papers.com), giving particulars as per below table by the close of business hours (i.e. 5:30 p.m.) on Wednesday, October 9, 2024.

Name	CNIC No./NTN No.	CDC Participant ID/Folio No. (if any)	Cell No.	E-mail Address

The video link facility would be provided to the registered individuals, who will provide the requested information.

You may please inform the TRE Certificate Holders of the Exchange, accordingly.

Enclosed, please find the Presentation in relation to the CBS.

Yours truly,  
for Security Papers Limited

for

**Yasir Ali Quraishi**  
Company Secretary & Legal Counsel

Encl: As stated above

**Registered Office &  
Shares Department :**  
**Factory :**

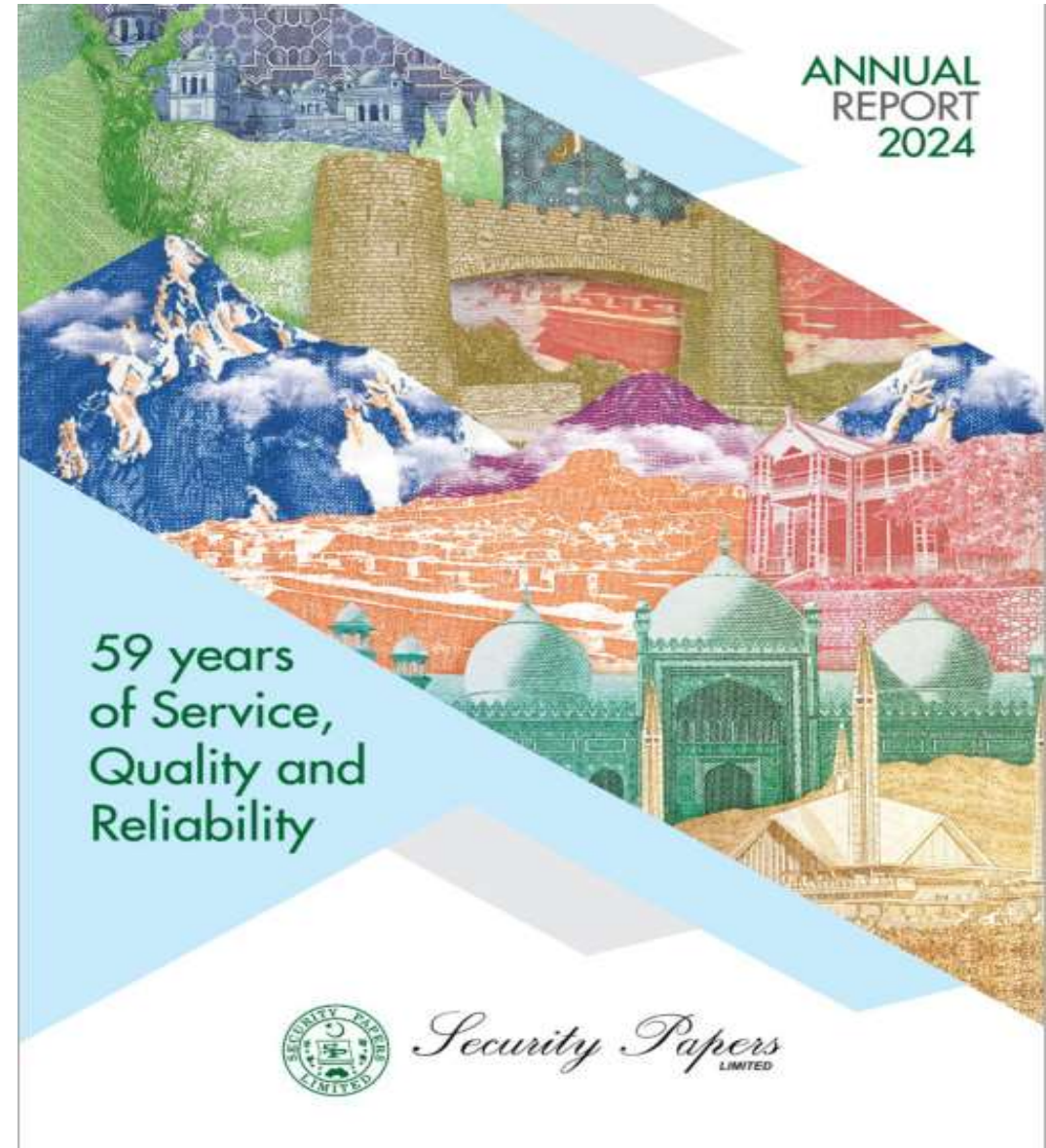
Jinnah Avenue, Malir Halt, Karachi-75100.  
Ph.: (92)-021-99248285 Fax No.: (92)-021-99248286 NTN: 0712033-8 STR No.02-04-4816-002-64  
Jinnah Avenue, Malir Halt, Karachi-75100, Ph: 99248536-37 Fax: 99248616,99248538



# SECURITY PAPERS LIMITED

Corporate Briefing  
Session

10 October 2024





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- This presentation has been prepared by Security Papers Limited (SPL) solely for information purposes.
- No representation or warranty express or implied is made thereto, and no reliance should be placed on, the fairness, accuracy, sufficiency, completeness or correctness of the information or any opinion contained herein or any opinion rendered thereto except for the information derived from financial statements for the Year ended June 30, 2024.
- The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and will not be updated to reflect any developments that may occur after the date of the presentation.
- Neither SPL nor any of its officials, advisors, associates, employees or any person working for, under or on behalf, shall have any responsibility and/or liability of any nature whatsoever (in contract or otherwise) for any loss whatsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.
- The presentation may contain statements that reflect SPL's own beliefs and expectations about the future. These forward-looking statements are based on a number of assumptions about the future, which are beyond SPL's control. Such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Such forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements.
- SPL does not undertake any obligation to update any forward-looking statements to reflect events that occur or circumstances that arise after the date of this presentation and it does not make any representation, warranty (whether express or implied) or prediction that the results anticipated by such forward-looking statements will be achieved. In addition, past performance should not be taken as an indication or guarantee of future results.

