



# FOR THE PERIOD ENDED MARCH 31, 2025

Complementing your Packaging ambitions with  
our Packaging Expertise

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Mr. Iqbal Ali Lakhani (Chairman)  
Mr. Amin Mohammed Lakhani  
Ms. Anushka Lakhani  
Mr. Aftab Ahmad  
Mr. Farrukh Shauket Ansari  
Mr. Ahmed Munaf  
Mr. Sheikh Asim Rafiq

## ADVISOR

Mr. Sultan Ali Lakhani

## AUDIT COMMITTEE

Mr. Sheikh Asim Rafiq (Chairman)  
Mr. Amin Mohammed Lakhani  
Mr. Farrukh Shauket Ansari

## HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Sheikh Asim Rafiq (Chairman)  
Mr. Amin Mohammed Lakhani  
Mr. Amir Ahmed Chapra  
Mr. Aftab Ahmad

## CHIEF EXECUTIVE OFFICER

Mr. Amir Ahmed Chapra

## CHIEF FINANCIAL OFFICER

Mr. Umair Ahmed

## COMPANY SECRETARY

Mr. Mansoor Ahmed

## AUDITORS

BDO Ebrahim & Co.  
Chartered Accountants

## BANKERS - CONVENTIONAL

Habib Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
JS Bank Limited  
MCB Bank Limited

## BANKERS - ISLAMIC

Meezan Bank Limited  
United Bank Limited – Ameen  
Al-Baraka Bank (Pakistan) Limited  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited - Islamic Banking  
MCB Islamic Bank Limited

## SHARES REGISTRAR

FAMCO Share Registration Services (Private) Limited  
8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S.,  
Shahra-e-Faisal, Karachi.  
Website: [www.famcosrs.com](http://www.famcosrs.com)  
Email : [info.shares@famcosrs.com](mailto:info.shares@famcosrs.com)  
Phone : (021) 34380101- 5 | Fax : (021) 34380106

## REGISTERED & HEAD OFFICE

Lakson Square, Building No. 2, Sarwar Shaheed Road,  
Karachi-74200, Pakistan.

## FACTORY

17-B, Sector 29, Korangi Industrial Area, Karachi.

## MARKETING DIVISIONS

### CONTACT US

UAN: +9221 38892147 Ext. 1014, 1008 |  
Phone Number: 0341-2464451  
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# DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders,

The Board of Directors is pleased to present the financial results of the Company for the nine months period ended March 31, 2025.

## Overview

Globally, Q3 FY25 saw moderate growth, with reducing inflation offset by trade tensions and policy uncertainty. Regional growth was uneven, with US strength contrasting headwinds in other major economies. Trade growth lagged output, and tariff disputes posed a risk.

Pakistan's Q3 FY25 showed positive signs: a \$1.2 billion current account surplus in March and record \$4.1 billion remittances. Inflation fell sharply to 0.7%. Despite downwardly revised GDP growth (2.5-2.7%), fiscal consolidation progressed, and the policy rate remained at 12%. Exports saw modest growth, while imports rose. Overall, external accounts stabilized, and inflation declined, but growth expectations were moderate.

Despite low inflation and stabilization, Pakistani purchasing power and FMCG sales remain subdued, impacting the packaging industry with lower volumes, unutilized capacity, and price pressure hindering cost pass-through.

Facing a fluid domestic landscape, the Company ventured into the export market, achieving a milestone by successfully establishing inroads into Africa. This proactive diversification yielded initial success, with exports to the African continent reaching Rs. 130 million, demonstrating our agility and commitment to unlocking new revenue markets.

## Operating performance

In the nine-months under review, Net Revenue declined to PKR 4,495 million, a decrease of PKR 753 million (14.4%) compared to the same period last year. The gross margin also saw a reduction of PKR 180 million from the nine months period ended March 2024.

Operating profit similarly declined, reaching PKR 28 million, down by PKR 216 million (88%) from PKR 244 million in the same period last year. Despite this, a substantial decrease in financial charges helped contain the loss before tax to PKR 113 million, compared to PKR 48 million in the previous year's nine months results. This reduction in financial charges mainly results from the repayment of the Sponsors' Loan of PKR 1,200 million in May 2024.

The Company reported a net loss of PKR 170 million (LPS: Re. 0.85) for the nine months period ended March 2025, higher than the same period last year's net loss of PKR 113 million (LPS: Re. 0.57).

