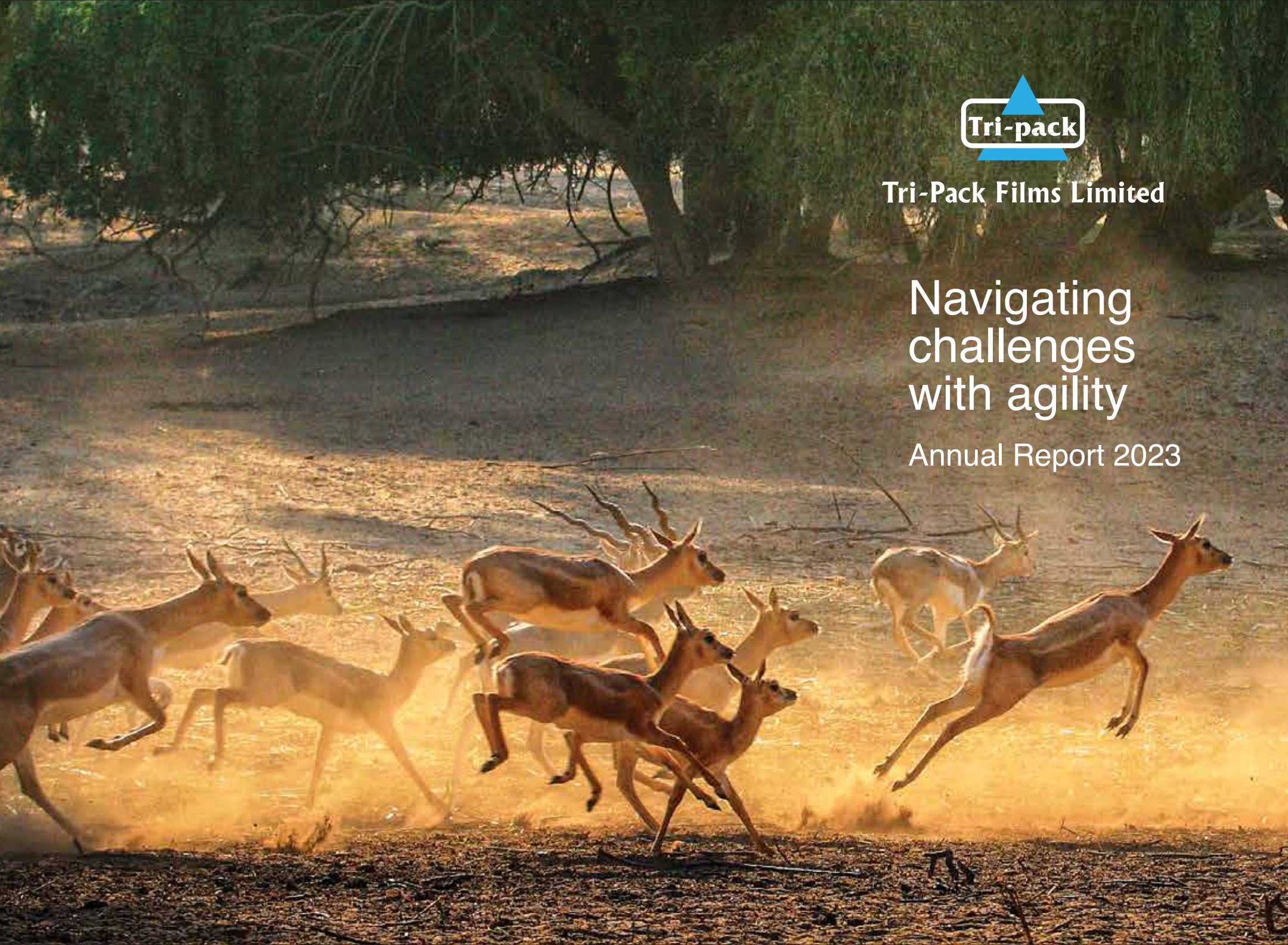




Tri-Pack Films Limited

Navigating challenges with agility

Annual Report 2023





Introduction

Lal Suhanra National Park presents a rich tapestry of wildlife. It is one of South Asia's largest national park situated in the Bahawalpur district of Punjab region. This UNESCO Biosphere Reserve, encompassing over 162,568 acres is home to many ecosystems, including marsh, desert, and woodland. From the critically endangered Blackbuck to the majestic Spotted Deer, these herbivores roam the park's diverse landscapes, adding a touch of elegance to this ecological haven.

