



COLORS OF EXCELLENCE



Cherat Packaging Limited
A Ghulam Faruque Group Company

**Unaudited
Accounts
September
30, 2024**

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COMPANY INFORMATION

Board of Directors

Mr. Akbarali Pesnani	Chairman
Mr. Amer Faruque	Chief Executive
Mr. Aslam Faruque	Director
Mr. Shehryar Faruque	Director
Mr. Arif Faruque	Director
Mr. Ali H. Shirazi	Director
Mr. Abid Vazir	Director
Mr. Sher Afzal Khan Mazari	Director
Ms. Maleeha Humayun Bangash	Director

Audit Committee

Mr. Ali H. Shirazi	Chairman
Mr. Arif Faruque	Member
Mr. Shehryar Faruque	Member

Human Resource and Remuneration Committee

Mr. Sher Afzal Khan Mazari	Chairman
Mr. Amer Faruque	Member
Mr. Aslam Faruque	Member

Director and Chief Operating Officer

Mr. Abid Vazir

Chief Financial Officer

Syed Waqar Haider Kazmi

Company Secretary

Mr. Asim H. Akhund

Head of Internal Audit

Mr. Aamir Saleem

Auditors

M/s. Grant Thornton Anjum Rahman
Chartered Accountants

Legal Advisor

K.M.S. Law Associates

Bankers

Allied Bank Ltd
Bank Al Habib Ltd
Habib Bank Ltd
Habib Metropolitan Bank Ltd
Industrial and Commercial Bank of China Ltd
MCB Bank Ltd
National Bank of Pakistan
Samba Bank Ltd
Soneri Bank Ltd
The Bank of Punjab
United Bank Ltd

Non-Banking Financial Institution

Pakistan Kuwait Investment Co. (Pvt) Ltd

Bankers (Islamic)

Askari Bank Ltd
Bank Alfalah Ltd
Bank Al Habib Ltd
Bankislami Pakistan Ltd
Dubai Islamic Bank Pakistan Ltd
Faysal Bank Ltd
MCB Islamic Bank Ltd
Meezan Bank Ltd
The Bank of Khyber

Share Registrar

CDC Share Registrar Services Limited.
CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi-74400
Tel: 0800-23275
UAN: 111-111-500
Email: info@cdcsrsl.com

Contact Us:

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Email: info@gfg.com.pk
Web: www.gfg.com.pk



Registered Office

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Head Office

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Factory

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Industrial Estate, District Swabi,
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Tel: (+92938) 270125, 270221
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Regional Offices

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3, Sundar Das Road
Tel: (+9242) 36286249-50, 36308259
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Tel: (+9251) 2344531-33
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DIRECTORS' REVIEW

The Board of Directors is pleased to present the financial results of the Company for the three-month period ended September 30, 2024.

Overview

Pakistan's economy remains on course to steady recovery following the successful negotiation and subsequent disbursement of the new IMF Extended Financing Facility. Decline in inflation figures in recent months has allowed State Bank of Pakistan to reduce discount rates. While political situation remains tense, economic developments have led to an improvement in country's overall business sentiment.

Despite the economic gains, the industrial sector continues to face slowdown, which has impacted packaging sector as well. Amid an uncertain demand outlook, the Company's operations also face challenges which has had an impact on its sales turnover during the period under review.

Operating performance

During the period under review, sales revenues of the Company declined from the corresponding period last year due to subdued demand from cement and FMCG sectors. Shift in use of packaging material from papersacks to polypropylene bags has had an impact on sales volumes. Furthermore, owing to slowdown in cement dispatches in the country and increased competition in polypropylene bag division, quantity of bags sold remained lower than the corresponding period last year. Increase was recorded in the cost of various input items, which had an impact on cost of production. Finance costs saw a notable decline of 60%, largely attributable to the falling discount rate, and early repayment of long-term loans and lower working capital utilization. In view of recent verdict of the Supreme Court order regarding the eligibility of purchases and installations done before June 30, 2019 for 10% tax credit u/s 65B of the Income Tax Ordinance, 2001 instead of 5% recognized earlier, the Company has recognized the remaining amount of Rs. 55 million in the quarter under review. For the quarter ended September 30, 2024 the Company posted an after-tax profit of Rs. 131 million.