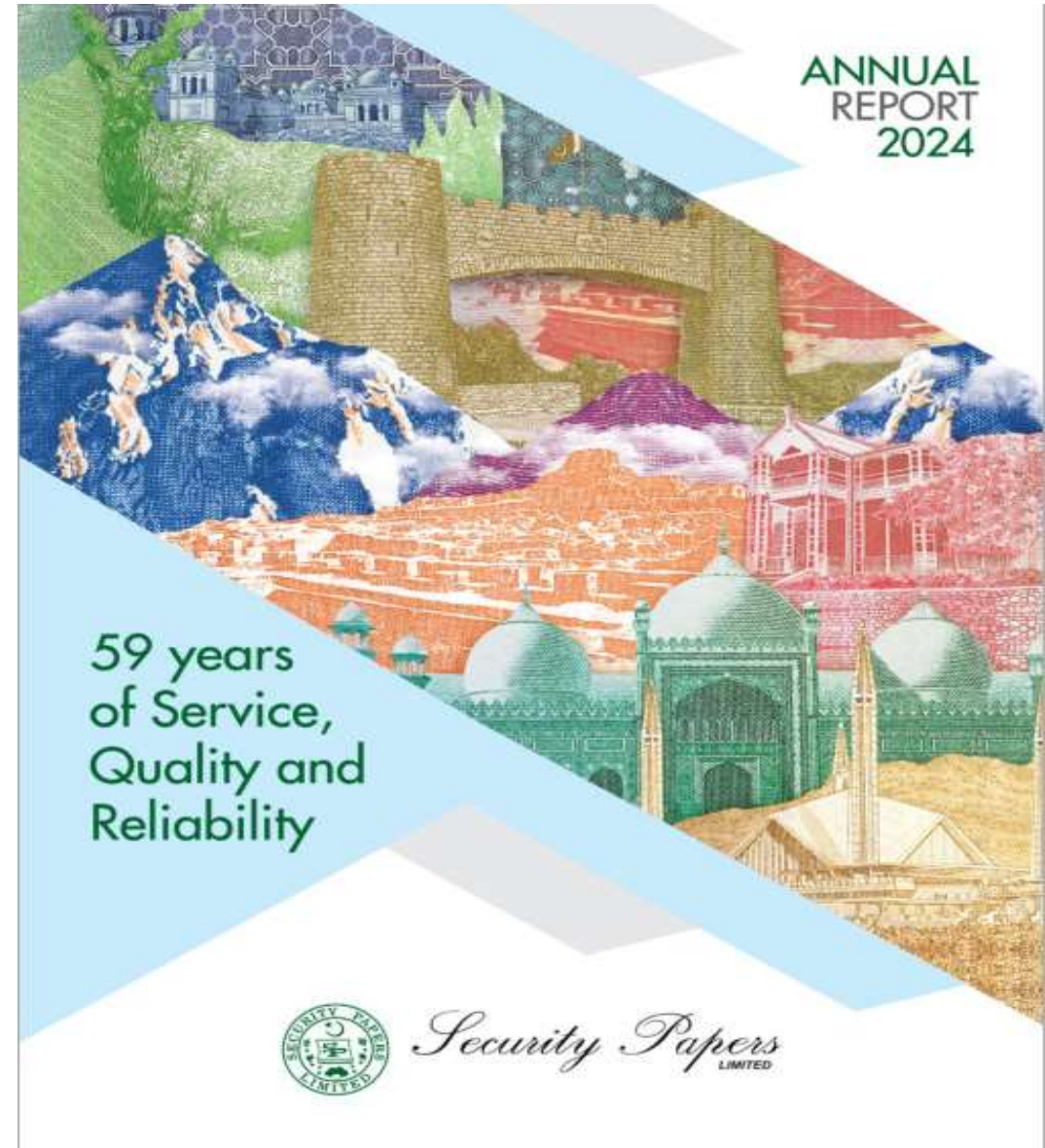


# Contents & Format of Presentation





# Profile of the Company



ANNUAL  
REPORT  
2024

59 years  
of Service,  
Quality and  
Reliability

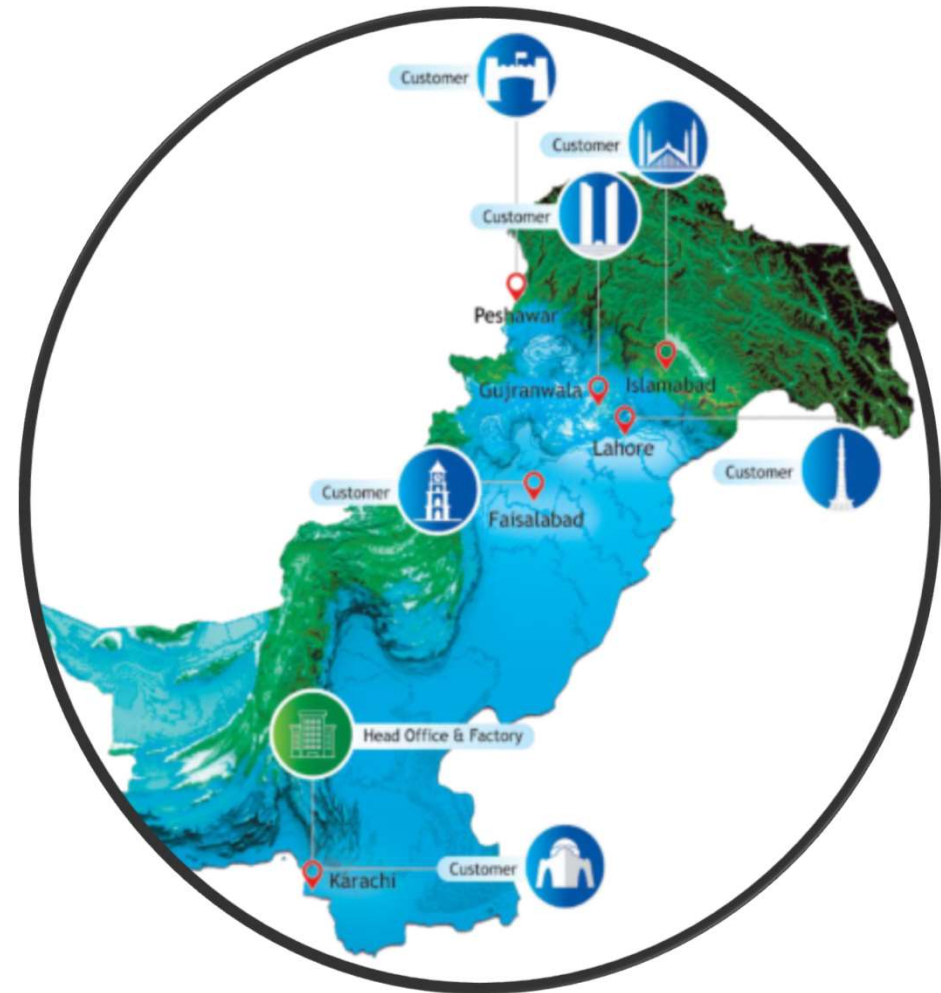


*Security Papers*  
LIMITED



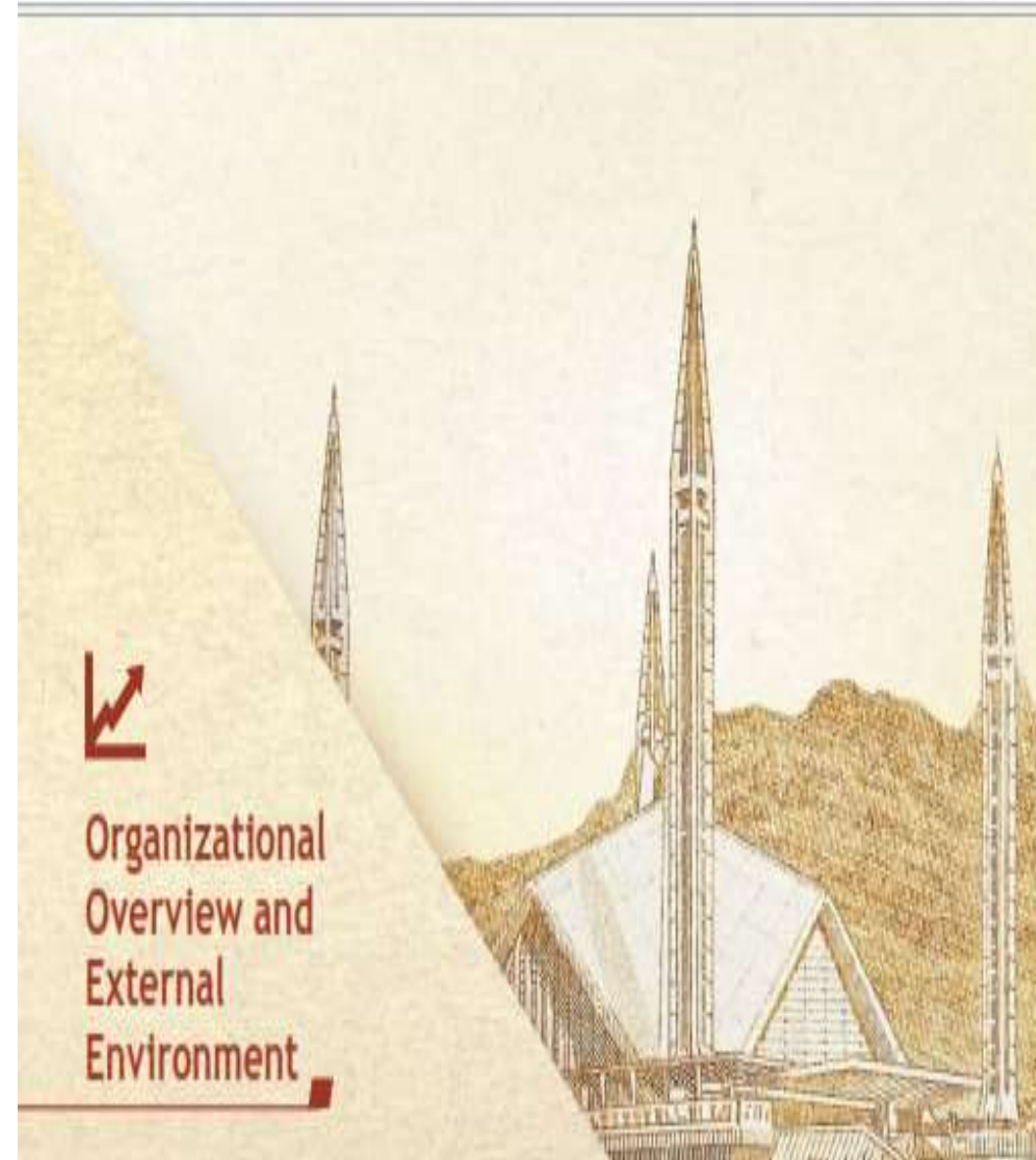
## The Company Profile

- Security Papers Limited is an strategic Company engaged in the business of manufacturing security paper for Banknotes and Other Security Paper products.
- The Company head office and manufacturing facility is situated in Karachi, Pakistan.
- The geographical presence of its customers are Karachi, Lahore, Gujranwala, Faisalabad, Islamabad and other major cities of the country.





# Organizational Overview





## VISION STATEMENT

To be nationally and internationally recognised and accepted security paper producing organisation, providing highest quality paper to our customers both in Pakistan and abroad