## Future prospects

Global economic prospects for April-June 2025 and onwards point to moderate growth but with significant downside risks from trade tensions and geopolitical uncertainty. Pakistan's economy is stabilizing with projected GDP growth around 2.5-2.7% for FY25, supported by improving domestic factors. However, the outlook remains fragile, dependent on sustained stabilization and structural reforms. Inflation is expected to remain low, and the current account to remain stable. Downside risks include reform delays, high debt, and external vulnerabilities. Long-term projections suggest gradual growth improvement contingent on reforms. The global outlook beyond 2025 also indicates moderate expansion, but trade and geopolitical risks persist for both the global and Pakistani economies. This current situation creates a challenging pricing environment where securing volumes often necessitates competitive pricing strategies, potentially compressing profit margins. The inability to fully pass on existing cost pressures, stemming from input costs and operational expenses, further exacerbates this situation.

Despite the tough economy and strong local competition, the management is determined to navigate these challenges. The key strategy is to actively explore and seize more opportunities in international markets to reduce our reliance on the local environment. We believe expanding globally is crucial for our company's resilience and future growth.

## 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. It would like to especially thank its sponsors for their continued support during the turbulent times and guidance to drive the Company towards growth and advancement.

On behalf of the Board of Directors



**Iqbal Ali Lakhani**  
Chairman

Karachi: April 28, 2025



**Amir Ahmed Chapra**  
Chief Executive

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

AS AT MARCH 31, 2025		(Un-audited) March 31, 2025	(Audited) June 30, 2024
	Note	Rupees in thousands	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,848,857	2,805,924
Operating fixed assets	8	66,494	115,560
Capital work in progress		2,915,351	2,921,484
Right-of-use assets		129,469	140,062
Intangible assets		84	152
Long-term deposits		12,249	12,249
		3,057,153	3,073,947
CURRENT ASSETS			
Stores and spares		142,785	114,459
Stock-in-trade		498,555	452,569
Trade debts	9	1,495,382	1,196,428
Loans and advances		44,026	28,842
Trade deposits and short-term prepayments		9,999	86,904
Other receivables	10	18,810	17,748
Tax refund due from Government		285,892	266,477
Taxation - net		92,400	69,097
Cash and bank balances	11	4,017	21,310
		2,591,866	2,253,835
		5,649,019	5,327,782
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200,000,000 (June 30, 2024: 200,000,000) ordinary shares of Rs. 10/- each		2,000,000	2,000,000
Issued, subscribed and paid-up capital		1,999,584	1,999,584
199,958,427 (June 30, 2024: 199,958,427) ordinary shares of Rs. 10/- each			
Capital reserve			
Surplus on revaluation of property, plant and equipment		941,765	973,961
Share Premium		298,325	298,325
Revenue reserves			
General reserves		106,800	106,800
Accumulated losses		(1,382,060)	(1,244,708)
Equity portion of loan - associated company		691,149	789,950
		2,655,563	2,923,912
NON-CURRENT LIABILITIES			
Sub-ordinated loan	12	250,000	143,634
Long-term financing	13	-	46,824
Lease liability		135,190	142,388
		385,190	332,846
CURRENT LIABILITIES			
Trade and other payables		1,561,120	1,295,864
Mark-up accrued		32,072	36,397
Short-term borrowings		939,225	640,312
Current portion of:			
Long-term financing	13	70,236	93,647
Long-term lease liability		5,484	4,675
Un-claimed dividend		129	129
		2,608,266	2,071,024
		5,649,019	5,327,782
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	14		