Update on projects and initiatives

As informed earlier, the Company is working towards establishing carrier/SOS bag unit. The project will be financed through a long term loan and is expected to be completed by March 2025. The addition of another product category will enable the Company to tap new markets for packaging materials in an effective manner and optimize the utilization of its available resources. Furthermore, as part of its efforts towards sustainability, the Company is also working on various efficiency initiatives.

In view of the changing business landscape following a shift in use from papersacks to polypropylene bags by the cement industry, the Board of Directors has authorized the sale of Company's last Papersack Line at a price exceeding its current book value. However, the Company will continue to sell polypropylene bags to the cement industry.

This would allow the Company to focus on and work further towards other areas of packaging business. As informed earlier, as part of its business strategy to diversify and enhance revenues, the Management is already actively working towards establishing a SOS/Carrier Bag business. Furthermore, the Management is focusing on further expanding its existing Flexible Packaging business to adequately meet its customers' requirements.

Future Prospects

While challenges such as fiscal deficits, inefficient energy infrastructure, and political instability persist, Pakistan's macroeconomic indicators show signs of being on a recovery path. It is critical for the country to follow the ongoing economic reform agenda and concentrate on strategies that ensure stability and foster sustainable growth. Moreover, the new IMF program and its related inflow of external funding remain crucial for the sustainability of the economy.

The Company is determined to maintain its market leadership role by taking timely decisions to improve its operating results and invest in areas of growth going forward. While the macroeconomic conditions remain challenging, your Company is well positioned to capitalize on available market opportunities for continuing growth. Cognizant of the changes in the consumption pattern, the Company has taken necessary measures including sale of papersack lines to ensure optimum utilization of its resources in a period of high interest rates. The Company will continue to mitigate external challenges by leveraging on its financial strength and operational efficiencies.

Acknowledgment

The management would like to express its gratitude to all customers, financial institutions, staff members, suppliers and shareholders who have been associated with the Company for their continued support and cooperation.

On behalf of the Board of Directors


Akbarali Pesnani
Chairman


Amer Faruque
Chief Executive

October 28, 2024

Condensed Interim Statement of Financial Position

As at September 30, 2024

	Note	September 30, 2024 (Unaudited)	June 30, 2024 (Audited)
----- (Rupees in '000) -----			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	4	6,568,699	6,650,821
Intangible assets		9,499	9,876
		6,578,198	6,660,697
Long-term investments	5	971,565	874,122
Long-term security deposits		271	271
		7,550,034	7,535,090
CURRENT ASSETS			
Stores, spare parts and loose tools		685,523	653,901
Stock-in-trade		2,863,514	2,946,914
Trade debts		2,080,336	2,177,033
Advances		12,007	6,024
Trade deposits and short-term prepayments		46,945	16,637
Other receivables		4,532	1,498
Taxation – net		482,550	363,495
Cash and bank balances		32,008	92,322
		6,207,415	6,257,824
Non-current assets classified as held for sale	6	62,599	-
		6,270,014	6,257,824
TOTAL ASSETS		13,820,048	13,792,914
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
100,000,000 (June 30, 2024: 100,000,000) ordinary shares of Rs. 10/- each		1,000,000	1,000,000
Share capital		490,954	490,954
Reserves		7,889,661	7,661,192
		8,380,615	8,152,146
NON-CURRENT LIABILITIES			
Long-term financing - secured	7	1,886,253	2,106,635
Deferred taxation		1,008,405	1,013,170
Government grant		177,702	185,003
		3,072,360	3,304,808
CURRENT LIABILITIES			
Trade and other payables		1,690,530	1,710,737
Accrued mark-up		49,212	103,716
Short-term borrowings - secured		236,402	121,759
Current maturity of long-term financing	7	351,868	360,684
Current maturity of government grant		28,966	28,966
Unclaimed dividend		10,095	10,098
		2,367,073	2,335,960
CONTINGENCIES AND COMMITMENTS			
	8		
TOTAL EQUITY AND LIABILITIES		13,820,048	13,792,914

