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 roshanpackagesltd  RoshanPackages.LTD  Roshan Packages Limited

TOWARDS A CIRCULAR ECONOMY

3rd QUARTER REPORT
FOR THE PERIOD ENDED 31 MARCH 2023

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Roshan Packages Limited

Status: Public Listed Entity
CUIN: 0044226
NTN: 1436951-6
STRN: 03-01-4819-303-73

Board of Directors

Mr. Quasim Aijaz
Chairman

Mr. Tayyab Aijaz
Chief Executive Officer

Mr. Saadat Eijaz
Executive Director

Mr. Khalid Eijaz Qureshi
Non-Executive Director

Mr. Zaki Aijaz
Non-Executive Director

Ms. Ayesha Musaddaque Hamid
Independent/Non-Executive Director

Mr. Muhammad Naveed Tariq
Independent/Non-Executive Director

Company Secretary
 Ms. Rabia Sharif

Chief Financial Officer (CFO)
 Mr. Muhammad Adil

Tax Consultant
 Zulfiqar Ahmad & Co

Website
www.roshanpackages.com.pk

Banks

Askari Bank Limited
 Allied Bank Limited
 Bank Alfalah Limited
 Bank of Punjab
 Bank Islami Pakistan Limited
 Dubai Islamic Bank Limited
 Habib Metropolitan Bank Limited
 JS Bank Limited
 Meezan Bank Limited
 Soneri Bank Limited
 National Bank of Pakistan

Registered Office

325 G-III, M.A Johar Town, Lahore.
 Phone: +92-042-35290734-38
 Fax: +92-042-35290731

Factory

Corrugation: 7-KM Sunder Raiwind Road, Opp Gate No 1, Sunder Industrial Estate.
 Flexible: Plot No 141,142 and 142-B Sunder Industrial Estate Lahore.

Share Registrar

CDC Share Registrar Services Limited
 CDC House, 99-B, Block B, S.M.C.H.S.
 Main Shakra-e-Faisal, Karachi-74400

Statutory Auditor


EY Ford Rhodes, Chartered Accountants

Stock Symbol

RPL

At A Glance

NET REVENUE RS. IN MILLION	9M-2022-23 : 7,354	9M- 2021-22 : 6,350
GROSS PROFIT RS. IN MILLION	9M-2022-23 : 820	9M-2021-22 : 714
PBT RS. IN MILLION	9M-2022-23 : 133	9M-2021-22 : 260
PAT RS. IN MILLION	9M-2022-23 : 123	9M-2021-22 : 289
EBIT RS. IN MILLION	9M-2022-23 : 358	9M-2021-22 : 362
EBITDA RS. IN MILLION	9M-2022-23 : 512	9M-2021-22 : 490
EPS RS. PER SHARE	9M-2022-23 : 0.87	9M-2021-22 : 2.04
TOTAL EQUITY RS. IN MILLION	MAR-2023 : 7,411	JUN-2022 : 7,245
CURRENT RATIO RATIO	MAR-2023 : 1.75	JUN-2022 : 1.62
QUICK RATIO RATIO	MAR-2023: 1.25	JUN-2022 : 1.21



UNCONSOLIDATED
FINANCIAL
RESULTS

FOR THE PERIOD ENDED 31 MARCH 2023

Directors' Report

Dear Shareholders,

We are delighted to present the Directors' Report, along with the condensed interim unconsolidated financial statements for the nine months ended March 31, 2023, as the Directors of the Company.

Financial Performance

The financial performance of the Company ("RPL") during the nine months is contained in the table below:

Description	Nine Months Ended		Quarter Ended	
	31-Mar-2023	31-Mar-2022	31-Mar-2023	31-Mar-2022
	Rupees in Million			
Sales	7,354	6,350	2,167	2,310
Cost of sales	6,533	5,636	1,920	1,999
Gross profit	820	714	246	311
Selling and distribution expenses	285	192	100	69
Other income	105	73	41	22
Finance cost	226	102	70	47
Net profit before taxation	133	260	23	151
Taxation (expense) / income	(9)	29	14	(49)
Net profit after taxation`	123	289	37	101

During the nine months ended March 31, 2023, the Company achieved net sales revenue of PKR 7,354 million as compared to PKR 6,350 million in the corresponding period last year, registering an increase by 15.8%. Despite the escalating energy cost and devaluation of currency the Company has managed to improve its absolute gross profit to PKR 820 million as against PKR 714 million in the comparable period last year, reflecting an absolute increase of 14.9% while maintaining the gross profit margin as 11.2%.

Directors' Report

Record inflationary pressure, devaluation of the Pak Rupee, and high interest rates have impacted the Company's bottom line to an extent. However prudent and active measures by Company management have resulted in concluding decent profit margin at the bottom line.

Future Outlook:

The Company is mainly operating in FMCG and essential commodities segment where the demand and market share has remained relatively stable despite the challenging times. Going forward with the gradual relaxation in import related restrictions on Letter of credit, we are optimistic not only to sustain but accelerate our growth outlook for the future due to continued and long-term relation with our business partners.

Acknowledgment:

The Board expresses its gratitude to all the stakeholders for their valuable and unwavering support to the Company. Additionally, the Board recognizes and appreciates the commitment, perseverance, and hard work demonstrated by the Company's employees during an unparalleled period.

ڈائریکٹرز رپورٹ

مستقبل کے امکانات

کمپنی بنیادی طور پر F.M.C.G اور ضروری اشیاء کے سیکٹرز میں کام کر رہی ہے۔ جہاں مشکل وقت کے باوجود طلب اور مارکیٹ کا حصہ نسبتاً مستحکم رہا ہے۔ لیٹر آف کریڈٹ پر درآمدات سے متعلق پابندیوں میں بتدریج نرمی کے ساتھ آگے بڑھتے ہوئے، ہم اپنے کاروباری شراکت داروں کے ساتھ مسلسل اور طویل مدتی تعلقات کی وجہ سے مستقبل کے لیے اپنے نمونے نقطہ نظر کو نہ صرف برقرار رکھنے بلکہ تیز کرنے کے لیے پر امید ہیں۔

اظہار تشکر

بورڈ، کمپنی کے لیے قیمتی اور غیر متزلزل تعاون کے لیے تمام اسٹیک ہولڈرز کا شکریہ ادا کرتا ہے۔ مزید برآں، بورڈ ایک بے مثال مدت کے دوران کمپنی کے ملازمین کے عزم، استقامت اور محنت کو تسلیم کرتا ہے اور اس کی تعریف کرتا ہے۔

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز

ہم کمپنی کے ڈائریکٹرز کی حیثیت سے 31 مارچ 2023 کو ختم ہونے والے نو مہینوں کے کنٹریڈیجوری مالیاتی گوشواروں کے ساتھ ڈائریکٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی کارکردگی

نو ماہ کے دوران کمپنی کی مالی کارکردگی درج ذیل جدول میں موجود ہے۔

تفصیل	نو ماہی		سہ ماہی	
	31-مارچ-2023	31-مارچ-2022	31-مارچ-2023	31-مارچ-2022
	روپے ملین میں			
فروخت	7,354	6,350	2,310	2,167
فروخت کی لاگت	6,533	5,636	1,999	1,920
کل منافع	820	714	311	246
فروخت اور تقسیم کے اخراجات	285	192	69	100
ثانوی آمدنی	105	73	22	41
مالیاتی لاگت	226	102	47	70
ٹیکس سے پہلے خالص منافع	133	260	151	23
ٹیکس (خرچ) / آمدنی	(9)	29	(49)	14
ٹیکس کے بعد خالص منافع	123	289	101	37

31 مارچ 2023 کو ختم ہونے والے نو مہینوں کے دوران، کمپنی نے 7,354 ملین روپے کا خالص سیلز ریویو حاصل کیا جو کہ گزشتہ سال کی اسی مدت میں 6,350 ملین روپے کے مقابلے میں 15.8 فیصد اضافہ درج کیا ہے۔

توانائی کی بڑھتی ہوئی لاگت اور کرنسی کی قدر میں کمی کے باوجود کمپنی اپنے مطلق مجموعی منافع کو 820 ملین روپے تک بڑھانے میں کامیاب رہی ہے جو کہ گزشتہ سال اسی مدت میں 714 ملین روپے تھی، جو کہ مجموعی منافع کے مارجن کو 11.2 فیصد کے طور پر برقرار رکھتے ہوئے 14.9 فیصد کے مطلق اضافہ کو ظاہر کرتی ہے۔

ریکارڈ افراط زر کے دباؤ، روپے کی قدر میں کمی، اور بلند شرح سود نے کمپنی کے منافع کو ایک حد تک متاثر کیا ہے۔ تاہم کمپنی کی انتظامیہ کی جانب سے دانشمندانہ اور فعال اقدامات کے نتیجے میں خلی سطح پر اچھے منافع کے مارجن کا نتیجہ نکلا ہے۔