## MISSION STATEMENT

Our Mission is to exceed the expectation of our Customers in producing, with security and efficiency, highest quality paper products, employing international best practices and applying an integrated approach to Product Research & Development, Manufacturing Technology, Operations Management, Counterfeit deterrence, Materials Procurement, Human Resource Management, Financial Management and information systems.

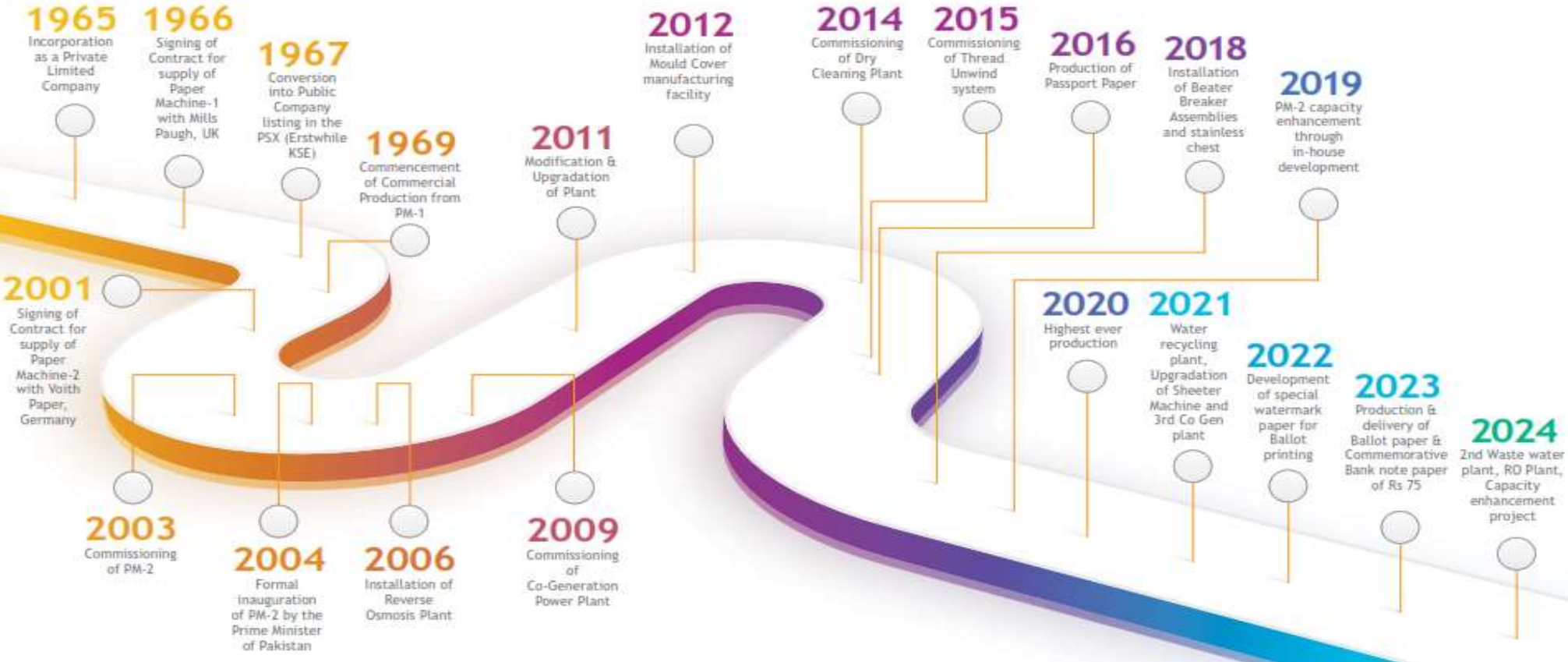
## CORE VALUES

- Striving for continuous improvement and innovation with commitment and responsibility.
- Treating shareholders/stakeholders with respect, courtesy and competence.
- Practicing highest personal and professional integrity.
- Maintaining teamwork, trust and support, with open and candid communication.
- Ensuring cost consciousness in all decisions and operations.