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



Amer Faruque
Chief Executive Officer



Abid Vazir
Director



Syed Waqar Haider Kazmi
Chief Financial Officer


Condensed Interim Statement of Profit or Loss (Unaudited)

For the period ended September 30, 2024

	Note	September 30, 2024	September 30, 2023 (Restated)
----- (Rupees in '000) -----			
Turnover - net	9	3,223,026	3,823,519
Cost of sales		(2,874,402)	(3,241,541)
Gross profit		348,624	581,978
Distribution costs		(78,239)	(69,129)
Administrative expenses		(41,804)	(50,616)
Other expenses		(9,507)	(9,170)
		(129,550)	(128,915)
Other income		14,711	63,590
Operating profit		233,785	516,653
Finance costs	10	(118,453)	(297,757)
Profit before income tax, minimum taxes and final taxes		115,332	218,896
Minimum taxes		(15,662)	-
Final taxes		-	(1,889)
Profit before income tax		99,670	217,007
Income tax			
Current		(28,341)	(69,280)
Prior		54,932	-
Deferred		4,765	(9,709)
	11	31,356	(78,989)
Net profit for the period		131,026	138,018
Earnings per share - basic and diluted	12	Rs. 2.67	Rs. 2.81

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.


Amer Faruque
 Chief Executive Officer


Abid Vazir
 Director


Syed Waqar Haider Kazmi
 Chief Financial Officer


Condensed Interim Statement of Comprehensive Income (Unaudited)

for the period ended September 30, 2024

	September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----	
Net profit for the period	131,026	138,018
Other comprehensive income that may not be reclassified subsequently to the statement of profit or loss:		
Unrealized gain on re-measurement of equity investment at fair value through other comprehensive income	97,443	47,416
Total comprehensive income for the period	228,469	185,434

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.


Amer Faruque
 Chief Executive Officer


Abid Vazir
 Director


Syed Waqar Haider Kazmi
 Chief Financial Officer


Condensed Interim Statement of Cash Flows (Unaudited)

For the period ended September 30, 2024

	Note	September 30, 2024	September 30, 2023
----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax, minimum taxes and final taxes		115,332	218,896
Adjustments for:			
Depreciation	4	86,464	86,083
Amortization		377	264
Gain on disposal of operating property, plant and equipment		-	(2)
Gain on disposal of assets classified as held for sale		-	(46,139)
Amortization of government grant		(7,301)	(7,301)
Finance costs		118,453	297,757
		197,993	330,662
		313,325	549,558
Decrease in current assets:			
Stores, spare parts and loose tools		(31,622)	11,520
Stock-in-trade		83,400	353,981
Trade debts		96,697	70,998
Advances		(5,983)	(10,951)
Trade deposits and short-term prepayments		(30,308)	40,616
Other receivables		(3,034)	98,429
Short-term Investment		-	123,963
		109,150	688,556
		422,475	1,238,114
Decrease in current liabilities:			
Trade and other payables		(20,207)	(594,838)
Cash generated from operations		402,268	643,276
Income tax, minimum taxes and final taxes		(108,126)	(59,917)
Net cash generated from operating activities		294,142	583,359
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred - net of borrowing cost		(67,986)	(82,007)
Proceeds from disposal of operating property, plant and equipment		1,045	452
Proceeds from disposal of assets classified as held for sale		-	55,014
Net cash used in investing activities		(66,941)	(26,541)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financings - net		(229,198)	(335,394)
Short-term borrowings - net		114,643	112,394
Finance costs paid		(172,957)	(341,868)
Dividends paid		(3)	-
Net cash used in financing activities		(287,515)	(564,868)
Net decrease in cash and cash equivalents		(60,314)	(8,050)
Cash and cash equivalents at the beginning of the period		92,322	37,279
Cash and cash equivalents at the end of the period		32,008	29,229

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.