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	5	5,282,027,736	5,368,016,668
Investment property	6	212,669,567	-
Right of use assets		57,096,929	81,982,291
Investment in subsidiary		160,618,966	160,618,966
Long-term loans - related parties	7	526,709,069	450,018,538
Long term deposits		21,353,650	21,353,650
		6,260,475,917	6,081,990,113
Current assets			
Stores, spares and other consumables		332,193,829	278,700,831
Stock-in-trade		1,280,996,926	1,350,850,860
Contract assets		109,377,696	199,255,658
Trade receivables	8	1,879,187,667	2,266,048,213
Current portion of long term loans - related parties	7	-	130,864,885
Advances, deposits, prepayments and other receivables	9	75,238,841	237,568,277
Tax refunds due from Government		294,361,902	375,096,375
Short-term investments		192,071,000	-
Cash and bank balances	10	312,100,411	505,249,511
		4,475,528,272	5,343,634,610
TOTAL ASSETS		10,736,004,189	11,425,624,723
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
200,000,000 (30 June 2022: 200,000,000) ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital		1,419,000,000	1,419,000,000
Capital reserves			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of property, plant and equipment		2,584,372,878	2,626,922,292
		4,579,161,935	4,621,711,349
Revenue reserve			
Un-appropriated profit		1,413,175,491	1,204,708,319
TOTAL EQUITY		7,411,337,426	7,245,419,668
Non-current liabilities			
Long-term financing	11	112,762,236	138,784,287
Lease liabilities		28,461,536	53,809,165
Deferred taxation	12	459,734,737	543,919,188
Deferred liabilities		160,909,855	154,279,763
		761,868,364	890,792,403
Current liabilities			
Current portion of non-current liabilities		67,954,674	83,209,878
Short-term borrowings	13	1,260,693,132	1,728,820,658
Trade and other payables		1,118,055,931	1,337,643,474
Contract liabilities		59,415,201	84,548,248
Accrued finance cost		54,964,560	53,389,378
Unclaimed dividend		1,714,901	1,801,016
		2,562,798,399	3,289,412,652
TOTAL LIABILITIES		3,324,666,763	4,180,205,055
TOTAL EQUITY AND LIABILITIES		10,736,004,189	11,425,624,723
CONTINGENCIES AND COMMITMENTS			
	14		

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

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Note	Nine months period ended		Three months period ended	
		(Un-audited)		(Un-audited)	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
		Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers		8,642,174,786	7,354,034,929	2,556,362,873	2,637,457,176
Less: Sales tax		(1,288,642,574)	(1,004,398,403)	(389,572,651)	(327,229,731)
Net revenue	15	7,353,532,212	6,349,636,526	2,166,790,222	2,310,227,445
Cost of revenue	16	(6,533,230,693)	(5,635,867,693)	(1,920,402,669)	(1,998,940,060)
Gross profit		820,301,519	713,768,833	246,387,553	311,287,385
Administrative expenses		(209,936,930)	(156,680,816)	(73,667,488)	(56,110,147)
Selling and distribution expenses		(285,071,024)	(192,170,883)	(100,125,383)	(68,976,553)
Other operating expenses		(25,363,560)	(20,345,196)	(3,052,825)	(11,061,052)
		(520,371,514)	(369,196,895)	(176,845,696)	(136,147,752)
Operating profit		299,930,005	344,571,938	69,541,857	175,139,633
Other income		105,190,406	72,835,265	40,642,951	22,418,233
Other expenses		(46,752,161)	(55,081,340)	(16,644,358)	-
Finance cost		(225,622,327)	(102,332,437)	(70,113,674)	(46,885,137)
Profit before taxation		132,745,923	259,993,426	23,426,776	150,672,729
Taxation	17	(9,473,970)	29,044,500	21,680,331	(49,463,866)
Profit for the period		123,271,953	289,037,926	45,107,107	101,208,863
Earnings per share - Basic and diluted	18	0.87	2.04	0.32	0.71

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



Chief Executive



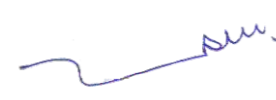
Director



Chief Financial Officer



Chief Executive



Director



Chief Financial Officer

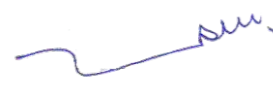
ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Nine months period ended		Three months period ended	
	(Un-audited)		(Un-audited)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Rupees	Rupees	Rupees	Rupees
Profit for the period	123,271,953	289,037,926	45,107,107	101,208,863
Other comprehensive income - net of tax:				
Items that may be reclassified subsequently to profit or loss:	-	-	-	-
Items that will not be subsequently reclassified to profit or loss:	-	-	-	-
Total comprehensive income for the period	123,271,953	289,037,926	45,107,107	101,208,863

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



Chief Executive



Director



Chief Financial Officer

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Issued, subscribed and paid-up share capital	Capital reserves		Revenue reserve	Total
		Share premium	Surplus on revaluation of property, plant and equipment		
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as on 01 July 2021 (Un-audited)	1,419,000,000	1,994,789,057	1,746,398,900	903,918,570	6,064,106,527
Total comprehensive income for the period	-	-	-	289,037,926	289,037,926
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(36,598,663)	36,598,663	-
Balance as on 31 March 2022 (Un-audited)	1,419,000,000	1,994,789,057	1,709,800,237	1,229,555,159	6,353,144,453
Balance as on 01 July 2022 (Un-audited)	1,419,000,000	1,994,789,057	2,626,922,292	1,204,708,319	7,245,419,668
Total comprehensive income for the period	-	-	-	123,271,953	123,271,953
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(42,549,414)	42,549,414	-
Gain on settlement of loan receivable from associated	-	-	-	42,645,805	42,645,805
Balance as on 31 March 2023 (Un-audited)	1,419,000,000	1,994,789,057	2,584,372,878	1,413,175,491	7,411,337,426

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



Chief Executive



Director



Chief Financial Officer

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Un-audited	Un-audited
	Nine months 31 March 2023	period ended 31 March 2022
	Rupees	Rupees
OPERATING ACTIVITIES		
Profit before taxation	132,745,923	259,993,426

Adjustments to reconcile profit before tax to net cash flows:

Depreciation on operating fixed assets	130,510,620	121,240,032
Depreciation on investment property	202,109	-
Depreciation on right-of-use assets	23,134,251	6,135,175
Interest income on loans	(78,529,797)	(40,582,911)
Finance cost	225,622,327	102,332,437
Provision for gratuity	23,746,668	23,470,002
Profit on bank deposits	(24,444,102)	(29,845,090)
Worker's Profit Participation Fund	7,177,326	14,016,931
Worker's Welfare Fund	3,623,267	6,328,265
Expected credit losses	14,562,967	-
Exchange loss - unrealized	10,424,171	-
Liabilities no longer payable written back	(1,367,954)	-
Grant income	(608,658)	(1,787,124)
Operating fixed assets written off	49,516	-
Gain on disposal of operating fixed assets	-	(531,677)
Provision for accumulating compensated absences	2,179,881	2,179,881
	469,028,515	462,949,347

Working capital adjustments:

(Increase) / decrease in current assets:

Stores, spares and other consumables	(53,492,998)	(76,291,447)
Stock-in-trade	69,853,934	(404,645,253)
Trade receivables	373,665,533	(642,199,042)
Contract assets	89,877,962	42,581,778
Advances, deposits, prepayments and other receivables	165,837,625	71,898,386
Sales tax receivable - net	37,855,492	35,716,148
	683,597,548	(972,939,430)

(Decrease) / increase in current liabilities:

Contract liabilities	(25,133,047)	16,093,315
Trade and other payables	(241,889,989)	(8,288,506)
	(267,023,036)	7,804,809

Net cash generated from / (used in) operations

Finance cost paid	(218,229,834)	(78,252,262)
Taxes (paid) / adjusted	(49,701,754)	904,603
Gratuity paid	(19,296,457)	(7,548,588)
Accumulating compensated absences paid	-	(145,281)
Net increase in long term deposits	-	(5,538,456)
	(287,228,045)	(90,579,984)
Net cash generated from/(used in) operating activities	598,374,982	(592,765,258)

INVESTING ACTIVITIES

Purchase of property, plant and equipment	(52,256,989)	(42,862,386)
Long term loan given	(76,690,532)	(54,000,000)
Proceeds from disposal of operating fixed assets	-	826,800
Interest on long term loan received	51,802,395	25,915,973
Profit on bank deposits received	17,569,526	28,440,409
Net cash used in investing activities	(59,575,600)	(41,679,204)

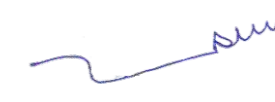
FINANCING ACTIVITIES

Repayment of long term loans	(44,447,725)	(83,450,300)
Repayment of supplier's credit	-	(162,816,180)
Dividend paid	(86,115)	(153,826)
(Repayment of) / proceeds from short term borrowings - net	(321,394,410)	742,378,431
Repayment of lease liabilities	(27,216,116)	(10,619,118)
Net cash (used in) / generated from financing activities	(393,144,366)	485,339,007
Net increase / (decrease) in cash and cash equivalents	145,655,016	(149,105,455)
Cash and cash equivalents at the beginning of the period	264,470,407	635,883,439
Cash and cash equivalents at the end of the period	19 410,125,423	486,777,984

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



Chief Executive



Director



Chief Financial Officer

ROSHAN PACKAGES LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

1 THE COMPANY AND ITS OPERATIONS

1.1 Corporate and general information

Roshan Packages Limited (the Company) was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The Company was converted into a public limited company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

1.2 The geographical locations and addresses of the Company's business units, including production facilities are as under:

- Head office and registered office: 325 G-III, M.A. Johar Town, Lahore.
- Marketing office: 104, Parsa Tower, PECHS Block-6, Shahra-e-Faisal, Karachi.
- Corrugation packaging plant: 7 km, Sundar Raiwind Road, Lahore.
- Flexible packaging plant: Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

1.3 These are separate condensed interim unconsolidated financial statements of the Company in which investment in the subsidiary namely Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary) has been accounted for at cost less accumulated impairment losses, if any. Consolidated financial statements are prepared separately.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 These condensed interim unconsolidated financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the audited annual unconsolidated financial statements for the year ended 30 June 2022.