Tri-Pack Films Limited faced a year of significant obstacles in year 2023. Fluctuating exchange rates, and escalating interest rates posed hurdles. Additionally, complex political instability, soaring inflation, heightened energy costs, and import restrictions further complicated operations.

Despite the convergence of challenges, Tri-Pack Films Limited demonstrated remarkable resilience and adaptability. By remaining true to our core values, we navigated through these complex obstacles and emerged with success.

Chief Executive Welcome Note for Annual Report 2023

Dear Stakeholders

I am pleased to present the Annual Report on your Company's performance for the year 2023.

I extend my sincere appreciation and gratitude to our esteemed Shareholders, Board of Directors, Customers, Suppliers, Employees, and all other Stakeholders for their unwavering support, invaluable contributions, and trust in our organization.

Despite economic challenges, our Company adeptly managed debt and working capital amidst high interest rates. We successfully navigated through obstacles such as depleted foreign exchange reserves, escalating energy expenses, and inflation, while addressing global demand downturns.

The persistent impact of reduced consumer purchasing power continued to influence demand dynamics and shape our business performance. However, the Company strategically expanded its customer base, both domestically and internationally to overcome this challenge and fulfill its obligation to its stakeholders.

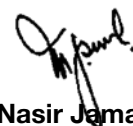
As a result, your Company recorded an operating profit of Rs. 2,494 million, compared to Rs. 2,555 million in the previous year.

Looking ahead, with the inauguration of our new expansion project in 2024 we aim to establish a robust presence in the international markets, thereby mitigating challenges associated with anticipated supply surpluses in the local market in the years ahead.

We shall remain steadfast in our commitment to maximize our stakeholders' value by being a world class manufacturer in terms of repute, products, services and returns on investment (ROI), and continue to uphold our safety, health, environmental and ethical standards, while fostering a corporate culture centered on customer satisfaction, quality, sustainability and excellence.

I thank you for your continued support and trust in our Company.