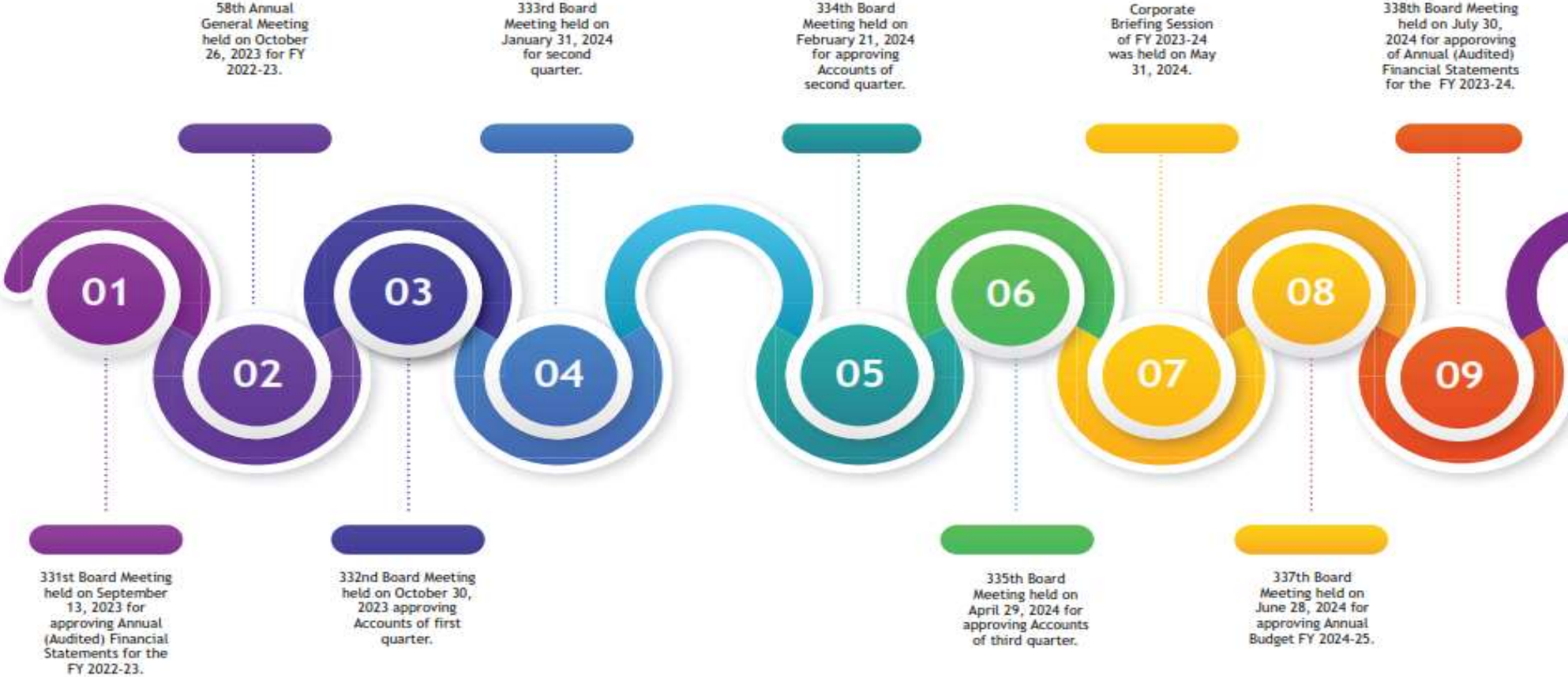


# HOW WE EVOLVED



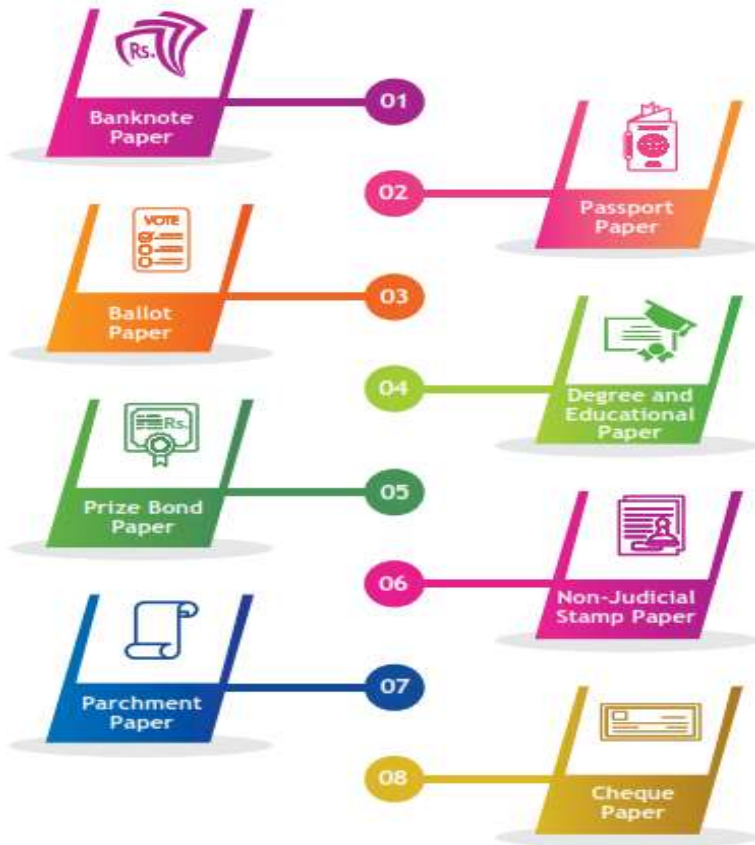


## HISTORY OF MAJOR EVENTS DURING THE YEAR





## PRODUCT PORTFOLIO



## MAJOR CUSTOMERS

Pakistan Security Printing Corporation (Pvt) Limited

National Security Printing Company (Pvt) Limited

Election Commission of Pakistan

Universities & Education Boards – All over Pakistan



# CORPORATE AWARDS HISTORY

## TOP COMPANIES AWARD

Security Papers Limited (SPL) was conferred the "Top 25 Companies Award of Pakistan Stock Exchange" for the year 2022. It secured the 7th position on the basis of the highest score achieved. The Company has the distinction of receiving this prestigious award for the years 2000 to 2007 and 2009 to 2016 and 2018 to 2022.



## BEST SUSTAINABILITY REPORT AWARD

SPL was ranked 3rd position in the Best Sustainability Report Award 2022 that was conferred by the Joint Committee of the Institute of Chartered Accountants of Pakistan (ICAP) and Cost and Management Accountants of Pakistan (ICMAP). The Company has also received this prestigious award for the year 2021.



## ENVIRONMENT EXCELLENCE AWARD

The National Forum for Environment & Health - NFEH conferred the 20th Annual Environmental Excellence Award in 2023 to Security Papers Limited. The award was given in recognition of the Company's vision and its effective implementation of Environment Management System and policies and after thorough assessment of its submitted documents and testimonials by the distinguished NFEH Panel of Jury, a unanimous decision of the distinguished Panel of Jury.

The Company also received the 11th, 13th, 16th, 17th, 18th, 20th, and 21st Annual Environment Excellence Awards in 2014, 2018, 2019, 2020, 2021, 2023 and 2024 respectively.



## CORPORATE EXCELLENCE AWARD - MAP

Security Papers Limited (SPL) received the 38th Corporate Excellence Award of the Management Association of Pakistan (MAP). The Company holds 24th to 29th Awards (six times in a row), as well as 31st to 38th (eight times in a row). The Award recognizes the best managed companies in Pakistan that follow guidelines and principles of the latest management techniques.