2.3 Selected explanatory notes are included to explain events and transactions that are significant to the understanding of changes in the Company's financial position and performance since the last annual unconsolidated financial statements.

2.4 These condensed interim unconsolidated financial statements have been prepared under the historical cost convention and are presented in Pak Rupees, which is also the Company's functional currency. All figures have been rounded off to nearest rupees, unless otherwise stated.

2.5 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2022, except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in note 3.1 to these condensed interim unconsolidated financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current period

The Company has adopted the following amendments to approved accounting standards which became effective during the current period:

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company as there were no such contracts which may become onerous.

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3: Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37: Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21: Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arising during the

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Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

IFRS 9: Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39: Financial Instruments: Recognition and Measurement.

These amendments had no impact on the condensed interim unconsolidated financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim unconsolidated financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim unconsolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the audited unconsolidated financial statements of the Company for the year ended 30 June 2022.

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	5,280,311,236	5,365,747,906
Capital work-in-progress	5.2	1,716,500	2,268,762
		5,282,027,736	5,368,016,668
5.1 Movement during the period / year is as follows:			
Balance at the beginning of the period / year- net book value		5,365,747,906	4,467,326,597
Additions / transfers during the period / year - cost	5.1.1	43,542,051	65,028,468
Transfer from right of use asset during the period / year - net book value		1,581,415	5,539,317
Revaluation adjustment		-	996,578,959
		5,410,871,372	5,534,473,341
Less:			
Write-offs during the period / year - net book value		(49,516)	-
Disposals during the period / year - net book value		-	(4,951,349)
Depreciation during the period / year		(130,510,620)	(163,774,086)
		(130,560,136)	(168,725,435)
Net book value at the end of the period / year		5,280,311,236	5,365,747,906
		Un-audited	Audited
		31 March	30 June
		2023	2022
		Rupees	Rupees
5.1.1 The detail of additions / transfers made during the period / year is as follows:			
Buildings on freehold land		3,368,563	6,088,272
Plant and machinery		30,735,555	33,275,037
Electric installations		2,310,000	4,454,824
Furniture and fixtures		110,476	1,501,455
Office equipment		6,788,457	18,182,228
Vehicles		229,000	1,526,652
		43,542,051	65,028,468
5.2 Capital work in progress			
Opening balance		2,268,762	493,404
Additions during the period / year		14,087,491	2,125,029
Transfers during the period / year		(14,639,753)	(349,671)
Closing balance		1,716,500	2,268,762

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	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
6 INVESTMENT PROPERTY			
Investment property at cost	6.1	212,669,567	-
6.1 Movement during the period / year is as follows:			
Balance at the beginning of the period		-	-
Additions / transfers during the period:			
Land		172,854,000	-
Building at cost		40,017,676	-
Less: Accumulated Depreciation on Building		(202,109)	-
Building at net book value		39,815,567	-
Net book value at the end of the period		212,669,567	-
6.2			
The outstanding loan of Rs. 160,958,674/- has been settled by transferring property from Roshan Enterprises, which is an associated company. This property has been recognized as an investment property by RPL in accordance with IAS 40 using the Cost Model. RPL is applying straight-line method of depreciation at a rate of 3% per annum on building.			
	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
7 LONG-TERM LOANS - RELATED PARTIES			
At amortized cost:			
Loan to associated undertaking - Roshan Enterprises	7.1	-	146,078,867
Loan to subsidiary - Roshan Sun Tao Paper Mills (Private) Limited	7.2	549,959,427	461,421,301
		549,959,427	607,500,168
Less:			
current portion of long term loans		-	(130,864,885)
current portion of markup accrued - associated undertaking		-	(15,213,982)
current portion of markup accrued - subsidiary		(23,250,358)	(11,402,763)
		526,709,069	450,018,538
7.1 Movement during the period / year is as follows:			
Opening balance		146,078,867	130,864,885
Markup accrued during the period / year:			
as per original terms		14,133,384	15,213,982
on account of penalty		746,423	-
		14,879,807	15,213,982
Less:			
Loan settlement against property (Land, Building and Transformer)		(160,958,674)	-
Closing balance	7.1.1	-	146,078,867

7.1.1 This unsecured loan carries markup at the rate of 1-Year KIBOR+2% (30 June 2022:1-Year KIBOR+2%) per annum or average borrowing cost of the Company, whichever is higher. The effective interest rates ranged from 17.10% to 22.27% (30 June 2022: 10.06% to 17.10%) per annum. On delay in repayment of principal and markup on due date of 28 October 2022, a penalty of 2% per annum levied in addition to agreed markup, from the due date till the loan settlement date.

In their meeting held on 22 December 2022, the Board of Directors of the Company have accepted the offer by partners/owners of Roshan Enterprises, who are also the directors of the Company, for full settlement through the transfer of land, building and transformer, situated in Tehsil Bhalwal, District Sargodha, Punjab, valued at Rs. 214.87 million (Forced Sale Value of Rs. 182.64 million). The offer was also approved by shareholders of the Company, via special resolution, in their Extra Ordinary General Meeting held on 16 January 2023. The fair value assessment of property and related equipment was carried out in December 2022 by Unicorn International Surveyors, an independent valuer, registered with Pakistan Banking Association (PBA), having suitable recent pertinent experience of valuation in the concerned location and type of assets.

Upon transfer of title in the land records of the Government of Punjab to and possession of the property by the Company, the Company entered into a loan settlement agreement on 17 February 2023 in which total loan amounts receivable of Rs. 160,958,674, principal of Rs. 122,722,688/- and markup of Rs. 38,235,983/- (till the date of loan settlement agreement) was settled against Land, Building and a transformer having a fair market value of Rs. 172,854,000/-, Rs. 40,017,676/- and Rs. 2,000,000/- respectively. The land and building are classified as investment property under IAS 40 and the transformer is added to the property, plant and equipment. Further, the transaction cost of Rs. 19,517,160 which includes non-refundable cost of Rs. 11,267,200/- set off against gain on settlement and refundable cost of Rs. 8,249,960/- receivable from Federal Board of Revenue.

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	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
7.2 Movement in loan to subsidiary during the period / year is as follows:			
Opening balance		461,421,301	387,697,897
Loan disbursed during the period / year		76,690,532	70,901,956
Markup accrued during the period / year		63,649,990	41,639,278
Markup received during the period / year		(51,802,396)	(38,817,830)
Closing balance		549,959,427	461,421,301

7.2.1 There is no material change in the terms and conditions of the long-term loan to the subsidiary from those disclosed in the Company's unconsolidated financial statements for the year ended 30 June 2022.

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
8 TRADE RECEIVABLES			
Trade receivables		2,107,841,457	2,483,045,071
Less: Allowance for expected credit losses		(228,653,790)	(216,996,858)
		1,879,187,667	2,266,048,213

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
9 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances :			
- To employees - secured		6,480,269	6,890,057
- To suppliers - unsecured		3,460,028	190,191,919
		9,940,297	197,081,976
Others		65,298,544	40,486,301
		75,238,841	237,568,277

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
10 CASH AND BANK BALANCES			
Cash in hand		1,237,678	1,160,144
Balances with banks:			
Savings accounts	10.1	207,835,266	337,829,597
Current accounts		103,027,467	166,259,770
		310,862,733	504,089,367
		312,100,411	505,249,511

10.1 The savings accounts earn interest at floating rates based on daily bank deposit rates ranging from 4.75% to 18.25% (30 June 2022: 5.83% to 13.35%) per annum.

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
11 LONG TERM FINANCES - SECURED			
Dubai Islamic Bank Limited - Refinance scheme	11.1	-	18,112,586
Allied Bank Limited - Supplier credit loan	11.2	147,458,304	173,480,355
		147,458,304	191,592,941
Current portion shown under current liabilities		(34,696,068)	(52,808,654)
		112,762,236	138,784,287

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
11.1 Dubai Islamic Bank Limited - Refinance scheme			
Opening balance		18,112,586	53,467,967
Interest accrued during the period / year		313,088	2,712,611
Repaid during the period / year		(18,425,674)	(38,067,992)
		-	18,112,586
Current portion shown under current liabilities		-	(18,112,586)
Closing balance		-	-

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
11.2 Allied Bank Limited - Supplier credit loan			
Opening balance		173,480,355	-
Obtained during the period / year		-	173,480,355
Repaid during the period / year		(26,022,051)	-
		147,458,304	173,480,355
Current portion shown under current liabilities		(34,696,068)	(34,696,068)
Closing balance		112,762,236	138,784,287

11.3 There is no material change in the terms and conditions of the long-term loans from those disclosed in the Company's unconsolidated financial statements for the year ended 30 June 2022.