Karachi:
February 7, 2024

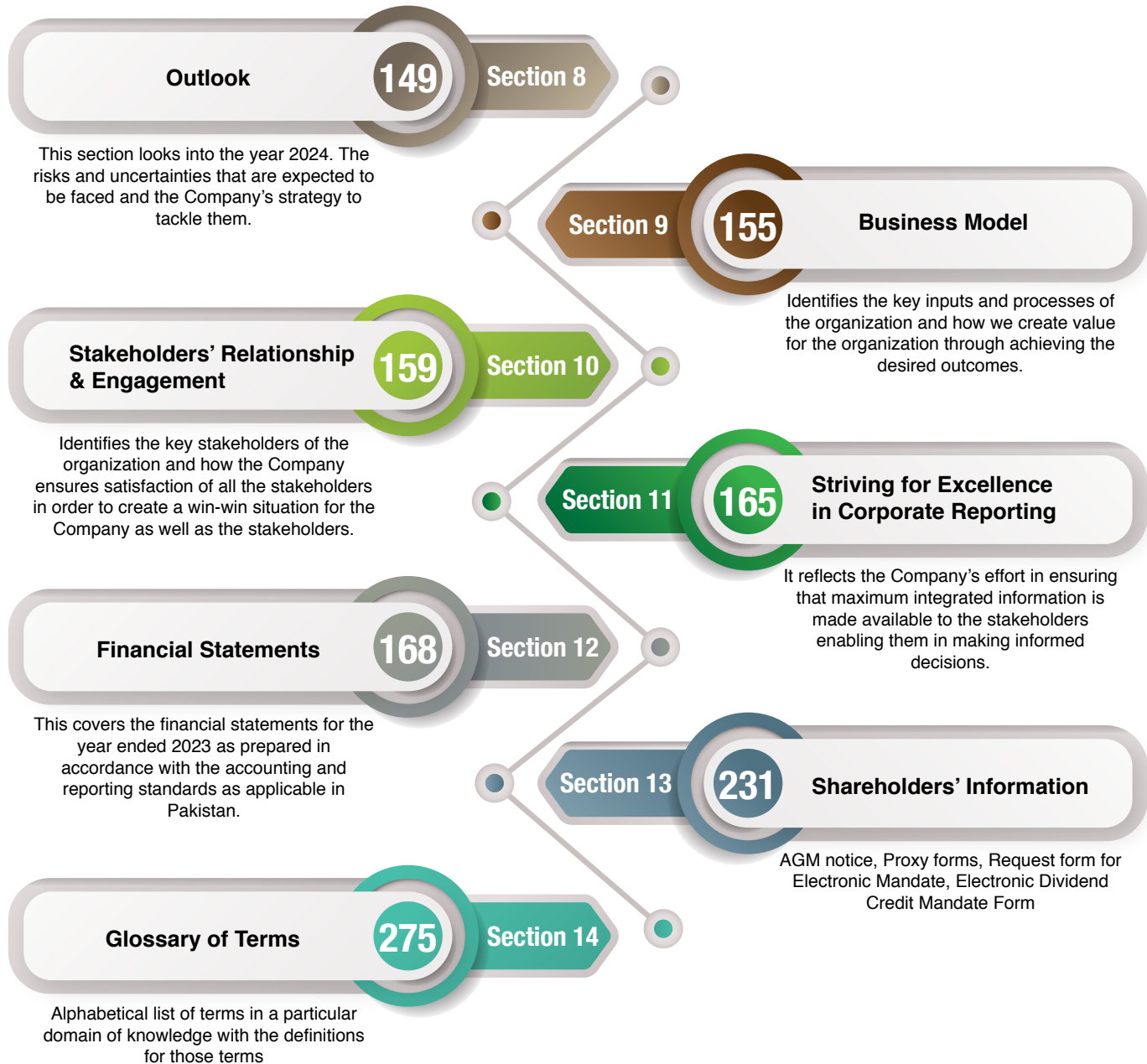


Nasir Jamal
Chief Executive Officer



Contents







The background of the page is a photograph of a desert landscape at sunset. A large, multi-tiered mud-brick wall, likely a fortification, stretches across the middle ground. In the foreground, a camel is being led by a person, and another person is standing nearby. The sky is filled with orange and red clouds, and the overall scene is bathed in the warm light of the setting sun.

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Company Information

Board of Directors

Syed Babar Ali	- Chairman
Mr. Asghar Abbas	- Non-Executive
Syed Hyder Ali	- Non-Executive
Mr. Khurram Raza Bakhtayari	- Non-Executive
Ms. Nermeen Towfiq Chinoy	- Independent
Mr. Asif Qadir	- Non-Executive
Mr. Saquib Hussain Shirazi	- Independent
Mr. Nasir Jamal	- Deemed Director

Chief Executive Officer

Mr. Nasir Jamal

Audit Committee

Ms. Nermeen Chinoy	- Chairperson
Mr. Khurram Raza Bakhtayari	- Member
Mr. Asif Qadir	- Member
Mr. Feroze Polani	- Secretary

Human Resource and Remuneration (HR&R) Committee

Ms. Nermeen Chinoy	- Chairperson
Mr. Asghar Abbas	- Member
Mr. Khurram Raza Bakhtayari	- Member
Mr. Taimoor Ahmed	- Secretary

Executive Committee

Syed Hyder Ali	- Chairman
Mr. Asghar Abbas	- Member
Mr. Khurram Raza Bakhtayari	- Member
Ms. Iqra Sajjad	- Secretary

Chief Financial Officer

Mr. Muhammad Zuhair Damani

Company Secretary

Ms. Iqra Sajjad

Head of Internal Audit

Mr. Feroz Polani

External Auditors & Advisor

A.F. Ferguson & Co. Chartered Accountants

Legal Advisors

Sattar & Sattar

Shares Registrar

FAMCO Share Registration Services (Pvt.) Ltd.
Email: info.shares@famcosrs.com

Website

www.tripack.com.pk

Registered Office

4th Floor, The Forum, Suite No. 416-422, G-20,
Block No. 9, Clifton, Khayaban-e-Jami,
Karachi - 75600, Pakistan
Tel: (021) 35874047-49, (021) 35831618
Fax: (021) 35860251