## CORPORATE GOVERNANCE RATING

JCR-VIS Credit Rating Company Limited reaffirmed the Corporate Governance Rating of the Company at CGR-9, denoting 'high level of corporate governance' for the year 2013-14. The rating was measured on a scale ranging from CGR-1 (lowest) to CGR-10 (highest). Corporate Governance ratings are based on evaluation of key governance areas of the rated organization, which include Regulatory Compliance, Board Oversight, Management Profile, Self-regulation, Financial Transparency and Relationship with Stakeholders.



## COMMITMENT TO ENVIRONMENTAL REPORTING

The Company has achieved another milestone by winning ACCA-WWF Environmental Reporting Award 2013. This demonstrates our commitment to environmental preservation and its effective management.

The Company has also received commendation for Commitment to Environmental Reporting in 2010 from ACCA-WWF\* Pakistan.

\* Association of Chartered Certified Accountants - World Wildlife Fund.



## BEST CORPORATE REPORT AWARD

SPL secured 3rd position in the Best Corporate Report Award for the year 2022 by country's two leading professional accounting organizations the Institute of Cost and Management Accountants of Pakistan (ICMAP) and the Institute of Chartered Accountants Pakistan (ICAP). The Company's Annual Report of 2003, 2006 to 2012 and 2021 also won the Best Corporate Report Award. The comprehensive selection criteria required inclusion of detailed information in the Annual Report on the subject of Corporate Objectives, Directors' Report Disclosure, Shareholder Information, Report Presentation and Corporate Governance.



## ISO CERTIFICATIONS

### CERTIFICATION OF INTEGRATED MANAGEMENT SYSTEM (IMS):

- Quality Management System:
    - ISO 9001:2015 (03 April 2024 until 03 April 2027)
  - Environmental Management System:
    - ISO14001:2015 (26 April 2024 until 26 April 2027)
  - Occupational Health and Safety Management System:
    - ISO 45001:2018 (16 February 2023 until 15 February 2026)
  - Information Security Management System:
    - ISO/IEC 27001:2013 (19 December 2022 until 31 October 2025)
- Certification given by SGS United Kingdom Limited



## FIRE AND SAFETY AWARD

The Company also won the Fire and Safety Award 2011, 2012 and 2013 for three consecutive years. The Award was jointly organized by the Fire Protection Association of Pakistan (FPAP) and the National Forum for Environment & Health (NFEH).