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12 DEFERRED TAXATION

	Un-audited			
	31 March 2023			
	Opening balance	Charge / (Credit) to profit or loss	Charge to other comprehensive income	Closing balance
------(Rupees)-----				
Taxable temporary difference				
Accelerated tax depreciation	357,444,723	(15,115,076)	-	342,329,647
Revaluation surplus	457,889,707	(27,341,506)	-	430,548,201
Investment Property	-	11,944,670	-	11,944,670
Right-of-use assets	25,414,510	(8,285,431)	-	17,129,079
Deductible temporary difference				
Allowance for ECL on trade receivables	(67,269,026)	(1,327,111)	-	(68,596,137)
Lease liabilities	(25,916,537)	7,400,494	-	(18,516,043)
Minimum tax	(191,457,239)	(63,647,441)	-	(255,104,680)
Alternative corporate tax	(12,186,950)	12,186,950	-	-
	<u>543,919,188</u>	<u>(84,184,451)</u>	<u>-</u>	<u>459,734,737</u>
------(Rupees)-----				
Audited				
30 June 2022				
	Opening balance	Charge / (credit) to profit or loss	Charge to other comprehensive income	Closing balance
------(Rupees)-----				
Taxable temporary difference				
Accelerated tax depreciation	321,200,062	36,244,661	-	357,444,723
Revaluation surplus	390,149,555	(14,910,033)	82,650,185	457,889,707
Right-of-use assets	9,695,212	15,719,298	-	25,414,510
Deductible temporary difference				
Allowance for ECL on trade receivables	(67,820,822)	551,796	-	(67,269,026)
Deferred liabilities	(41,444,442)	41,444,442	-	-
Lease liabilities	(9,671,049)	(16,245,488)	-	(25,916,537)
Minimum tax	(15,272,266)	(176,184,973)	-	(191,457,239)
Alternative corporate tax	(12,186,950)	-	-	(12,186,950)
	<u>574,649,300</u>	<u>(113,380,297)</u>	<u>82,650,185</u>	<u>543,919,188</u>

13 SHORT TERM BORROWINGS - SECURED

	Un-audited	Audited
	31 March 2023	30 June 2022
	Rupees	Rupees
Running finance	94,045,988	240,779,104
Term finances:		
- import finance / murabaha	30,888,528	310,233,786
- istisna / wakala	1,135,758,616	1,177,807,768
	<u>1,166,647,144</u>	<u>1,488,041,554</u>
	<u>1,260,693,132</u>	<u>1,728,820,658</u>

13.1 Aggregate limits of borrowings

Aggregate sanctioned limit of all above facilities including limit for opening letters of credit and guarantees is Rs. 3,740 million (30 June 2022: Rs.3,690 million) in which un-availed credit limit as at 31 March 2023 is Rs. 1,964 million (30 June 2022: Rs. 1,961 million). The aggregate facilities for opening letters of credit and guarantees are secured by a first pari passu charge over current assets of the Company and lien over import documents.

13.2 There is no material change in the terms and conditions of the short-term borrowings from those disclosed in note 28 to the Company's unconsolidated financial statements for the year ended June 30, 2022.

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There is no significant change in the status of contingencies and commitments set out in note 32 to the Company's unconsolidated financial statements for the year ended June 30, 2022.

14.2 Commitments

- (a) There has been no significant change in the commitments in respect of contracts for capital expenditure since 30 June 2022; and
- (b) Letters of credit and contracts other than for capital expenditure amounting to Rs. 97.43 million (30 June 2022: Rs.183.50 million).

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14.3 Guarantee

The banks have issued the following guarantees on behalf of the Company:

- (a) Letter of guarantee issued in favor of Sui Northern Gas Pipelines Limited amounting to Rs. 62.14 million (30 June 2022: Rs. 30.07 million); and
- (b) Letter of guarantee issued in favor of Total Parco Pakistan Limited amounting to Rs. 14.50 million (30 June 2022: Rs. 14.50 million).

15 REVENUE FROM CONTRACTS WITH CUSTOMERS

15.1 Disaggregation of revenue from contracts with customers:

In the following table, revenue from contracts with customers is disaggregated by major product lines and timing of revenue recognition:

	Note	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
		Rupees	Rupees	Rupees	Rupees
Major product lines:					
- Made-to-order packaging products	15.2	6,728,921,978	5,650,743,478	2,074,434,576	2,028,267,299
- Standard packaging products		624,610,234	698,893,048	92,355,646	281,960,146
		<u>7,353,532,212</u>	<u>6,349,636,526</u>	<u>2,166,790,222</u>	<u>2,310,227,445</u>
Timing of revenue recognition:					
- Products transferred over time	15.2	6,728,921,978	5,650,743,478	2,074,434,576	2,028,267,299
- Products transferred at a point in time		624,610,234	698,893,048	92,355,646	281,960,146
		<u>7,353,532,212</u>	<u>6,349,636,526</u>	<u>2,166,790,222</u>	<u>2,310,227,445</u>
Geographical market:					
- Pakistan	15.2	<u>7,353,532,212</u>	<u>6,349,636,526</u>	<u>2,166,790,222</u>	<u>2,310,227,445</u>

15.2 This includes unbilled revenue amounting to Rs. 108.92 million (31 March 2022: Rs. 105.97 million).

15.3 Performance obligation:

The Company makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 7 to 365 days from delivery. The company has determined that for made-to-order packaging products, the customer controls all the work in progress as the products are being manufactured. The customers obtain control of standard packaging when goods are either dispatched or delivered to them and have been accepted at their premises.

16 COST OF REVENUE

	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Rupees	Rupees	Rupees	Rupees
Raw materials consumed	5,324,916,388	4,695,295,170	1,544,230,405	1,628,749,081
Carriage inward expenses	3,205,490	3,750,752	995,665	1,175,580
Packing material consumed	26,558,115	25,289,035	6,537,425	10,782,227
Production supplies	151,475,100	124,243,821	46,135,286	45,809,443
Fuel and power	398,173,275	284,407,334	104,915,771	108,536,620
Salaries, wages and other benefits	306,642,679	265,615,882	98,274,345	95,386,543
Repairs and maintenance	65,765,309	74,326,378	24,228,267	22,012,221
Printing and stationery	1,253,522	991,246	299,589	352,099
Insurance	4,447,282	3,617,216	1,290,291	1,161,120
Rent	824,221	12,525,386	111,078	6,879,116
Travelling and conveyance	41,387,421	24,800,057	14,016,993	10,666,141
Communication expenses	857,610	1,108,699	384,148	707,357
Vehicle running expenses	6,747,742	7,671,262	1,851,706	1,810,257
Depreciation on operating fixed assets	126,912,302	117,338,014	41,679,381	39,650,218
Depreciation on Investment property	202,109	-	202,109	-
Depreciation on right of use assets	15,763,397	389,320	5,245,377	171,866
Others	17,180,414	11,083,576	6,294,661	4,356,296
Cost of goods manufactured	6,492,312,376	5,652,453,148	1,896,692,497	1,978,206,185
Opening stock of finished goods	91,454,493	48,238,056	74,246,348	85,557,386
Closing stock of finished goods	(50,536,176)	(64,823,511)	(50,536,176)	(64,823,511)
	<u>40,918,317</u>	<u>(16,585,455)</u>	<u>23,710,172</u>	<u>20,733,875</u>
	<u>6,533,230,693</u>	<u>5,635,867,693</u>	<u>1,920,402,669</u>	<u>1,998,940,060</u>

17 TAXATION

Current tax	93,658,421	91,536,829	26,033,923	30,945,693
Deferred tax income	(84,184,451)	(120,581,329)	(47,714,254)	18,518,173
	<u>9,473,970</u>	<u>(29,044,500)</u>	<u>(21,680,331)</u>	<u>49,463,866</u>

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NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

18 EARNINGS PER SHARE - BASIC AND DILUTED

Basic and diluted earnings per share are same because the Company has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Company are as follows:

		Nine months period ended		Three months period ended	
		(Un-audited)		(Un-audited)	
		31 March	31 March	31 March	31 March
		2023	2022	2023	2022
Profit attributable to owners of the Company	Rupees	123,271,953	289,037,926	45,107,107	101,208,863
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000
Basic earnings per share	Rupees	0.87	2.04	0.32	0.71

19 CASH AND CASH EQUIVALENTS

The figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the condensed interim unconsolidated statement of cash flows at reporting date as follows:

	Note	Un-audited	Un-audited
		31 March	31 March
		2023	2022
		Rupees	Rupees
Short term investments		192,071,000	248,115,750
Cash and bank balances	10	312,100,411	477,953,103
Short term borrowings - running finance	13	(94,045,988)	(239,290,869)
		410,125,423	486,777,984

20 TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of its wholly owned subsidiary, associated undertakings, directors and key management personnel and their associates. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties have been disclosed in the respective notes to these condensed interim unconsolidated financial statements other than the following:

Relationship with the Company	Name of related party	Nature of Transactions	(Un-audited)		(Un-audited)	
			Nine months period ended		Three months period ended	
			31 March	31 March	31 March	31 March
			2022	2023	2022	
			Rupees	Rupees	Rupees	Rupees
Wholly owned subsidiary	Roshan Sun Tao	Long term loan to subsidiary	76,690,532	54,000,000	31,690,532	24,000,000
	Paper Mills (Private) Limited	Markup accrued on loan	63,649,990	30,236,516	23,250,356	10,514,904
		Markup received	51,802,395	25,915,973	22,975,531	18,303,497
Associated undertaking	Roshan Enterprises	Markup accrued on long term loan	14,879,807	10,346,296	3,317,783	3,833,992
		Sale of packaging material	-	2,623,316	-	679,975
		Receipts during the period	3,188,237	2,623,316	-	657,862
Associated undertaking	Al-Firdusi Exporters	Sale of packaging material	28,780,199	40,584,088	17,441,377	31,192,261
		Receipts during the period	30,287,436	38,174,581	21,306,761	27,977,730
Associated undertaking	Sehat Medical Devices (Private) Limited	Sale of packaging material	8,085,144	-	8,085,144	-
		Advance payment against purchases	17,500,000	-	17,500,000	-

21 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk. These condensed interim unconsolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's financial statements for the year ended 30 June 2022.