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



**Iqbal Ali Iakhani**  
Director



**Amir Ahmed Chapra**  
Chief Executive Officer



**Umair Ahmed**  
Chief Financial Officer



# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

## FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2025	2024	2025	2024
		Rupees in thousands		Rupees in thousands	
			(Restated)		(Restated)
Revenue - net	15	4,495,366	5,248,700	1,443,333	1,703,931
Cost of sales		(4,251,137)	(4,824,955)	(1,397,053)	(1,567,442)
<b>Gross profit</b>		244,229	423,745	46,280	136,489
Other income		17,445	11,788	2,894	2,645
General and administrative expenses		(135,647)	(109,028)	(53,314)	(41,014)
Selling and distribution expenses		(86,017)	(72,664)	(32,500)	(27,691)
Other operating expenses		(11,589)	(9,846)	(5,702)	(4,402)
		(215,808)	(179,750)	(88,622)	(70,462)
<b>Operating profit / (loss)</b>		28,421	243,995	(42,342)	66,027
Financial charges		(141,368)	(291,647)	(40,734)	(76,380)
<b>Loss before income tax and levy</b>		(112,947)	(47,652)	(83,076)	(10,353)
Levy		(56,601)	(65,756)	(18,260)	(21,332)
<b>Loss before income tax</b>		(169,548)	(113,408)	(101,336)	(31,685)
Taxation		-	-	-	-
<b>Loss for the period</b>		(169,548)	(113,408)	(101,336)	(31,685)
			(Rupee)		(Rupee)
			(Restated)		(Restated)
Loss per share - basic and diluted	16	(0.85)	(0.57)	(0.51)	(0.16)

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



**Iqbal Ali Iakhani**  
Director



**Amir Ahmed Chapra**  
Chief Executive Officer



**Umair Ahmed**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

## FOR THE PERIOD ENDED MARCH 31, 2025

	Nine months ended March 31,		Quarter ended March 31,	
	2025	2024	2025	2024
	Rupees in thousands		Rupees in thousands	
		(Restated)		(Restated)
Loss for the period	(169,548)	(113,408)	(101,336)	(31,685)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u>(169,548)</u>	<u>(113,408)</u>	<u>(101,336)</u>	<u>(31,685)</u>

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



**Iqbal Ali Iakhani**  
Director



**Amir Ahmed Chapra**  
Chief Executive Officer



**Umair Ahmed**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2025

		March 31,	
		2025	2024
		Rupees in thousands	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	17	139,184	282,867
Taxes paid - net		(79,902)	(49,926)
Financial charges paid		(114,519)	(176,635)
<b>Net cash (used in) / generated from operating activities</b>		(55,237)	56,306
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(160,734)	(141,882)
<b>Net cash used in investing activities</b>		(160,734)	(141,882)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long-term financing		(70,235)	(121,487)
Payment against lease liability		(30,000)	-
<b>Net cash used in financing activities</b>		(100,235)	(121,487)
Net decrease in cash and cash equivalents		(316,206)	(207,063)
Cash and cash equivalents at beginning of the period		(619,002)	(671,036)
Cash and cash equivalents at end of the period		(935,208)	(878,099)
<b>CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	11	4,017	2,489
Short-term borrowings		(939,225)	(880,588)
		(935,208)	(878,099)

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



**Iqbal Ali Iakhani**  
Director



**Amir Ahmed Chapra**  
Chief Executive Officer



**Umair Ahmed**  
Chief Financial Officer



# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED MARCH 31, 2025

	Issued, subscribed and paid-up capital	Capital Reserves		Revenue Reserves		Equity portion of loan from associated company	Total
		Surplus on revaluation of property, plant and equipment	Share Premium Reserve	General Reserve	Accumulated losses		
Rupees in thousands							
Balance as at July 01, 2023 (Audited)	1,999,584	2,198,989	298,325	106,800	(2,274,388)	622,382	2,951,692
Total comprehensive income for the period ended March 31, 2024							
Loss for the period (Restated)	-	-	-	-	(113,408)	-	(113,408)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation (Restated)	-	(42,176)	-	-	42,176	-	-
Transaction with owners							
Equity portion of loan	-	-	-	-	-	250,913	250,913
Balance as at March 31, 2024 (Un-audited)	1,999,584	2,156,813	298,325	106,800	(2,345,620)	873,295	3,089,197
Balance as at July 01, 2024 (Audited)	1,999,584	973,961	298,325	106,800	(1,244,708)	789,950	2,923,912
Total comprehensive income for the period ended March 31, 2025							
Loss for the period	-	-	-	-	(169,548)	-	(169,548)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation	-	(32,196)	-	-	32,196	-	-
Transaction with owners							
Equity portion of loan	-	-	-	-	-	(98,801)	(98,801)
Balance as at March 31, 2025 (Un-audited)	1,999,584	941,765	298,325	106,800	(1,382,060)	691,149	2,655,563

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



**Iqbal Ali Iakhani**  
Director



**Amir Ahmed Chapra**  
Chief Executive Officer



**Umair Ahmed**  
Chief Financial Officer

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2025

## 1 NATURE AND STATUS OF THE COMPANY

- 1.1 Merit Packaging Limited ("the Company") was incorporated on January 28, 1980 in Pakistan as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange. The Company is mainly engaged in the manufacture and sale of printing and packaging materials.