Amer Faruque
Chief Executive Officer


Abid Vazir
Director


Syed Waqar Haider Kazmi
Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Unaudited)

For the period ended September 30, 2024


Issued, Subscribed And Paid-Up Capital	RESERVES					TOTAL RESERVES	TOTAL
	Capital Reserves	Revenue Reserves					
	Share premium	General reserves	Unappro- priated profit	Actuarial gain / (loss) on defined benefit plan-net of deferred tax	Unrealized gain on listed equity investments		

----- (Rupees in '000) -----

Balance as at July 01, 2023	490,954	998,628	180,000	5,081,497	9,180	440,267	6,709,572	7,200,526
Net Profit for the period	-	-	-	138,018	-	-	138,018	138,018
Other comprehensive income for the period	-	-	-	-	-	47,416	47,416	47,416
Total comprehensive income for the period	-	-	-	138,018	-	47,416	185,434	185,434
Balance as at September 30, 2023	490,954	998,628	180,000	5,219,515	9,180	487,683	6,895,006	7,385,960
Balance as at July 1, 2024	490,954	998,628	180,000	5,820,104	(6,099)	668,559	7,661,192	8,152,146
Net profit for the period	-	-	-	131,026	-	-	131,026	131,026
Other comprehensive income for the period	-	-	-	-	-	97,443	97,443	97,443
Total comprehensive income for the period	-	-	-	131,026	-	97,443	228,469	228,469
Balance as at September 30, 2024	490,954	998,628	180,000	5,951,130	(6,099)	766,002	7,889,661	8,380,615

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.


Amer Faruque
 Chief Executive Officer


Abid Vazir
 Director


Syed Waqar Haider Kazmi
 Chief Financial Officer

Notes to the Condensed Interim Financial Statements (Unaudited)

For the period ended September 30, 2024

1. CORPORATE INFORMATION

- 1.1 Cherat Packaging Limited (the Company) was incorporated in Pakistan as a public company limited by shares in the year 1989. Its main business activities are manufacturing, marketing and sale of paper sacks, polypropylene bags and flexible packaging material. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at 1st Floor, Betani Arcade, Jamrud Road, Peshawar, Pakistan.

2. BASIS OF PREPARATION

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

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

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

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2024.

Note	September 30, 2024 (Unaudited)	June 30, 2024 (Audited)
	----- (Rupees in '000) -----	

4. PROPERTY, PLANT AND EQUIPMENT

Opening net book value (NBV)		6,446,036	5,834,403
Additions during the period / year (cost)	4.1	15,759	985,821
		6,461,795	6,820,224
Depreciation charged during the period / year		(86,464)	(353,746)
Disposals during the period / year (NBV)		(1,045)	(20,442)
Non-current assets classified as held for sale at book value		(62,599)	-
Closing (NBV)		6,311,687	6,446,036
Capital work-in-progress	4.2	257,012	204,785
		6,568,699	6,650,821
4.1 Additions during the period / year			
Building on leasehold land		-	6,459
Plant and machinery		1,820	860,505
Furniture and fittings		251	10,343
Vehicles		5,322	49,943
Equipment		4,795	41,019
Computers		3,571	17,552
		15,759	985,821

September 30, 2024 (Unaudited)	June 30, 2024 (Audited)
----- (Rupees in '000) -----	

4.2 Capital work-in-progress

Building on leasehold land	12,702	7,820
Plant and machinery	37,687	23,497
Power and other installations	3,650	12,260
Furniture and fittings	-	110
Vehicles	30,378	5,712
Equipment	172,595	155,386
	<u>257,012</u>	<u>204,785</u>

5. LONG-TERM INVESTMENTS

Investment in associated company

At fair value through other comprehensive income

Cherat Cement Company Limited
5,327,698 (June 30, 2024: 5,327,698)
Ordinary shares of Rs. 10/- each

966,551	869,108
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Investment in joint venture

UniEnergy Limited

5,014	5,014
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<u>971,565</u>	<u>874,122</u>
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6. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

The Board of Directors of the Company authorized the management of the Company to sell its Paper sack line IV on August 22, 2024. This is being done in view of shift in demand from Paper sack to Polypropylene bags by the cement industry. Management expects to complete the negotiations and execute the formalities for sale of the assets within the current financial year.