There have been no changes in the risk management department or in any risk management policies since the year ended 30 June 2022.

22 FAIR VALUE OF FINANCIAL INSTRUMENTS

There is no change in the nature and corresponding hierarchies of fair valuation levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended 30 June 2022.

23 DATE OF AUTHORIZATION FOR ISSUE

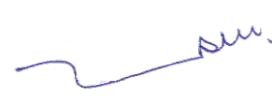
These condensed interim unconsolidated financial statements were approved and authorized for issue on **28-APRIL-2023** by the Board of Directors of the Company.

24 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim unconsolidated statement of financial position has been compared with the balances of annual audited unconsolidated financial statements of preceding financial year, whereas, the condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows have been compared with the amounts/balances of comparable period of immediately preceding financial year.



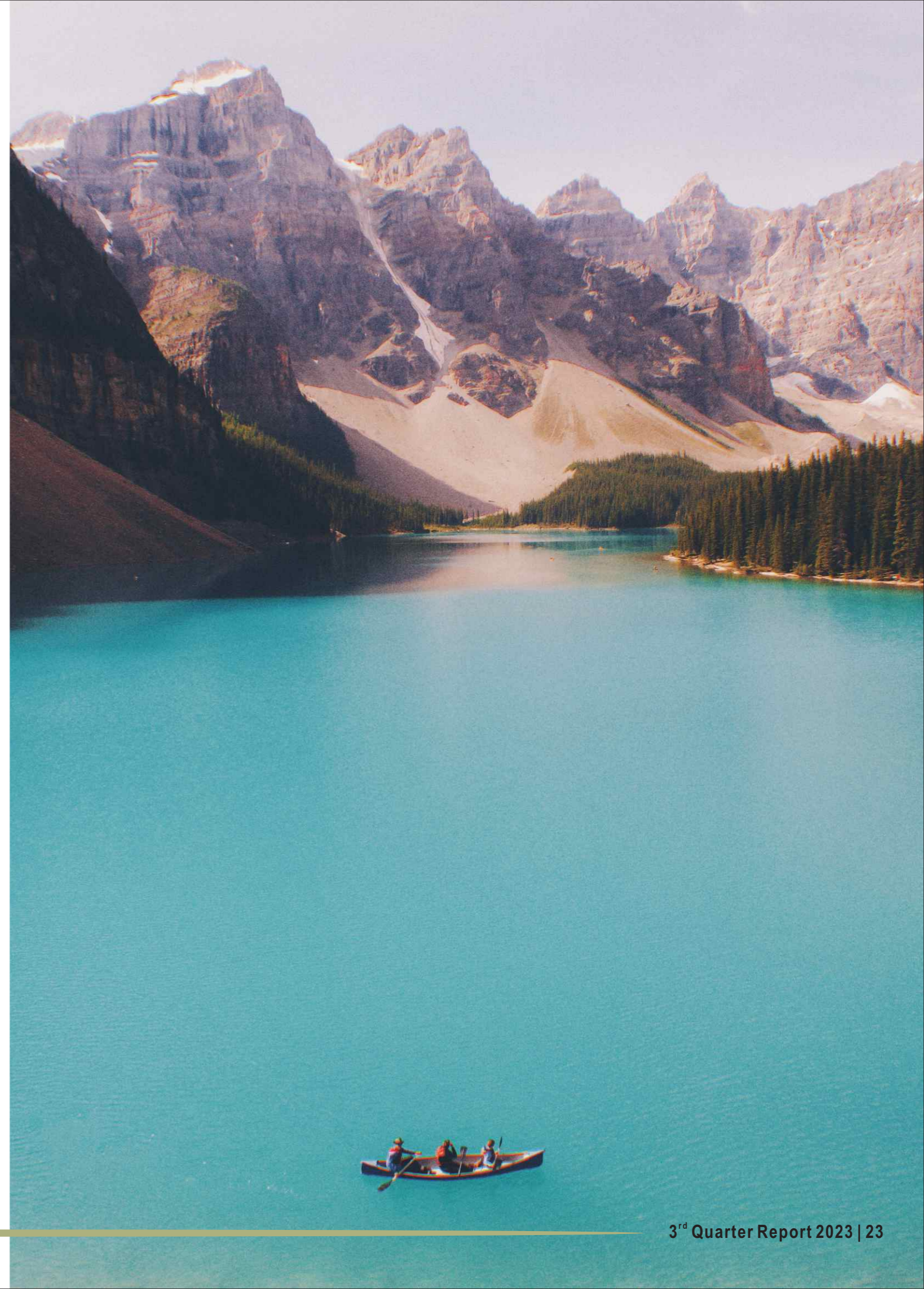
Chief Executive



Director



Chief Financial Officer





CONSOLIDATED FINANCIAL RESULTS

FOR THE PERIOD ENDED 31 MARCH 2023

Directors' Report

Dear Shareholders,

We are delighted to present the Directors' Report, along with the condensed interim consolidated financial statements for the nine months ended March 31, 2023, as the Directors of the Group-

Financial Performance

The financial performance of the Group during the nine months is contained in the table below:

Description	Nine Months Ended		Quarter Ended	
	31-Mar-2023	31-Mar-2022	31-Mar-2023	31-Mar-2022
	Rupees in Million			
Sales	7,354	6,350	2,167	2,310
Cost of sales	6,533	5,636	1,920	1,999
Gross profit	820	714	246	311
Selling and distribution expenses	285	192	100	69
Finance cost	226	103	70	47
Net profit before taxation	47	217	(8)	138
Tax (expense) / income	(9)	29	22	(49)
Net profit after tax	37	246	14	88

During the nine months ended March 31, 2023, the Group achieved net sales revenue of PKR 7,354 million as compared to PKR 6,350 million in the corresponding period last year, registering an increase by 15.8%. Despite the escalating energy cost and devaluation of currency the Group has managed to improve its absolute gross profit to PKR 820 million as against PKR 714 million in the comparable period last year, reflecting an absolute increase of 14.9% while maintaining the gross profit margin as 11.2%.

Directors' Report

Record inflationary pressure, devaluation of the Pak Rupee, and high interest rates have impacted the Group's bottom line to an extent. However prudent and active measures by Group management have resulted in concluding decent profit margin at the bottom line.

Future Outlook:

The Group is mainly operating in FMCG and essential commodities segment where the demand and market share has remained relatively stable despite the challenging times. Going forward with the gradual relaxation in import related restrictions on Letter of credit, we are optimistic not only to sustain but accelerate our growth outlook for the future due to continued and long-term relation with our business partners.

Acknowledgment:

The Board expresses its gratitude to all the stakeholders for their valuable and unwavering support to the Group. Additionally, the Board recognizes and appreciates the commitment, perseverance, and hard work demonstrated by the Group's employees during an unparalleled period.

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

ASSETS	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
Non-current assets			
Property, plant and equipment	5	6,920,705,421	7,005,666,365
Investment property	6	212,669,567	-
Right of use assets		57,096,929	81,982,291
Long-term loan to related party	7	-	-
Long term deposits		21,353,650	22,463,630
		7,211,825,567	7,110,112,286
Current assets			
Stores, spares and other consumables		332,193,829	278,700,831
Stock-in-trade		1,280,996,926	1,350,850,860
Contract assets		109,377,696	199,255,658
Trade receivables	8	1,879,187,667	2,266,048,213
Current portion of long term loan to related party	7	-	130,864,885
Advances, deposits, prepayments and other receivables	9	54,324,246	228,079,246
Tax refunds due from Government		304,057,422	399,842,320
Short-term investments		192,071,000	-
Cash and bank balances	10	312,479,393	505,279,477
		4,464,688,179	5,358,921,490
TOTAL ASSETS		11,676,513,746	12,469,033,776
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
200,000,000 (30 June 2022: 200,000,000) ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital		1,419,000,000	1,419,000,000
Capital reserves			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of property, plant and equipment		3,741,153,996	3,783,703,410
		5,735,943,053	5,778,492,467
Revenue reserve			
Un-appropriated profit		1,204,905,805	1,082,408,607
TOTAL EQUITY		8,359,848,858	8,279,901,074
Non-current liabilities			
Long-term financing	11	112,762,236	138,784,287
Lease liabilities		28,461,536	53,809,165
Deferred taxation	12	459,734,737	543,919,188
Deferred liabilities		160,909,855	154,279,763
		761,868,364	890,792,403
Current liabilities			
Current portion of non-current liabilities		67,954,674	83,209,878
Short-term borrowings	13	1,260,693,132	1,728,820,658
Trade and other payables		1,110,054,056	1,346,571,121
Contract liabilities		59,415,201	84,548,248
Accrued finance cost		54,964,560	53,389,378
Unclaimed dividend		1,714,901	1,801,016
		2,554,796,524	3,298,340,299
TOTAL LIABILITIES		3,316,664,888	4,189,132,702
TOTAL EQUITY AND LIABILITIES		11,676,513,746	12,469,033,776
CONTINGENCIES AND COMMITMENTS	14		