Regional Sales & Head Office

House No. 18 B, Sir Abdullah Haroon Road,
Near Marriott Hotel, Karachi, Sindh
Tel: (021) 35224336-37 Fax: (021) 35224338

Works - Karachi

Plot No. D-9 to D-14 & G-1 to G-4 North Western
Industrial Zone, Port Qasim Authority, Karachi
Tel: (021) 34720247-48 Fax: (021) 34720245

Works & Regional Sales Office - Hattar

Plot No. 68, 69, 78/1, Phase IV, Hattar Industrial
Estate, Hattar, Khyber Pakhtunkhwa.
Tel: (0995) 617406-7 Fax: (0995) 617054

Regional Sales Office

Unit No. 4, 17 Aziz Avenue, Canal Bank Road,
Lahore, Punjab
Tel: (042) 35716068-70 Fax: (042) 35716071

Banks

Al-Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
United Bank Limited

Investment Company

Pak Kuwait Investment Company (Private) Limited



About us and Our Business

Tri-Pack Films Limited (Tri-Pack) – a subsidiary of Packages Limited of Pakistan was incorporated as a Public Limited Company on April 29, 1993 to produce Biaxially Orientated Polypropylene (BOPP) Films in Pakistan. Its head office is based in Karachi and regional offices are located in Karachi, Lahore and Hattar where focus is to provide customers with dependable, economical and quality films backed by strong customer services. Tri-Pack is indeed proud of making distinctive contributions to the packaging industry in Pakistan.

Since inception, the Company has been on a growth trajectory and has come a long way from one BOPP Line of 5,400 tons to four BOPP Lines of 66,800 tons and two CPP Lines of over 17,000 tons. The expansion project of new BOPP line was approved by the board on December 02, 2020 and will be commissioning in 2024.

At Tri-Pack, our passion to cater the needs of our customers lies at the heart of every endeavour. We go a long mile to get results, operate responsibly, apply innovative technology, execute with excellence, and capture new opportunities to create a wonderful world today for generations to come.

We aim to create long term value for shareholders by catering to growing demands in a safe and responsible way. We not only strive to be a world-class operator, but also a responsible corporate citizen and an employer of choice.

Our people and our products are the hallmark of our success that give us the strength to endeavour to be amongst the front runners in delivering to our customers, shareholders and community.



Vision

To enhance stakeholders' value by being a supplier of first choice whilst maintaining leadership position in domestic market and profitably expanding footprint in the international market.

A close-up photograph of a person's hand holding an orange dart, poised to throw it at a target. The target is a circular board with concentric yellow and black rings. The background is blurred, showing a wooden table and a white surface.

Mission Statement & Corporate Strategy

We will:

- satisfy our customers with timely supplies of products and services at economic prices, conforming to quality standards.
- achieve sustained growth to meet the demands of our customers' and stakeholders' expectations.
- continue developing new markets, products, applications and solutions in concert with our customers and suppliers.
- employ cost-effective technology to retain our competitive edge.
- nurture and inculcate a culture based on high ethical standards to meet our obligations towards the communities we operate in.
- attract, develop and retain talent through motivation, training, performance based rewards and providing growth opportunities.
- care for health and safety of our employees and stakeholders and play our due role towards the environmental requirements.

Our Values

Values are reasons which we regard as higher than our self-interests.





Code of Conduct

Tri-Pack Films Limited has built a reputation for conducting its business with integrity, in accordance with highest standards of ethical behavior and in compliance with the laws and regulations that govern our business. This reputation is among our most valuable assets and ultimately depends upon the individual actions of each of our employees.

Tri-Pack's Code of Conduct has been prepared to assist each of us in our efforts to not only maintain but enhance this reputation. It provides guidance for business conduct in number of areas and refers to more detailed corporate policies for further direction. The adherence of all employees to highest standards of integrity and ethical behavior is mandatory and benefits all stakeholders which includes customers, communities, shareholders and ourselves.

CARE

Environment, health and safety

We continually improve our environmental performance. To achieve continual improvements in our environmental performance, we need to understand the potential environmental impacts of all our operations and activities, set improvement targets, take the necessary steps to reach these targets and monitor our progress. It is important that everyone should understand their own roles and responsibilities with respect to environmental issues, in order to make the right decisions. All employees should promote resource conservation and minimize waste of paper and other resources.