September 30, 2024 (Unaudited)	June 30, 2024 (Audited)
----- (Rupees in '000) -----	

7. LONG-TERM FINANCING – secured

Islamic banks

Fixed Assets Refinance Loan - Rotogravure

Printing Line - II Project

985,765	985,765
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Islamic Finance Facility for Renewable Energy

63,778	63,242
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<u>1,049,543</u>	<u>1,049,007</u>
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Conventional banks

Fixed Assets Refinance Loan - Flexible Packaging Line - I

Tranche 2

-	240,000
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Fixed Assets Refinance Loan - Flexographic Printing Line - II

742,748	742,748
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Temporary Economic Refinance Facility (TERF) -

Polypropylene Line - IV

445,830	435,564
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<u>1,188,578</u>	<u>1,418,312</u>
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<u>2,238,121</u>	<u>2,467,319</u>
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Current maturities

<u>(351,868)</u>	<u>(360,684)</u>
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<u>1,886,253</u>	<u>2,106,635</u>
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8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2024.

	Note	September 30, 2024 (Unaudited)	June 30, 2024 (Audited)
----- (Rupees in '000) -----			
8.2 Commitments			
Outstanding letters of guarantee - conventional banks		77,018	77,018
Outstanding letters of credit - conventional and Islamic banks		338,725	393,123
Capital commitments	8.2.1	41,567	41,567

8.2.1 These capital commitments have been extended to a related party.

9. TURNOVER - NET

Includes export sales amounting to Rs. 90.66 million (September 30, 2023: Rs. 188.85 million).

10. FINANCE COSTS

Includes mark-up on long-term financing amounting to Rs.111.51 million (September 30, 2023: Rs. 129.15 million) and mark-up on short-term borrowings and bank charges amounting to Rs.6.94 million (September 30, 2023: Rs. 168.61 million).

11. INCOME TAX

Provision for tax in these financial statements is calculated on the basis of Minimum Tax Regime under the Income Tax Ordinance, 2001.

11.1 As reported in note 34.4 to the annual audited financial statements of the Company for the year ended June 30, 2024, during the year ended June 30, 2019, the Company recorded tax credit under section 65B of ITO, 2001 @ 10% on commissioning and installation as per law. Through Finance Act, 2019, the government has reduced tax credit under section 65B of ITO, 2001 from 10% to 5% retrospectively for the tax year 2019 and abolished the same for subsequent years. The management challenged the same in Peshawar High Court (PHC) and initially obtained a stay based on which the management claimed full tax credit in the tax returns. However, as a matter of prudence the same credit was not taken in the financial statements. Later on, PHC vide its order dated September 07, 2023 decided the case in favor of the Company. The department has filed CPLA against the judgement of PHC before the Honorable Supreme Court of Pakistan (SCP) and during current quarter, the SCP vide order dated September 24, 2024, allowed the Company to claim a 10% tax credit for plant and machinery purchased and installed on or before June 30, 2019. After reviewing the legal and accounting requirements, management has decided to recognize Rs. 54.93 million being 5% balance tax credit under section 65B as prior year tax income in these condensed interim financial statements.

	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
12. EARNINGS PER SHARE - basic and diluted		
Net profit for the period (Rupees in '000)	131,026	138,018
Weighted average number of ordinary shares in issue during the period	49,095,393	49,095,393
Earnings per share- basic and diluted	Rs. 2.67	Rs. 2.81

13. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024. There have been no changes in any risk management policies since the year end.

The carrying value of all financial and non-financial assets and liabilities measured at other than amortized cost in these condensed interim financial statements approximate their fair values.

14. SEGMENT REPORTING

For management purposes, the activities of the Company are organized into two operating segments as shown below. The Company operates in the said reportable operating segments based on the nature of the products, risks and returns, organizational and management structure, and internal financial reporting systems.