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

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

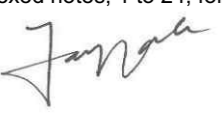
Note	Nine months period ended		Three months period ended	
	(Un-audited)		(Un-audited)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers	8,642,174,786	7,354,034,929	2,556,362,873	2,637,457,176
Less: Sales tax	(1,288,642,574)	(1,004,398,403)	(389,572,651)	(327,229,731)
Net revenue	7,353,532,212	6,349,636,526	2,166,790,222	2,310,227,445
Cost of revenue	(6,533,230,693)	(5,635,867,693)	(1,920,402,669)	(1,998,940,060)
Gross profit	820,301,519	713,768,833	246,387,553	311,287,385
Administrative expenses	(232,171,776)	(168,370,876)	(81,698,565)	(58,431,934)
Selling and distribution expenses	(285,154,074)	(192,265,883)	(100,125,383)	(68,976,553)
Other operating expenses	(25,363,560)	(20,345,196)	(3,052,825)	(11,061,052)
	(542,689,410)	(380,981,955)	(184,876,773)	(138,469,539)
Operating profit	277,612,109	332,786,878	61,510,780	172,817,846
Other income	41,540,416	42,598,749	17,392,595	11,902,893
Other expenses	(46,752,161)	(55,081,340)	(16,644,358)	-
Finance cost	(225,624,415)	(103,221,157)	(70,114,022)	(46,886,877)
Profit before taxation	46,775,949	217,083,130	(7,855,005)	137,833,862
Taxation	(9,473,970)	29,044,500	21,680,331	(49,463,866)
Profit for the period	37,301,979	246,127,630	13,825,326	88,369,996
Earnings per share - Basic and diluted	0.26	1.73	0.10	0.62

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


Chief Executive


Director


Chief Financial Officer


Chief Executive


Director


Chief Financial Officer

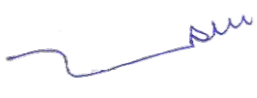
ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Nine months period ended		Three months period ended	
	(Un-audited)		(Un-audited)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Rupees	Rupees	Rupees	Rupees
Profit for the period	37,301,979	246,127,630	13,825,326	88,369,996
Other comprehensive income - net of tax:				
Items that may be reclassified subsequently to profit or loss:	-	-	-	-
Items that will not be subsequently reclassified to profit or loss:	-	-	-	-
Total comprehensive income for the period	37,301,979	246,127,630	13,825,326	88,369,996

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



 Chief Executive



 Director



 Chief Financial Officer


ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Issued, subscribed and paid-up share capital	Capital reserves		Revenue reserve	Total
		Share premium	Surplus on revaluation of property, plant and equipment		
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as on 01 July 2021 (Un-audited)	1,419,000,000	1,994,789,057	2,903,180,018	856,151,106	7,173,120,181
Total comprehensive income for the period	-	-	-	246,127,630	246,127,630
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(36,598,663)	36,598,663	-
Balance as on 31 March 2022 (Un-audited)	1,419,000,000	1,994,789,057	2,866,581,355	1,138,877,399	7,419,247,811
Balance as on 01 July 2022 (Un-audited)	1,419,000,000	1,994,789,057	3,783,703,410	1,082,408,607	8,279,901,074
Total comprehensive income for the period	-	-	-	37,301,979	37,301,979
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(42,549,414)	42,549,414	-
Gain on settlement of loan receivable from associated	-	-	-	42,645,805	42,645,805
Balance as on 31 March 2023 (Un-audited)	1,419,000,000	1,994,789,057	3,741,153,996	1,204,905,805	8,359,848,858

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



 Chief Executive



 Director



 Chief Financial Officer

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

	Un-audited	Un-audited
	Nine months	period ended
	31 March 2023	31 March 2022
	Rupees	Rupees
OPERATING ACTIVITIES		
Profit before taxation	46,775,949	217,083,130
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation on operating fixed assets	130,632,632	121,263,773
Depreciation on investmnet property	202,109	-
Depreciation on right-of-use assets	23,134,251	6,135,175
Interest income on loan to related party	(14,879,807)	(10,346,296)
Finance cost	225,624,415	103,221,157
Provision for gratuity	23,746,668	23,470,002
Profit on bank deposits	(24,444,102)	(29,845,090)
Worker's Profit Participation Fund	7,177,326	14,016,931
Worker's Welfare Fund	3,623,267	6,328,265
Expected credit losses	14,562,967	-
Exchange loss - unrealized	10,424,171	-
Liabilities no longer payable written back	(1,367,954)	-
Grant income	(608,658)	(1,787,124)
Operating fixed assets written off	49,516	-
Gain on disposal of operating fixed assets	-	(531,677)
Provision for accumulating compensated absences	2,179,881	2,179,881
	446,832,631	451,188,127
Working capital adjustments:		
(Increase) / decrease in current assets:		
Stores, spares and other consumables	(53,492,998)	(76,291,447)
Stock-in-trade	69,853,934	(404,645,253)
Trade receivables	373,665,533	(642,199,042)
Contract assets	89,877,962	42,581,778
Advances, deposits, prepayments and other receivables	165,415,594	73,382,032
Sales tax receivable - net	53,012,012	35,716,148
	698,332,037	(971,455,784)
(Decrease) / increase in current liabilities:		
Contract liabilities	(25,133,047)	16,093,315
Trade and other payables	(258,187,202)	(10,198,839)
	(283,320,249)	5,894,476
Net cash generated from / (used in) operations	861,844,419	(514,373,181)
Finance cost paid	(218,231,922)	(79,140,982)
Taxes (paid) / adjusted	(50,440,158)	665,513
Gratuity paid	(19,296,457)	(7,548,588)
Accumulating compensated absences paid	-	(145,281)
Net increase in long term deposits	1,109,980	(5,538,456)
	(286,858,557)	(91,707,794)
Net cash generated from/(used in) operating activities	574,985,862	(606,080,975)

INVESTING ACTIVITIES

Purchase of property, plant and equipment	(53,406,989)	(56,486,491)
Proceeds from disposal of operating fixed assets	-	826,800
Profit on bank deposits received	17,569,526	28,440,409
Net cash used in investing activities	(35,837,463)	(27,219,282)

FINANCING ACTIVITIES

Repayment of long term loans	(44,447,725)	(83,450,300)
Repayment of supplier's credit	-	(162,816,180)
Dividend paid	(86,115)	(153,826)
(Repayment of) / proceeds from short term borrowings - net	(321,394,410)	742,378,431
Repayment of lease liabilities	(27,216,116)	(10,619,118)
Net cash (used in) / generated from financing activities	(393,144,366)	485,339,007
Net increase / (decrease) in cash and cash equivalents	146,004,033	(147,961,250)
Cash and cash equivalents at the beginning of the period	264,500,373	636,157,262
Cash and cash equivalents at the end of the period	19 410,504,406	488,196,012

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



Chief Executive



Director



Chief Financial Officer

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2023

1 THE GROUP AND ITS OPERATIONS

1.1 Corporate and general information

The Group comprises of Roshan Packages Limited (the Holding Company) and Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary), together the Group.

Holding Company

Roshan Packages Limited (the Holding Company) was incorporated in Pakistan as a private Company limited by shares on 13 August 2002 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The Company was converted into a public limited Company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

Subsidiary

Roshan Sun Tao Paper Mills (Private) Limited (the Subsidiary, with 100% shareholding of the Holding Company) was incorporated on 08 January 2016 under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) as a private limited company. The Subsidiary has been established to set up business of manufacturing, dealing and supply of corrugated papers. Uptil 21 March 2021, Shandong Yongtai Paper Mills Limited held 40% shareholding in the Subsidiary. Refer to Note 28.3 of consolidated financial statements for the year ended June 30, 2022, for discussion of acquisition of minority shareholding of 40%, in prior year, by the Holding Company. The Subsidiary's financial year ends on 30 June.

1.2 Condensed interim consolidated financial statements

These financial statements are the condensed interim consolidated financial statements of Roshan Packages Limited (the Holding Company) and its Subsidiary, together the Group.

The geographical locations and addresses of the Group's business units, including production facilities are as under:

Holding Company

- Head office and registered office: 325 G-III, M.A. Johar Town, Lahore.
- Marketing office: 104, Parsa Tower, PECHS Block-6, Shahra-e-Faisal, Karachi.
- Corrugation packaging plant: 7 KM, Sundar Raiwind Road, Lahore.
- Flexible packaging plant: Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

Subsidiary

- The registered office of the Subsidiary is situated at 325-G-III, Johar Town, Lahore.
- The land purchased for setting up the manufacturing facility is situated at M-2 Lahore-Islamabad motorway, district Sheikhpura near village Mandiala and Qaimpur, adjacent to Quaid-e-Azam Industrial Apparel Park.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 These condensed interim consolidated financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2022.

2.3 Selected explanatory notes are included to explain events and transactions that are significant to the understanding of changes in the Group's financial position and performance since the last annual consolidated financial statements.

2.4 These condensed interim consolidated financial statements have been prepared under the historical cost convention and are presented in Pak Rupee, which is also the functional currency of the Group.