HONESTY

Responsible business

- We comply with all applicable local, national and international laws, regulations and voluntary commitments wherever we do business.
- We conduct business transactions with the best interests of Tri-Pack Films Limited and community in mind.
- We show zero tolerance for corrupt activities of any kind, either in our own operations or when we work with partners.
- We support free and fair competition by never becoming involved in price-fixing, market sharing or other anti-competitive practices.

- We take care of the Company's valuable property and safeguard confidential information.
- We communicate with our stakeholders in a clear manner.
- We listen to all our stakeholders and seek to engage with them constructively.

Ethics, transparency, fairness and professionalism

In conducting business, Tri-Pack Films Limited is inspired by and complies with the principles of loyalty, fairness, transparency and efficiency. Any action, transaction and negotiation performed and generally, the conduct of all employees in the performance of their duties is inspired by the highest principles of fairness, completeness and transparency of information, clarity and truthfulness of all accounting documents, in compliance with the applicable laws in force and internal regulations. Bribes, illegitimate favors, request for personal benefits of oneself or others, either directly or through third parties, are prohibited without any exception.

Conflict of interest

Tri-Pack Films Limited expects all employees to be free from actual or potential conflicts of interest. A conflict of interest occurs whenever the prospect of direct or indirect personal gain may influence or appear to influence an employee judgment or actions while conducting the business in which employee has a prime responsibility towards the Company and is expected to avoid activities or transactions that clash directly with the interest of the Company. Such situations could arise in a number of ways.

Confidentiality

Employees shall not keep or make copies of correspondence, documents, records, list of clients or customers without prior approval of the Head of Department. An employee shall not disclose or reveal any information on behalf of the Company to print or electronic media as well as any other information medium, unless he/she is authorized to do so.

Unpublished information may be disclosed to external organization or individual only on "need-to-know" basis upon explicit management approval.

Corruption

Taking or giving bribes is strictly prohibited in our Group Companies. We comply vigorously, with the relevant anti-bribery laws. It is also our policy to require all our stake holders working for, or representing, any of the Packages Group Companies, in any capacity, including business partner, suppliers, vendors, consultants, financial advisers, agents, to comply with these laws and practices. It is also important to remember that offering or accepting gifts, hospitality, or expense payments is prohibited if they are of unreasonably high value more than Rs. 5,000/- (this amount to be reviewed every year) or could inappropriately affect business transactions. Any gift or hospitality which is of greater value and can potentially impact the business dealings, should be immediately reported to supervisor, Head of internal audit and surrendered to HR for appropriate action.

Professional relationships

Every employee of Tri-Pack Films Limited needs to maintain a professional relationship with suppliers, customers and other stakeholders. They need to ensure that Tri-Pack Films Limited inculcates the value of professionalism among its employees. So, all employees working in Tri-Pack Films Limited dealing directly with suppliers and customers need to make sure that professional relationship is prior to any personal interest of employee. Being in business everyone has to ensure their professional commitment and reputation of the group.

Anti-Fraud policy

Tri-Pack Films Limited is committed to the highest possible standards of openness, transparency and accountability in all its affairs. The intent is to promote a culture of honesty and opposition to fraud in all its forms. Fraud in all its forms is wrong and is unacceptable to the Group. All stakeholders must carry out their activities/business in such a way that it prevents fraud from occurring. All reported instances of fraud including the identity of those providing information will be kept confidential in order to conduct an appropriate, fair and thorough investigation. Packages Internal Audit department is authorized to blacklist any vendor, service provider, customer, contractor, agency, distributor etc. who are convicted of fraud under this policy.

Responsibility for prevention and detection

All employees are responsible for prevention and detection of fraud, misappropriation and other irregularities.

Dealings in securities/shares and insider trading

Tri-Pack Films Limited's employees shall not trade or pass on inside information at any time to any other person, inside or outside Tri-Pack. Inside information refers to the information about Tri-Pack Films Limited, its business, or other companies with which Tri-Pack Films Limited is doing business or negotiating, that is not generally known to the public, but would likely, if known generally, affect the price of a company's shares or influence a person's investment decisions.

Tri-Pack Films Limited's employees shall not pass on inside information at any time to any other person or encourage another person to deal in shares of its listed group companies on the basis of such information, even if the employee does not gain directly from the arrangement.