## 2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical location and addresses of the Company's business units / immovable assets are as under:

Business Unit	Address
- Registered office	Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan.
- Factory	Plot No. 17-B, Sector 29, Korangi Industrial Township, Karachi, Pakistan.

## 3 BASIS OF PREPARATION

### 3.1 Statement of compliance

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 Standard Board (IASB) as notified under the Companies Act, 2017 and
- Provisions of and directives issued under the Companies Act, 2017.

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

These condensed interim financial statement do not include all the information and disclosures required for the complete set of annual financial statements and should be read in conjunction with the annual financial statements of the company as at and for the year ended June 30, 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative of statement of financial position presented in these condensed interim financial statements, together with the notes thereto have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the nine months ended March 31, 2024.

These condensed interim financial statements are unaudited but subject to the limited scope review by auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

### 3.2 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the company.

## 4 MATERIAL ACCOUNTING POLICIES AND CHANGES THEREIN

The material accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2024.

#### 4.1 Initial application of standards, amendments or an interpretation to existing standards

##### a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2024, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2025, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

## 5 ACCOUNTING ESTIMATES, JUDGEMENTS, AND ASSUMPTIONS

The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards, as applicable, requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates. Estimates, assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. During the preparation of these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual financial statements for the year ended June 30, 2024.

## 6 TAXATION

The provisions for taxation levy for the nine months and quarter ended March 31, 2024, have been made using the best estimated effective tax rate applicable to expected total annual earnings. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Any tax charged under Income Tax Ordinance, 2001 which is not based on taxable income is classified as levy in these condensed interim statement of profit or loss as these levies fall under the scope of IFRIC 21/IAS 37.

Last year, the Institute of Chartered Accountants of Pakistan (ICAP) has issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). In accordance with the Guidance, the Company has recognize minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognized as 'Income tax', accordingly the comparative condensed interim statement of profit or loss has been restated and an amount of Rs. 65.756 million has been reclassified from taxation to levy.

## 7 OPERATING FIXED ASSETS

Opening net book value (NBV)  
Additions during the period / year at cost  
  
Disposals during the period / year at NBV  
Depreciation charge for the period / year  
  
Closing net book value (NBV)

Note	(Un-audited) March 31, 2025	(Audited) June 30, 2024
	Rupees in thousands	
	2,805,924	4,292,848
7.1	210,209	268,889
	3,016,133	4,561,737
	(2,056)	(1,520,505)
	(165,220)	(235,308)
	(167,276)	(1,755,813)
	2,848,857	2,805,924
	83,914	-
	-	84,254
	112,395	106,453
	4,491	18,090
	5,513	16,364
	2,076	5,739
	1,820	37,989
	210,209	268,889

### 7.1 Detail of additions (at cost) during the period / year are as follows:

Leasehold improvements  
Building / improvements on leasehold land  
Plant and machinery  
Furniture and fixtures  
Office equipment  
Computer equipment  
Electrical installation

8	CAPITAL WORK-IN-PROGRESS	Note	(Un-audited) March 31, 2025	(Audited) June 30, 2024
			Rupees in thousands	
	<b>This comprises of:</b>			
	Civil works		31,576	115,560
	Plant and machinery		9,546	-
	Software under development		25,372	-
		8.1	66,494	115,560
<b>8.1</b>	<b>Movement of carrying amount is as follows:</b>			
	Opening balance		115,560	138,068
	Additions (at cost) during the period / year		161,143	246,381
			276,703	384,449
	Transferred to operating fixed assets during the period / year		(210,209)	(268,889)
	Closing balance		66,494	115,560

## 9 TRADE DEBTS

### Unsecured - considered good

Due from associated companies  
Others

551,875	507,895
943,507	688,533
1,495,382	1,196,428

### Unsecured - considered doubtful

Others  
Allowance for expected credit losses

48,681	48,681
(48,681)	(48,681)
1,495,382	1,196,428

## 10 OTHER RECEIVABLES

Unsecured-considered good  
Due from associated company  
Receivable from gratuity fund  
Others