# Governance





# Board of Directors

## NON-EXECUTIVE DIRECTORS

### CHAIRMAN

Mr. Mohammad Aftab Manzoor

### DIRECTORS

Mr. Jamal Nasim

Mr. Hamid Bazargan

Ms. Figen Caliskan

Hafiz Mohammad Yousaf

Mr. Shafqaat Ahmed

Mr. Arshad Mehmood Bhatti

Mr. Munir Ahmed

### EXECUTIVE DIRECTOR - CHIEF EXECUTIVE OFFICER

Mr. Imran Qureshi



# Board Committees





## Management Committees

Executive  
Committee

Corporate Social  
Responsibility  
(CSR)  
Committee

IT Steering  
Committee

Enterprise Risk  
Management  
Committee

Business  
Continuity Plan  
Committee

Health & Safety  
Committee

Worker's  
Welfare Fund  
Committee

Worker's Profit  
Participation  
Fund (WPPF)  
Committee

Sexual  
Harassment  
Committee

Whistle Blowing  
Committee





## Board's Approved Policies

Corporate  
Social  
Responsibility  
Policy

Sexual  
Harassment  
Policy

Investment  
Policy  
Guidelines

Risk  
Management  
Policy

Insider Trading  
Policy

Directors'  
Remuneration  
Policy

Whistle  
Blowing Policy

Related Party  
Transactions  
Policy

Communication  
& Disclosure  
Policy

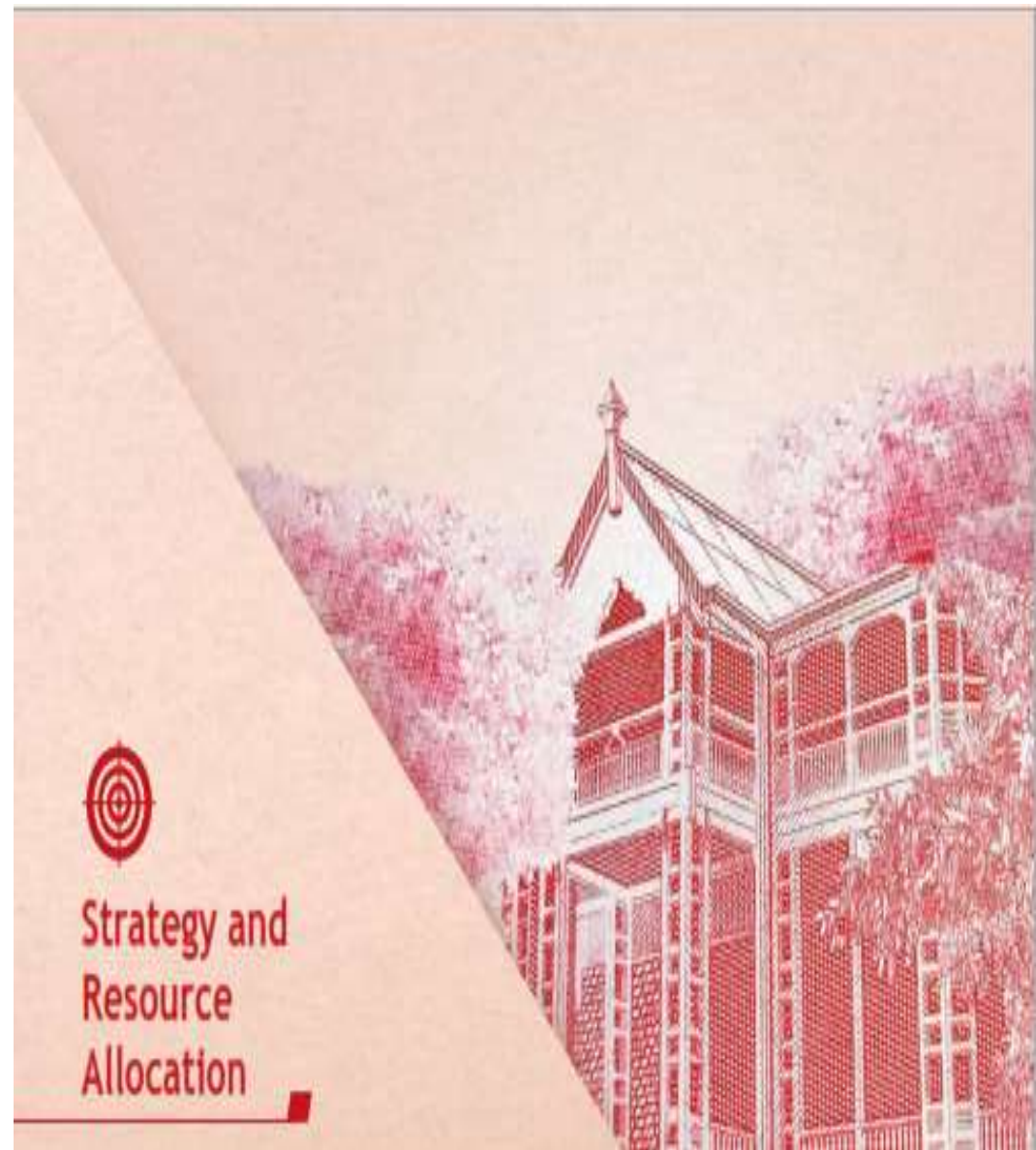
Environmental  
Policy

Occupational  
Health & Safety  
Policy

Quality Policy



# Strategic & Operational Development





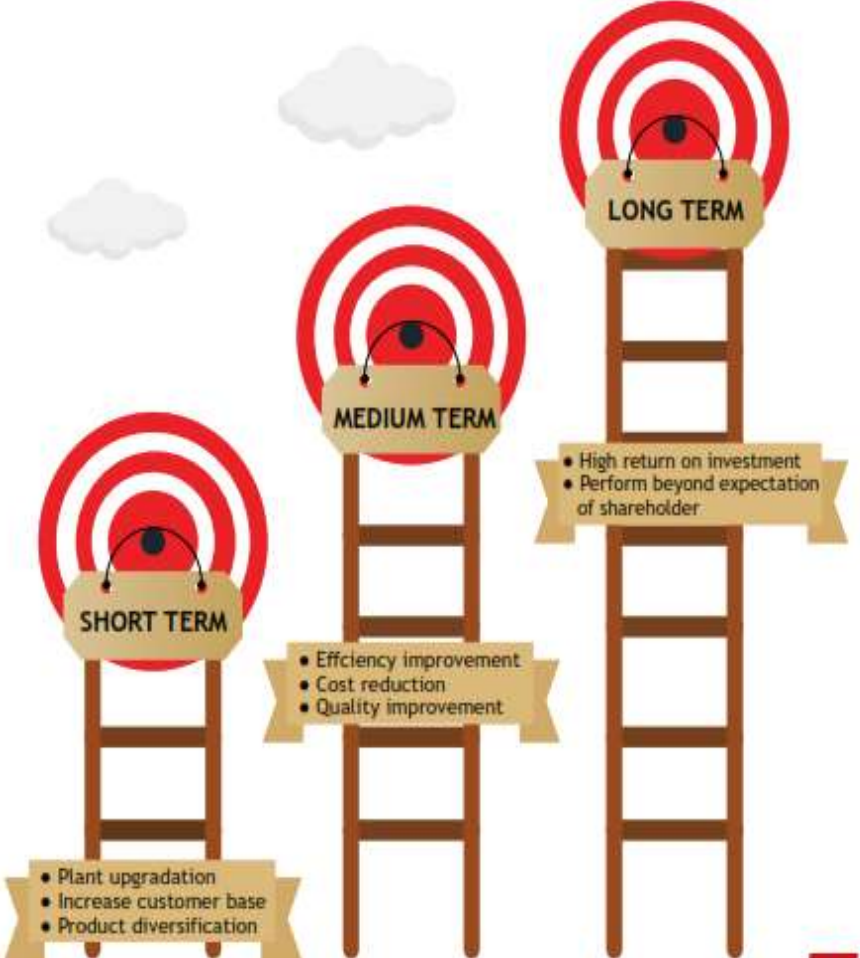
# Strategic Planning Process

The Company is determined to follow its key strategic objectives which are assessed using various parameters laid down by the Company. These parameters are regularly monitored by the Company.

## STRATEGIC PLANNING PROCESS



 <p><b>OPERATIONAL KPIs</b></p> <ul style="list-style-type: none"> <li>• Customer Order Completion</li> <li>• Reduction in production losses</li> <li>• Waste recycling</li> <li>• Control of cost of production</li> </ul>	 <p><b>FINANCIAL KPIs</b></p> <ul style="list-style-type: none"> <li>• Timely Financial Reporting</li> <li>• Efficient Inventory Management</li> <li>• Operational cash flow management</li> <li>• Higher Gross / Net profit margin</li> <li>• Higher Return on investment of surplus funds of Company</li> <li>• Corporate Tax Management</li> </ul>	 <p><b>SALES KPIs</b></p> <ul style="list-style-type: none"> <li>• No complaints from customer</li> <li>• High quality paper.</li> <li>• Increase in net sales value.</li> <li>• Increase in Sales volume.</li> </ul>	 <p><b>HR &amp; ADMINISTRATION</b></p> <ul style="list-style-type: none"> <li>• Human capital development</li> <li>• Succession planning</li> <li>• Employee satisfaction and retention</li> <li>• CSR awareness</li> <li>• Clean environment and safety for smooth operations</li> </ul>
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# Strategic Goals

## KEY STRATEGIC GOALS

Goals & Strategy in place	Key Indicators
<p><b>Customer Satisfaction</b> Dedicated to provide highest level of satisfaction to our customers via high quality products.</p>	<ul style="list-style-type: none"> <li>Quality assurance and quality audits</li> <li>International certifications to meet quality standards</li> <li>Timely delivery</li> <li>Customer feedback</li> </ul>
<p><b>Employees</b> Employees Empowerment</p>	<ul style="list-style-type: none"> <li>Encourage ideas from bottom to top level</li> <li>Succession planning</li> <li>Job rotation and career development</li> <li>Training and education programs for employees</li> <li>Employee's turnover ratio</li> </ul>
<p><b>Risk Management</b> Enterprise Risk Management and Business Continuity Planning</p>	<ul style="list-style-type: none"> <li>Number of high risks areas identified</li> <li>Residual rating of risks</li> <li>Maximum probable loss of risks identified</li> </ul>
<p><b>Continuous Improvement</b></p> <ul style="list-style-type: none"> <li>KAIZEN</li> <li>3S Methodology</li> <li>Preventive and predictive maintenance</li> </ul>	<ul style="list-style-type: none"> <li>Cost reduction</li> <li>Increase in profit</li> <li>Time savings</li> <li>Safety</li> </ul>
<p><b>Operational Efficiency</b> Improved efficiency and reduction in raw material / energy consumption and costs by optimally utilizing all available resources.</p>	<ul style="list-style-type: none"> <li>Order fulfillment time</li> <li>Reduction of production losses</li> <li>Waste recycling</li> <li>Control of cost of production / cost per unit of production</li> <li>Profit margins</li> </ul>
<p><b>Shareholders</b> Safeguarding of shareholders' interest through a healthy and viable business.</p>	<ul style="list-style-type: none"> <li>Earnings per share</li> <li>Market price per share</li> <li>Dividend per share</li> </ul>
<p><b>Corporate Social Responsibility</b> Promoting social development of the communities and extending financial and in-kind support for the welfare and development across the country.</p>	<ul style="list-style-type: none"> <li>Board's approved CSR Policy</li> <li>Number of participants in community outreach initiatives, health, education, and welfare etc.</li> <li>Initiatives that foster diversity and inclusion</li> <li>Total Company-wide cash and in-kind contributions</li> </ul>