Tri-Pack Films Limited's employees should be aware of and comply with any local laws and regulations governing share dealings

Whistle blow

Tri-Pack Films Limited is committed to highest standards of ethical, moral and legal business conduct. In line with this commitment and the Company's commitment to open communication, this policy aims to provide an avenue for employees to raise concerns with reassurance that they will be protected from reprisals or victimization for whistle blowing.

The types of issues which can be reported under this policy include but are not limited to:

- Breach of the Code of Conduct
- Corruption and bribery
- Harassment
- Misappropriation of financial data/reports
- Misuse of Company's assets
- Violation of applicable laws and regulations

- Actions raising safety, security, and environmental concerns
- Damage to Company's reputation or business and
- Disrespect and/or discrimination of employees on the basis of race, color, gender, ethnicity, age, nationality, ancestry, religion, physical/ mental disability or marital status.

Note: Complainants have the right to raise complaint anonymously but they are encouraged to include contact information which would be useful during investigation. Confidentiality and protection of complainant's identity would be ensured. Internal Audit Department may involve/ consult relevant departments for investigation of the complaint.

Complaint reporting and Investigation procedure

- Any employee, contractor or stakeholder who believes that he/ she has been a victim of discrimination, harassment, or becomes aware of any activity which is not in the best interests of the Company or breaches the Code of Conduct or law should immediately report the issue. Confidentiality of all complaints would be ensured and appropriate remedial action would be taken after thorough verification/ investigation of underlying facts and details.
- All personnel reporting must ensure confidentiality of the information and must not share or spread any unsubstantiated/ false claims. Spreading false claims could result in disciplinary action against such personnel.
- Whistle blowing complaints can be raised through communication means mentioned in the respective whistle blowing policy or by directly approaching the Head of Internal Audit of respective company or send email to respective company whistle blowing email address.

RESPECT

Equal opportunity employer

Tri-Pack Films Limited recognizes the value of striving for a balanced work force and is committed to the principles of equal opportunity, equality of treatment and creating a dynamic environment where diversity is valued as a source of enrichment and opportunity. All phases of the employment relationship – including recruitment, hiring, training,

promotion, compensation, benefits, transfers, layoffs and leaves of absence will be carried out by all managers without regard to any race, color, religion, gender, age, ethnicity, national origin or disability.

Abuse of alcohol or drugs and gambling

All employees shall personally contribute to promoting and maintaining a climate of common respect in the workplace. Particular attention should be paid to respect the feelings of others. No employee in Tri-Pack Films Limited shall work under the effect of alcohol or drugs, or substances with similar effect.

Workplace harassment

We believe that it is the right of every employee at Tri-Pack to work in a dignified environment. To achieve this and to promote a harmonized work culture, we will provide equal opportunities for development and growth regardless of gender, race, color, creed or religion.

'Harassment' means any unwelcome sexual advance, request for sexual favors or other verbal or written communication or physical conduct of a sexual nature, or sexually demeaning attitudes, causing interference with work performance or creating an intimidating, hostile or offensive work environment, or an attempt to punish the complainant for refusal to comply to such a request or is made a condition for employment. Its scope covers both male and female employees. There are three significant manifestations of harassment in the work environment:

a) Abuse of authority:

A demand by a person in authority, such as a supervisor, for sexual favors in order for the complainant to keep or obtain certain job benefits, be it a wage increase, a promotion, training opportunity, a transfer or the job itself.

b) Creating a hostile environment:

Any unwelcome sexual advance, request for sexual favors or other verbal or physical conduct of a sexual nature, which interferes with an individual's work performance or creates an intimidating, hostile, abusive or offensive work environment. The typical "hostile environment" claim, in general, requires finding of a pattern of

offensive conduct, however, in cases where the harassment is particularly severe, such as in cases involving physical contact, a single offensive incident will constitute violation.

c) Retaliation:

The refusal to grant a sexual favor can result in retaliation, which may include limiting the employee's options for future promotions or training, distorting the evaluation reports, generating gossip against the employee or other ways of limiting access to his/her rights. Such behavior is also a part of the harassment.