10.1	1,126	64
	17,684	17,684
	-	-
	18,810	17,748

**10.1** This represents insurance claim receivable from Century Insurance Company Limited, an Associated Company.

11	CASH AND BANK BALANCES		(Un-audited) March 31, 2025	(Audited) June 30, 2024
			Rupees in thousands	
	Cash in hand		2,970	1,060
	Cash at bank			
	Current account			
	Islamic mode		581	359
	Conventional mode		466	485
			1,047	844
	Cash at bank - saving account		-	19,406
			4,017	21,310

## 12 SUB-ORDINATED LOAN

During the year ended June 30, 2024, the sponsors had extended the interest free loan amounting to Rs. 250 million. The loan is obtained to meet the working capital requirements, financing the capital expenditure and for funding business activities. This loan was discounted at current market rate ranging from 22.60% to 22.84% per annum and the difference between the principal amount and the fair value was recorded in equity.

Effective from October 1, 2024, the waiver of markup on the loan was revoked, and the loan was converted into an interest-bearing facility. As a result, the loan, with a carrying value of Rs. 151.2 million after the unwinding of Rs. 16.2 million on the date of revised agreement, was increased by Rs. 98.8 million, and the corresponding adjustment has been reflected in equity. The interest rate applicable to the restructured loan is based on the three-month KIBOR plus a 0.5% spread, payable on a quarterly basis. The loan tenure remains unchanged at three years.

This loan shall remain sub-ordinated to the financing facilities extended by the banks to the Company. The loan shall not be repaid until the entire amount of financing facilities and any payments due in respect of financing facilities or any other finance extended / provided by the banks to the Company, have been paid in full by the Company to the banks and the banks have notified to the sponsors of such payments; and / or the banks otherwise give any permission in writing to the Company to make full or part of the payments due under the long term financing to the associated undertakings.

### 13 LONG TERM FINANCING

#### Secured - From banking companies

##### Islamic mode

Dubai Islamic Bank Pakistan Limited  
Less: Current portion shown under current liabilities

#### Unsecured - From associated undertaking

##### Opening balance

Unwinding of loan  
Equity component on restructuring of loan during the year  
Paid during the year

(Un-audited)	(Audited)
March 31, 2025	June 30, 2024
Rupees in thousands	
70,236	140,471
(70,236)	(93,647)
-	46,824
-	1,141,605
-	110,993
-	(52,599)
-	(1,200,000)
-	-
-	46,824

### 14 CONTINGENCIES AND COMMITMENTS

#### 14.1 CONTINGENCIES

There were no contingencies as at March 31, 2025. (June 30, 2024: Nil).

#### 14.2 COMMITMENTS

There are commitments amounting Rs. 7.03 million against purchase of consumable stores & spares under the contractual obligation as at March 31, 2025. (June 30, 2024: Nil).

### 15 REVENUE - NET

#### Gross sales

Local sales  
Export sales

Less:

Sales tax  
Sales return

(Un-audited)		(Un-audited)	
Nine Months ended March 31,		Quarter ended March 31,	
2025	2024	2025	2024
Rupees in thousands		Rupees in thousands	
5,154,674	6,200,862	1,596,322	2,014,094
130,140	-	91,544	-
5,284,814	6,200,862	1,687,866	2,014,094
(785,741)	(944,766)	(243,322)	(306,708)
(3,707)	(7,396)	(1,211)	(3,455)
(789,448)	(952,162)	(244,533)	(310,163)
4,495,366	5,248,700	1,443,333	1,703,931

### 16 LOSS PER SHARE - BASIC AND DILUTED

Loss for the period

Weighted average number of ordinary shares (in thousands)

Loss per share (Rupee)

Note

(Un-audited)		(Un-audited)	
Nine Months ended March 31,		Quarter ended March 31,	
2025	2024	2025	2024
Rupees in thousands		Rupees in thousands	
	(Restated)		(Restated)
(169,548)	(113,408)	(101,336)	(31,685)
199,958	199,958	199,958	199,958
(0.85)	(0.57)	(0.51)	(0.16)