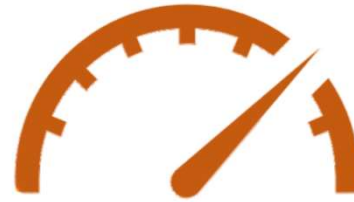
# Strategic Goals



**Customers' satisfaction**



**Employees' empowerment**



**Enterprise Risk Management and Business Continuity Planning**



**Continuous improvement (KAIZEN)**



**Operational Efficiency**



**Maximum Return on Investment**



**Corporate Social Responsibility**

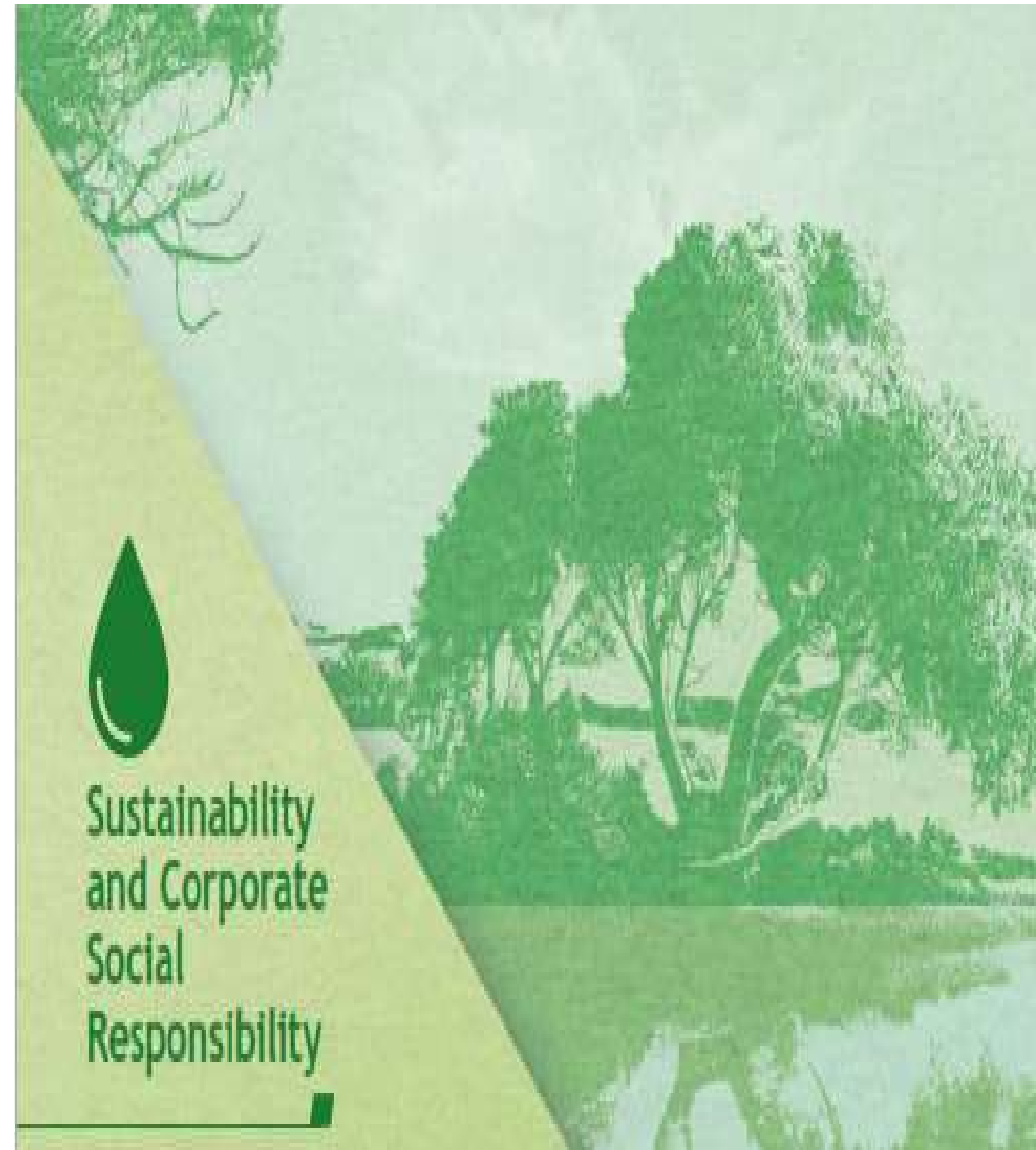


## Future Outlook

State Bank of Pakistan has recently announced to bring in new banknote series with enhanced security features. The Company endeavors to fulfil demand of its customers through upgradation of its plant to enable it to incorporate new security features in Bank note and other security papers. The management remains fully committed towards managing challenges and delivering sustainable profitable growth capitalizing on our strengths. We will continue to focus on quality improvement, innovations and opportunities in a challenging macroeconomic, political and social environment to improve productivity and enhance shareholders value.



# Sustainability & CSR





# Sustainability

## Environment, Social and Governance (ESG)

The Company has strategic nature of operations as its products are of highest national importance. Therefore, the security of Products, its production facilities and human capital is of prime concern for the management. For sustainable business growth and to evaluate the extent to which an organization works on behalf of social goals that is beyond maximize profits for the shareholders, and include factors identified in Organization Context like Diversity, Human rights, Consumer protection, Management structure, Employee relations, relations with all interested parties (Internal & External) ,Climate change and sustainability etc.

To extend the scope of Sustainability we believe in 7 R's Recycle, Reuse, Reduse, Repurpose, Refuse, Repair, and Rethink of Sustainability the models necessary to ensure the survival of the human race and planet Earth, which includes ways to slow or reverse pollution, conserve natural resources and protect our environment, and contribute to comply the priority issues incorporated in Pakistan National Climate Resilience and Adaptation Plan 2023-2030 at our level.

The company has established a comprehensive Integrated Management System which comprises of Quality, Environment and Occupational Health & Safety Management Systems based on International Standards of ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 respectively.







# Sustainability

## SUSTAINABILITY IS OUR OBSESSION

### Sustainability Report FY 2023-24 SUSTAINABILITY PERFORMANCE

#### 2023-24 HIGHLIGHTS

Description	Remarks
Process loss	<b>3.19 % Decreased</b>
Awards	<p>20th Annual Environment Excellence Award (AEEA-2023) by NFEH 2023, Best Corporate Report Award</p> <p>SPL secured 3rd position in the Best Corporate Report Award for the year 2022 by country's two leading professional accounting organizations the Institute of Cost and Management Accountants of Pakistan (ICMAP) and the Institute of Chartered Accountants Pakistan (ICAP).</p> <p><b>Best Sustainability Report Award</b></p> <p>SPL was ranked 3rd position in the Best Sustainability Report Award 2022 that was conferred by the joint Committee of the Institute of Chartered Accountants of Pakistan (ICAP) and Cost and Management Accountants of Pakistan (ICMAP).</p>
Enhanced efficiency in power generation	<p>Automatic voltage Regulator project has been completed to mitigate power waste with the cost of PKR 7.33 million.</p> <p>In addition, new project for upgradation of PM2 DCS Drives has also been completed with the cost of PKR 10.2 million</p>
Zero Lost Time Injury Case as compared to last year I-e 2022-23	<p>Very First Time SPL achieved 1000 Lost Time Injury (LTI) Free days which is still continued, this was achieved because of strict vigilance and appropriate Controls along with awareness training sessions such as Tool Box Talk</p>

### Environment Excellence Award

The National Forum for Environment & Health - NFEH conferred the 21ST Annual Environmental Excellence Award FY 2023-24 to Security Papers Limited. The award was given in recognition of the Company's vision and its effective implementation of Environment Management System and Policies after thorough assessment of its submitted documents and testimonials by the distinguished NFEH Panel of Jury through a unanimous decision.