2.5 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2022, except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in note 3.1 to these condensed interim consolidated financial statements. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current period

The Group has adopted the following amendments to approved accounting standards which became effective during the current period:

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under the contract. The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the condensed interim consolidated financial statements of the Group as there were no such contracts which may become onerous.

ROSHAN PACKAGES LIMITED AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3: Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37: Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21: Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the condensed interim consolidated financial statements of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arising during the period.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the condensed interim consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

IFRS 9: Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39: Financial Instruments: Recognition and Measurement.

These amendments had no impact on the condensed interim consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim consolidated financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the audited consolidated financial statements of the Group for the year ended 30 June 2022.

	Note	Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	6,611,624,057	6,697,182,739
Capital work-in-progress	5.2	309,081,364	308,483,626
		6,920,705,421	7,005,666,365
5.1 Movement during the period / year is as follows:			
Balance at the beginning of the period / year - net book value		6,697,182,739	5,798,792,542
Additions / transfers during the period / year - cost	5.1.1	43,542,051	65,162,468
Transfer from right of use asset during the period / year - net book value		1,581,415	5,539,317
Revaluation adjustment		-	996,578,959
		6,742,306,205	6,866,073,286
Less:			
Write-offs during the period / year - net book value		(49,516)	-
Disposals during the period / year - net book value		-	(4,951,349)
Depreciation during the period / year		(130,632,632)	(163,939,198)
		(130,682,148)	(168,890,547)
Net book value at the end of the period / year		6,611,624,057	6,697,182,739
		Un-audited	Audited
		31 March 2023	30 June 2022
		Rupees	Rupees
5.1.1 The detail of additions / transfers made during the period / year is as follows:			
Buildings on freehold land		3,368,563	6,088,272
Plant and machinery		30,735,555	33,275,037
Electric installations		2,310,000	4,454,824
Furniture and fixtures		110,476	1,501,455
Office equipment		6,788,457	18,316,228
Vehicles		229,000	1,526,652
		43,542,051	65,162,468

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		Un-audited 31 March 2023	Audited 30 June 2022
		Rupees	Rupees
5.2 Capital work in progress			
Opening balance		308,483,626	320,142,005
Additions during the period / year		15,237,491	5,454,038
Transfers during the period / year		(14,639,753)	(17,112,417)
Closing balance		<u>309,081,364</u>	<u>308,483,626</u>
		Un-audited 31 March 2023	Audited 30 June 2022
		Rupees	Rupees
6 INVESTMENT PROPERTY	Note		
Investment property at cost	6.1	212,669,567	-
6.1 Movement during the period / year is as follows:			
Balance at the beginning of the period		-	-
Additions / transfers during the period:			
Land		172,854,000	-
Building at cost		40,017,676	-
Less: Accumulated Depreciation on Building		(202,109)	-
Building at net book value		39,815,567	-
Net book value at the end of the period		<u>212,669,567</u>	<u>-</u>
6.2			
The outstanding loan of Rs. 160,958,674/- has been settled by transferring property from Roshan Enterprises, which is an associated company. This property has been recognized as an investment property by RPL in accordance with IAS 40 using the Cost Model. RPL is applying straight-line method of depreciation at a rate of 3% per annum on building.			
		Un-audited 31 March 2023	Audited 30 June 2022
		Rupees	Rupees
7 LONG-TERM LOAN TO RELATED PARTY	Note		
At amortized cost:			
Loan to associated undertaking - Roshan Enterprises	7.1	-	146,078,867
Less:			
current portion of long term loans		-	(130,864,885)
current portion of markup accrued - associated undertaking		-	(15,213,982)
		<u>-</u>	<u>-</u>
7.1 Movement during the period / year is as follows:			
Opening balance		146,078,867	130,864,885
Markup accrued during the period / year:			
as per original terms		14,133,384	15,213,982
on account of penalty		746,423	-
		<u>14,879,807</u>	<u>15,213,982</u>
Less:			
Loan settlement against property (Land, Building and Transformer)		(160,958,674)	-
Closing balance	7.1.1	<u>-</u>	<u>146,078,867</u>
7.1.1			
This unsecured loan carries markup at the rate of 1-Year KIBOR+2% (30 June 2022:1-Year KIBOR+2%) per annum or average borrowing cost of the Group, whichever is higher. The effective interest rates ranged from 17.10% to 22.27% (30 June 2022: 10.06% to 17.10%) per annum. On delay in repayment of principal and markup on due date of 28 October 2022, a penalty of 2% per annum levied in addition to agreed markup, from the due date till the loan settlement date.			
In their meeting held on 22 December 2022, the Board of Directors of the Holding Company have accepted the offer by partners/owners of Roshan Enterprises, who are also the directors of the Holding Company, for full settlement through the transfer of land, building and transformer, situated in Tehsil Bhalwal, District Sargodha, Punjab, valued at Rs. 214.87 million (Forced Sale Value of Rs. 182.64 million). The offer was also approved by shareholders of the Holding Company, via special resolution, in their Extra Ordinary General Meeting held on 16 January 2023. The fair value assessment of property and related equipment was carried out in December 2022 by Unicorn International Surveyors, an independent valuer, registered with Pakistan Banking Association (PBA), having suitable recent pertinent experience of valuation in the concerned location and type of assets.			
Upon transfer of title in the land records of the Government of Punjab to and possession of the property by the Holding Company, the Holding Company entered into a loan settlement agreement on 17 February 2023 in which total loan amounts receivable of Rs. 160,958,674, principal of Rs. 122,722,688/- and markup of Rs. 38,235,983/- (till the date of loan settlement agreement) was settled against Land, Building and a transformer having a fair market value of Rs. 172,854,000/-, Rs. 40,017,676/- and Rs. 2,000,000/- respectively. The land and building are classified as investment property under IAS 40 and the transformer is added to the property, plant and equipment. Further, the transaction cost of Rs. 19,517,160 which includes non-refundable cost of Rs. 11,267,200/- set off against gain on settlement and refundable cost of Rs. 8,249,960/- receivable from Federal Board of Revenue.			

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		Un-audited 31 March 2023	Audited 30 June 2022
	Note	Rupees	Rupees
8 TRADE RECEIVABLES			
Trade receivables		2,107,841,457	2,483,045,071
Less: Allowance for expected credit losses		(228,653,790)	(216,996,858)
		<u>1,879,187,667</u>	<u>2,266,048,213</u>
9 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances :			
- To employees - secured		7,918,689	7,813,508
- To suppliers - unsecured		4,333,481	191,166,277
		<u>12,252,170</u>	<u>198,979,785</u>
Others		42,072,076	29,099,461
		<u>54,324,246</u>	<u>228,079,246</u>
10 CASH AND BANK BALANCES			
Cash in hand		1,243,062	1,188,042
Balances with banks:			
Savings accounts	10.1	207,835,266	337,829,597
Current accounts		103,401,065	166,261,838
		<u>311,236,331</u>	<u>504,091,435</u>
		<u>312,479,393</u>	<u>505,279,477</u>
10.1			
The savings accounts earn interest at floating rates based on daily bank deposit rates ranging from 4.75% to 18.25% (30 June 2022: 5.83% to 13.35%) per annum.			
		Un-audited 31 March 2023	Audited 30 June 2022
		Rupees	Rupees
11 LONG TERM FINANCES - SECURED			
Dubai Islamic Bank Limited - Refinance scheme	11.1	-	18,112,586
Allied Bank Limited - Supplier credit loan	11.2	147,458,304	173,480,355
		<u>147,458,304</u>	<u>191,592,941</u>
Current portion shown under current liabilities		(34,696,068)	(52,808,654)
		<u>112,762,236</u>	<u>138,784,287</u>
11.1 Dubai Islamic Bank Limited - Refinance scheme			
Opening balance		18,112,586	53,467,967
Interest accrued during the period / year		313,088	2,712,611
Repaid during the period / year		(18,425,674)	(38,067,992)
		<u>-</u>	<u>18,112,586</u>
Current portion shown under current liabilities		-	(18,112,586)
Closing balance		<u>-</u>	<u>-</u>
11.2 Allied Bank Limited - Supplier credit loan			
Opening balance		173,480,355	-
Obtained during the period / year		-	173,480,355
Repaid during the period / year		(26,022,051)	-
		<u>147,458,304</u>	<u>173,480,355</u>
Current portion shown under current liabilities		(34,696,068)	(34,696,068)
Closing balance		<u>112,762,236</u>	<u>138,784,287</u>
11.3			
There is no material change in the terms and conditions of the long-term loans from those disclosed in the Group's consolidated financial statements for the year ended 30 June 2022.			