Type of segments

Bags manufacturing division
Flexible packaging division

Nature of business

Kraft paper and polypropylene bags manufacturing
Extrusion, Flexo Graphic and Rotogravure printing

14.1 Segment analysis and reconciliation for the period ended September 30, 2024

	Bags Manufacturing Division		Flexible Packaging Division		Total	
	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
----- (Rupees in '000) -----						
Sales						
External Sales	1,564,599	1,931,356	1,658,427	1,892,163	3,223,026	3,823,519
Inter-segment sales	-	-	-	-	-	-
Total Revenue	1,564,599	1,931,356	1,658,427	1,892,163	3,223,026	3,823,519
Depreciation and amortization	40,980	44,561	45,861	41,786	86,841	86,347
Finance costs	12,886	16,469	98,628	112,682	111,514	129,151
Profit before income tax, final taxes, minimum taxes, and unallocated expenses	105,453	247,156	11,614	132,065	117,067	379,221
Unallocated corporate expenses						
Finance costs	-	-	-	-	(6,939)	(168,606)
Other expenses	-	-	-	-	(9,507)	(9,170)
Other income	-	-	-	-	14,711	17,451
Income tax, minimum taxes and final taxes	-	-	-	-	15,694	(80,878)
Net profit for the period	-	-	-	-	131,026	138,018

14.2 Reportable Segment assets and liabilities

	Bags Manufacturing Division		Flexible Packaging Division		Total	
	September 30, 2024 (Unaudited)	June 30, 2024 (Audited)	September 30, 2024 (Unaudited)	June 30, 2024 (Audited)	September 30, 2024 (Unaudited)	June 30, 2024 (Audited)
----- (Rupees in '000) -----						
Segment assets	4,157,747	4,377,666	8,062,582	8,014,239	12,220,329	12,391,905
Unallocated assets	-	-	-	-	1,599,719	1,401,009
Total assets	4,157,747	4,377,666	8,062,582	8,014,239	13,820,048	13,792,914
Segment liabilities	645,227	641,963	1,844,641	2,131,444	2,489,868	2,773,407
Unallocated liabilities	-	-	-	-	2,949,565	2,867,361
Total liabilities	645,227	641,963	1,844,641	2,131,444	5,439,433	5,640,768

14.2.1 Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Certain assets and liabilities of the Company cannot be allocated to a specific segment. Accordingly, these amounts have been classified as unallocated.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one year.

15. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise of associated companies, directors, retirement funds, and key management personnel of the Company. Transactions with related parties other than those disclosed elsewhere in the condensed interim financial statements, are as follows:

Relationship	Nature of transactions	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
		----- (Rupees in '000) -----	
Associates / related parties	Sale of goods	833,122	944,822
	Purchase of goods	53	395
	Purchase of fixed assets	1,288	23,831
	Services received	7,017	6,558
	IT support charges	6,865	4,002
	Insurance premium	11,576	2,973
	Remuneration to key management personnel	121,909	99,723
	Contribution to staff provident and gratuity funds	7,045	6,701

15.1 In addition, certain actual administrative expenses are being shared amongst the group companies.

16. DATE OF AUTHORIZATION

These condensed interim financial statements were authorized for issue on October 28, 2024 by the Board of Directors of the Company.

17. NON ADJUSTING EVENTS AFTER REPORTING DATE

17.1 Subsequent to year ended June 30, 2024, the Board of Directors in its meeting held on August 22, 2024 proposed final cash dividend @ Rs. 3.50 per share amounting to Rs. 171.83 million (2023: Rs. 2.00 per share amounting to Rs. 98.19 million). The same was approved by the members at the Annual General Meeting held on October 15, 2024. Being a non-adjusting subsequent event, it has not been accounted for in these condensed interim financial statements.

17.2 Subsequent to period ended September 30, 2024, the Board of Directors of the Company authorized the management of the Company to sell its Paper sack line III. This is being done in view of shift in demand from Paper sack to Polypropylene bags by the cement industry.

18. GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.



Amer Faruque
Chief Executive Officer



Abid Vazir
Director



Syed Waqar Haider Kazmi
Chief Financial Officer



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