The Company also received the 11th, 15th, 16th, 17th, 18th, 20th, and 21st Annual Environment Excellence Awards in 2014, 2018, 2019, 2020, 2021, 2023 and 2024 respectively





## LOST TIME INJURY ACCIDENTS

Factors	2023 - 24 (Jul May)		2022 - 23	
	No of Incidents	% by Gender Category	No of Incidents	% by Gender Category
Incident affecting female workforce	0	0	0	0
Incident affecting male workforce	0	0	0	0
Incident affecting property / equipment	0	0	0	0
Total	0	0	0	0



## Value of investment in sustainability projects

Projects	2023 - 24 (PKR in MN)
<b><u>Projects Completed During The Year</u></b>	
Upgradation of Mahlo Scanner	9 MN
Cargo Lift	15 MN
Upgradation of AVR (Co-Gen Power Plant)	7 MN
Upgradation of PM-2 DCS Drive	10 MN
<b><u>Projects Initiate During The Year</u></b>	
Waste Water Recycling Plant	139 MN
Solar Power Projects	13 MN
New RO Plant with additional Bores	71 MN
Dual Fired Burner	36 MN
Upgradation of CNC Milling machine	4 MN

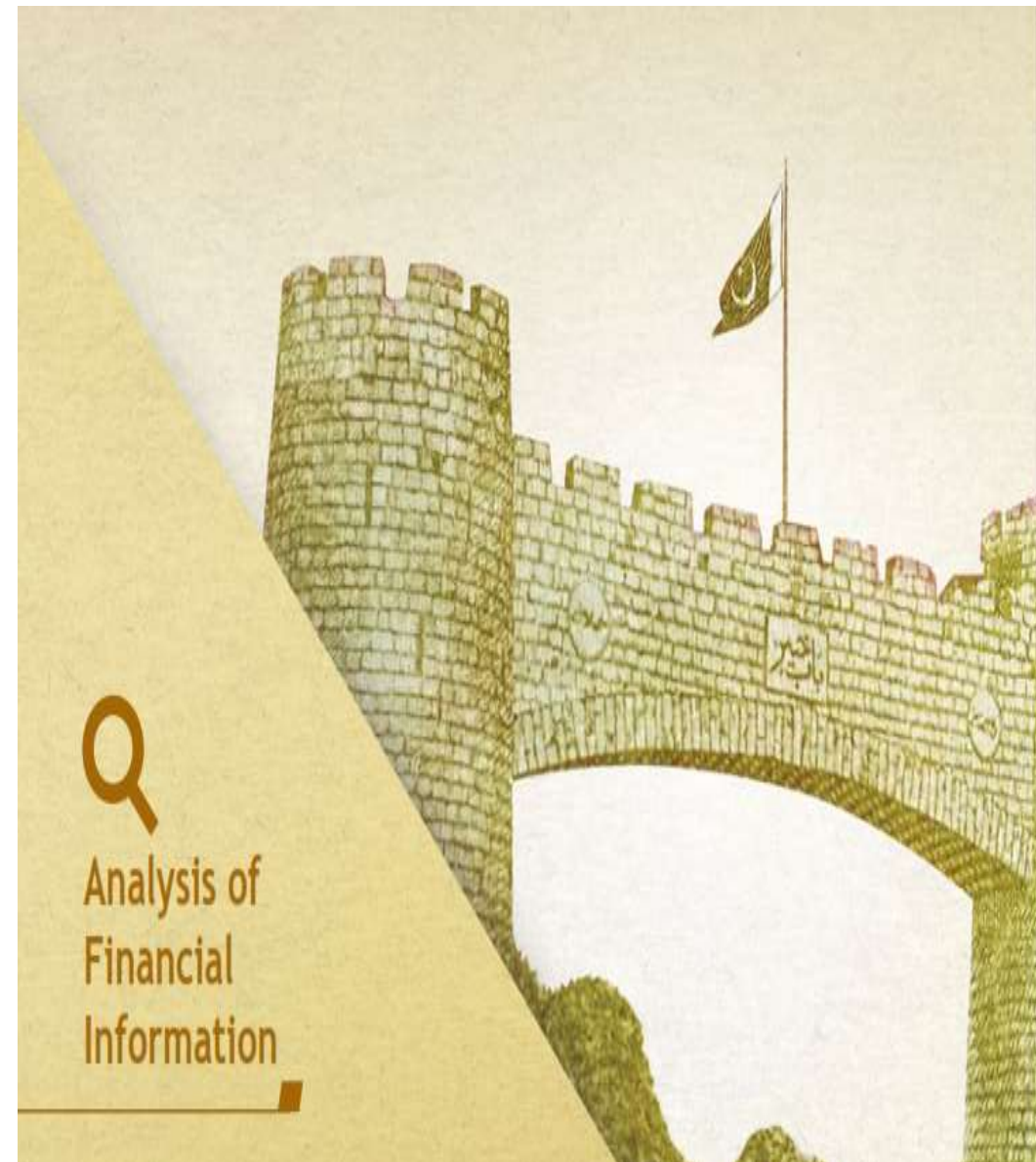


## Corporate Social Responsibilities (CSR)

Name of Institution	2023 – 24 (PKR)	Name of Institution	2022 – 23 (PKR)
SOS Children Village	2.42 MN	Prime Minister Relief Fund 2022	5.0 MN
The Citizens' Foundation	2.16 MN	The Indus Hospitals	3.87 MN
The Indus Hospitals	5.00 MN	Socio Economic Development – Baluchistan	1.21 MN
		SOS Children Village & Others	0.34 MN
<b>TOTAL</b>	<b>9.58 MN</b>	<b>TOTAL</b>	<b>10.54 MN</b>



# Financial Information





## Financial Highlights 2023-24

Rupees in million

PARTICULARS	JULY - JUNE	
	2024	2023
Sales	7,312	5,795
Gross Profit	2,047	1,518
Other Income	1,013	678
Profit after taxation	1,489	967
Earning per share (Rs.)	25.12	16.33



## Financial Highlights 2023-24

PARTICULARS	2023 – 24	2022 – 23
Fixed assets	1,828	1,718
Investments	3,295	2,904
Other long-term assets	12	55
Total long-term assets	5,135	4,677
Current assets	5,406	5,179
<b>Total assets</b>	<b>10,541</b>	<b>9,856</b>
Long term-liabilities	289	219
Current liabilities	2,032	2,145
<b>Total liabilities</b>	<b>2,321</b>	<b>2,364</b>
Share holders' equity	8,220	7,492
<b>Total liabilities &amp; Shareholders' equity</b>	<b>10,541</b>	<b>9,856</b>
<i>Break up Value</i>	<u>138.73</u>	<u>126.43</u>



## Financial Highlights Last Five Years

PARTICULARS	2023 – 24	2022 – 23
<b>Non-Financial ratios</b>		
Production per employee (tons)	14.25	13.52
Revenue per employee (avg)	25.39	19.38
Production (tons)	4,104	4,043
<b>Share price &amp; Dividend</b>		
Share price – highest	157.45	126.90
Share price – average	124.75	104.23
Dividend per share	12.50	11.00





Q & A