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12 DEFERRED TAXATION

	Un-audited			
	31 March 2023			
	Opening balance	Charge / (Credit) to profit or loss	Charge to other comprehensive income	Closing balance
	------(Rupees)-----			
Taxable temporary difference				
Accelerated tax depreciation	357,444,723	(15,115,076)	-	342,329,647
Revaluation surplus	457,889,707	(27,341,506)	-	430,548,201
Investment Property	-	11,944,670	-	11,944,670
Right-of-use assets	25,414,510	(8,285,431)	-	17,129,079
Deductible temporary difference				
Allowance for ECL on trade receivables	(67,269,026)	(1,327,111)	-	(68,596,137)
Lease liabilities	(25,916,537)	7,400,494	-	(18,516,043)
Minimum tax	(191,457,239)	(63,647,441)	-	(255,104,680)
Alternative corporate tax	(12,186,950)	12,186,950	-	-
	543,919,188	(84,184,451)	-	459,734,737

	Audited			
	30 June 2022			
	Opening balance	Charge / (credit) to profit or loss	Charge to other comprehensive income	Closing balance
	------(Rupees)-----			
Taxable temporary difference				
Accelerated tax depreciation	321,200,062	36,244,661	-	357,444,723
Revaluation surplus	390,149,555	(14,910,033)	82,650,185	457,889,707
Right-of-use assets	9,695,212	15,719,298	-	25,414,510
Deductible temporary difference				
Allowance for ECL on trade receivables	(67,820,822)	551,796	-	(67,269,026)
Deferred liabilities	(41,444,442)	41,444,442	-	-
Lease liabilities	(9,671,049)	(16,245,488)	-	(25,916,537)
Minimum tax	(15,272,266)	(176,184,973)	-	(191,457,239)
Alternative corporate tax	(12,186,950)	-	-	(12,186,950)
	574,649,300	(113,380,297)	82,650,185	543,919,188

13 SHORT TERM BORROWINGS - SECURED

	Un-audited	Audited
	31 March 2023	30 June 2022
	Rupees	Rupees
Running finance	94,045,988	240,779,104
Term finances:		
- import finance / murabaha	30,888,528	310,233,786
- istisna / wakala	1,135,758,616	1,177,807,768
	1,166,647,144	1,488,041,554
	1,260,693,132	1,728,820,658

13.1 Aggregate limits of borrowings

Aggregate sanctioned limit of all above facilities including limit for opening letters of credit and guarantees is Rs. 3,740 million (30 June 2022: Rs.3,690 million) in which un-availed credit limit as at 31 March 2023 is Rs. 1,964 million (30 June 2022: Rs. 1,961 million). The aggregate facilities for opening letters of credit and guarantees are secured by a first pari passu charge over current assets of the Group and lien over import documents.

13.2 There is no material change in the terms and conditions of the short-term borrowings from those disclosed in note 27 to the Group's consolidated financial statements for the year ended June 30, 2022.

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There is no significant change in the status of contingencies and commitments set out in note 31 to the Group's consolidated financial statements for the year ended June 30, 2022.

14.2 Commitments

- (a) There has been no significant change in the commitments in respect of contracts for capital expenditure since 30 June 2022; and
- (b) Letters of credit and contracts other than for capital expenditure amounting to Rs. 97.43 million (30 June 2022: Rs.183.50 million).

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14.3 Guarantee

The banks have issued the following guarantees on behalf of the Holding Company:

- (a) Letter of guarantee issued in favor of Sui Northern Gas Pipelines Limited amounting to Rs. 62.14 million (30 June 2022: Rs. 30.07 million); and
- (b) Letter of guarantee issued in favor of Total Parco Pakistan Limited amounting to Rs. 14.50 million (30 June 2022: Rs. 14.50 million).

	Note	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
		Rupees	Rupees	Rupees	Rupees
15 REVENUE FROM CONTRACTS WITH CUSTOMERS					
15.1 Disaggregation of revenue from contracts with customers:					
	15.1	7,353,532,212	6,349,636,526	2,166,790,222	2,310,227,445

In the following table, revenue from contracts with customers is disaggregated by major product lines and timing of revenue recognition:

	Note	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
		Rupees	Rupees	Rupees	Rupees
Major product lines:					
- Made-to-order packaging products	15.2	6,728,921,978	5,650,743,478	2,074,434,576	2,028,267,299
- Standard packaging products		624,610,234	698,893,048	92,355,646	281,960,146
		7,353,532,212	6,349,636,526	2,166,790,222	2,310,227,445
Timing of revenue recognition:					
- Products transferred over time	15.2	6,728,921,978	5,650,743,478	2,074,434,576	2,028,267,299
- Products transferred at a point in time		624,610,234	698,893,048	92,355,646	281,960,146
		7,353,532,212	6,349,636,526	2,166,790,222	2,310,227,445
Geographical market:					
- Pakistan	15.2	7,353,532,212	6,349,636,526	2,166,790,222	2,310,227,445

15.2 This includes unbilled revenue amounting to Rs. 108.92 million (31 March 2022: Rs. 105.97 million).

15.3 Performance obligation:

The Group makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 7 to 365 days from delivery. The Group has determined that for made-to-order packaging products, the customer controls all the work in progress as the products are being manufactured. The customers obtain control of standard packaging when goods are either dispatched or delivered to them and have been accepted at their premises.

	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Rupees	Rupees	Rupees	Rupees
16 COST OF REVENUE				
Raw materials consumed	5,324,916,388	4,695,295,170	1,544,230,405	1,628,749,081
Carriage inward expenses	3,205,490	3,750,752	995,665	1,175,580
Packing material consumed	26,558,115	25,289,035	6,537,425	10,782,227
Production supplies	151,475,100	124,243,821	46,135,286	45,809,443
Fuel and power	398,173,275	284,407,334	104,915,771	108,536,620
Salaries, wages and other benefits	306,642,679	265,615,882	98,274,345	95,386,543
Repairs and maintenance	65,765,309	74,326,378	24,228,267	22,012,221
Printing and stationery	1,253,522	991,246	299,589	352,099
Insurance	4,447,282	3,617,216	1,290,291	1,161,120
Rent	824,221	12,525,386	111,078	6,879,116
Travelling and conveyance	41,387,421	24,800,057	14,016,993	10,666,141
Communication expenses	857,610	1,108,699	384,148	707,357
Vehicle running expenses	6,747,742	7,671,262	1,851,706	1,810,257
Depreciation on operating fixed assets	126,912,302	117,338,014	41,679,381	39,650,218
Depreciation on Investment property	202,109	-	202,109	-
Depreciation on right of use assets	15,763,397	389,320	5,245,377	171,866
Others	17,180,414	11,083,576	6,294,661	4,356,296
Cost of goods manufactured	6,492,312,376	5,652,453,148	1,896,692,497	1,978,206,185
Opening stock of finished goods	91,454,493	48,238,056	74,246,348	85,557,386
Closing stock of finished goods	(50,536,176)	(64,823,511)	(50,536,176)	(64,823,511)
	40,918,317	(16,585,455)	23,710,172	20,733,875
	6,533,230,693	5,635,867,693	1,920,402,669	1,998,940,060

17 TAXATION

Current tax	93,658,421	91,536,829	26,033,923	30,945,693
Deferred tax income	(84,184,451)	(120,581,329)	(47,714,254)	18,518,173
	9,473,970	(29,044,500)	(21,680,331)	49,463,866

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18 EARNINGS PER SHARE - BASIC AND DILUTED

Basic and diluted earnings per share are same because the Group has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Group are as follows:

		Nine months period ended		Three months period ended	
		(Un-audited)		(Un-audited)	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Profit attributable to owners of the Holding Company	Rupees	37,301,979	246,127,630	13,825,326	88,369,996
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000
Basic earnings per share	Rupees	0.26	1.73	0.10	0.62

19 CASH AND CASH EQUIVALENTS

The figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the condensed interim consolidated statement of cash flows at reporting date as follows:

	Note	Un-audited	Un-audited
		31 March	31 March
		2023	2022
		Rupees	Rupees
Short term investments		192,071,000	248,115,750
Cash and bank balances	10	312,479,393	479,371,131
Short term borrowings - running finance	13	(94,045,987)	(239,290,869)
		410,504,406	488,196,012

20 TRANSACTIONS WITH RELATED PARTIES

The Group's related parties consist of its wholly owned subsidiary, associated undertakings, directors and key management personnel and their associates. The Group in the normal course of business carries out transactions with various related parties. Significant transactions with related parties have been disclosed in the respective notes to these condensed interim consolidated financial statements other than the following:

Relationship with the Company	Name of related party	Nature of Transactions	(Un-audited)		(Un-audited)	
			Nine months period ended		Three months period ended	
			31 March 2023	31 March 2022	31 March 2023	31 March 2022
			Rupees	Rupees	Rupees	Rupees
Associated undertaking	Roshan Enterprises	Markup accrued on long term loan	14,879,807	10,346,296	3,317,783	3,833,992
		Sale of packaging material	-	2,623,316	-	679,975
		Receipts during the period	3,188,237	2,623,316	-	657,862
Associated undertaking	Al-Firdusi Exporters	Sale of packaging material	28,780,199	40,584,088	17,441,377	31,192,261
		Receipts during the period	30,287,436	38,174,581	21,306,761	27,977,730
Associated undertaking	Sehat Medical Devices (Private) Limited	Sale of packaging material	8,085,144	-	8,085,144	-
		Advance payment against purchases	17,500,000	-	17,500,000	-

21 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and other price risk), credit risk and liquidity risk. These condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's financial statements for the year ended 30 June 2022.

There have been no changes in the risk management department or in any risk management policies since the year ended 30 June 2022.

22 FAIR VALUE OF FINANCIAL INSTRUMENTS

There is no change in the nature and corresponding hierarchies of fair valuation levels of financial instruments from those as disclosed in the audited financial statements of the Group for the year ended 30 June 2022.

23 DATE OF AUTHORIZATION FOR ISSUE


These condensed interim consolidated financial statements were approved and authorized for issue on **28-APRIL-2023** by the Board of Directors of the Holding Company.

24 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated statement of financial position has been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows have been compared with the amounts/balances of comparable period of immediately preceding financial year.



Chief Executive



Director



Chief Financial Officer