16.1 There is no dilutive effect on the basic loss per share of the Company.

17 CASH GENERATED FROM OPERATIONS

Loss before income tax and levy

**Adjustment for non-cash and other items:**

Gain on disposal of Property, plant and equipment

Financial charges

Depreciation

Amortization

Loss on disposal of property, plant and equipment

Profit before working capital changes

Working capital changes

17.1 Working capital changes

**(Increase) / decrease in current assets:**

Stores and spares

Stock-in-trade

Trade debts

Loans and advances

Trade deposits and short term prepayments

Other receivables

Tax refund due from Government

**Increase / (decrease) in current liabilities:**

Trade and other payables

(Un-audited)	
Nine Months ended March 31,	
Note	
	2025 / 2024
	Rupees in thousands
	(112,947) (47,652)
	-
	141,368 291,647
	175,813 175,980
	68 69
	1,647 1
	318,896 467,697
	205,949 420,045
17.1	(66,765) (137,178)
	139,184 282,867
	(28,326) (25,776)
	(45,986) 112,631
	(298,954) 27,993
	(15,184) (58,682)
	76,905 (10,510)
	(1,062) (238)
	(19,415) (56,090)
	(332,022) (10,672)
	265,257 (126,506)
	(66,765) (137,178)

## 18 TRANSACTIONS WITH RELATED PARTIES

**18.1** The related parties comprise of group companies, associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

		(Un-audited)			
		Nine months ended March 31,		Quarter ended March 31,	
		2025	2024	2025	2024
Nature of transaction		Rupees in thousands			
Nature of Relation		Basis of Relation			
<b>Sale of goods, services and reimbursement of expenses</b>					
Colgate Palmolive Pakistan Limited	Associated company	1,845,120	1,591,400	594,398	767,413
Century Paper & Board Mills Limited	Associated company	107,711	92,991	35,353	46,168
Caraway (Private) Limited	Associated company	7,876	3,671	2,372	-
Siza Foods (Private) Limited	Associated company	12,260	1,396	6,985	1,276
<b>Purchase of goods, services and reimbursement of expenses</b>					
Century Paper & Board Mills Limited	Associated company	2,079,566	1,728,491	626,722	839,788
Century Insurance Company Limited	Associated company	19,327	10,773	7,646	6,812
Princeton Travels (Private) Limited	Associated company	413	2,486	(0)	2,021
Lakson Business Solutions Limited	Associated company	566	2,014	(0)	1,007
SIZA Services (Private) Limited	Associated company	33,717	1,738	10,209	869
Cyber Internet Services (Private) Limited	Associated company	3,335	1,431	1,299	604
Sybrid (Private) Limited	Associated company	1,406	-	890	-
<b>Markup on sub-ordinated loan</b>					
Siza (Private) Limited	Associated company	14,616	-	6,233	-
Premier Fashions (Private) Limited	Associated company	3,654	-	1,558	-
<b>Rent &amp; other allied charges</b>					
Hassanali & Gulbano Lakhani Foundation	Associated company	354	205	125	96
<b>Insurance claim</b>					
Century Insurance Company Limited	Associated company	-	1,100	-	683
<b>Others</b>					
Remuneration and other benefits	Key Management Personnel	23,325	12,725	9,089	6,863
Contribution to Staff Retirement Benefit Plans	Employees Fund	8,512	4,592	2,912	-



18.2	Period / year end balances:	(Un-audited) March 31, 2025	(Audited) June 30, 2024
		Rupees in thousands	
	Receivable from associated companies	551,875	507,895
	Payable to associated companies	745,198	634,463
	Sub-ordinated loan	250,000	143,634

**18.3** The above transactions with related parties are at agreed terms on normal commercial rates as per duly approved by the Board of Directors.

## 19 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

## 20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's objective in managing risks is the creation and protection of share holders' value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk (which includes interest rate risk and currency risk) arising from the financial instruments it holds.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2024.

## 21 CAPITAL RISK MANAGEMENT

The Company's objectives when maintaining capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders through the optimization of the debt and equity balance.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares.

The Company management believes on maintaining appropriate mix of debt and equity capital and monitors capital on the basis of the net debt to equity ratio. The net debt is defined as long and short term borrowings offset by cash and bank balances. The equity includes ordinary share capital and reserves.

## 22 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

## 23 GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.

## 24 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 28, 2025 by the Board of Directors of the Company.



**Iqbal Ali Ikhani**  
Director



**Amir Ahmed Chapra**  
Chief Executive Officer



**Umair Ahmed**  
Chief Financial Officer