Process for filing a complaint

1. The employee (the victim) shall raise complaint in accordance with the Anti-Harassment Policy of the respective group company. The complainant may wish to discuss the case with immediate supervisor for guidance in this regard.
2. The Chief Anti-Harassment Officer (CAHO), usually HR Head of respective company, will study the complaint in detail and determine if the complaint comes under the purview of the Anti-Harassment Policy. In case if the complaint is outside the purview of the Anti-Harassment Policy, the complainant would be informed accordingly by giving reason(s). In case the complaint is found to be under the purview of the Anti- Harassment Policy, the CAHO will then forward the complaint to Special Inquiry Committee established for this purpose. During this course, the CAHO may contact the complainant by phone or may require the complainant to meet in person, so that the details of the complaint can be further clarified.
3. In order to block the implication of the misuse of this Policy, the basic requirement for the implementation of its clauses and for formal undertaking of an inquiry, the following two conditions are hereby kept as pre-requisites:
 - All allegations must either have at least one witness, or in case of no witness, any other written or recorded or pictorial evidence or

in case of no such evidence to support the allegations, at least a circumstantial evidence or an inference based on incidental logic and reasoning.

- The complainant shall declare and disclose her/his full name and correct identity, at the time of filing of the complaint, which will be kept confidential at all times.
4. No anonymous or conditional complaint shall be entertained.
 5. All complaints shall be reported and investigated in accordance with this policy and any other applicable laws and regulations on Harassment. Furthermore, harassment can occur in a variety of circumstances such as:
 - Advances, propositions, suggestions or pressure for social activities outside of work, where it has been made clear that these are unwelcome.
 - Conduct which is discriminatory, intimidator, physically or verbally abusive, including the display of explicit material, humor or comments of a sexual or racial nature or related to a person's abilities or disabilities whether directed specifically at any particular individual or not.
 - Spreading malicious rumors or insulting someone by word or behavior (particularly on the grounds of age, race, sex, disability, sexual orientation and religion or belief).
 - Unfair treatment or misuse of power and position.
 - Making threats or comments about job security without foundation.

Email, computers and network security

All employees must follow the Group's policy to limit internet access to official business during work.

Activities that compromise network security are strictly forbidden. The disclosure of system IDs, passwords or information which can cause penetration into our network and security framework, is also not allowed. Employees shall not place Company's material (copyrighted software, internal correspondence, etc.) on any publicly accessible Internet computer without proper permission. The Company reserves the right to inspect the computer system of any employee of Tri-Pack Films Limited for violations of this policy.

Protection of Company's assets and proprietary information

Tri-Pack Films Limited's physical and intangible assets, as well as its proprietary information are the key to the Tri-Pack Films Limited's success. They should be used only to achieve business goals and should be protected to preserve their value. Any use of Group Company's assets or proprietary information by any employee in other business or personal activities is forbidden.

All Group employees are responsible for the security and proper use of the Company's physical and intangible assets under their control and of third-party assets in their care.

LEAD

Public activities and relationships with stakeholders

Agreements with all our stake holders working for Tri-Pack in any capacity including business partner, suppliers, vendors, financial adviser, agents or consultants shall clearly specify the services to be performed for the Company, the amount to be paid, and all other relevant terms and conditions. All payments and transactions shall be supported by documents.

Relationships and dealings with Government officials, external agencies, parties and individuals at all times should be such that the Company's integrity and its reputation shall not be damaged, if details of the relationships or dealings were to become public knowledge. Payment

of any nature to government officials for any reason whatsoever is strictly prohibited. Furthermore, no employee of Tri-Pack Films Limited shall support any political party or contribute to the funds of the groups whose activities are intended to promote any party interests.

Due care should be taken while discussing the Company's performances or plans with outsiders. Any employee having questions on how to comply with this requirement should seek guidance and advice from the respective supervisor.

Code of conduct compliance

Tri-Pack Films Limited will enforce this Code of Conduct by investigating any reports of mis-conduct or rules being broken. Where infringements are proven, actions will be taken to prevent this happening again.

This process will be full and fair for everyone involved. We will ensure confidentiality for anyone reporting violations. Those reporting potential wrong doings in good faith will not be fired, suspended or discriminated against. Correspondingly, action will not be taken against anyone accused of wrongdoing before an accusation has been duly investigated.

If it is established that the Code of Conduct has been broken, Tri-Pack Films Limited may take disciplinary action and in serious cases even terminate employment agreements.

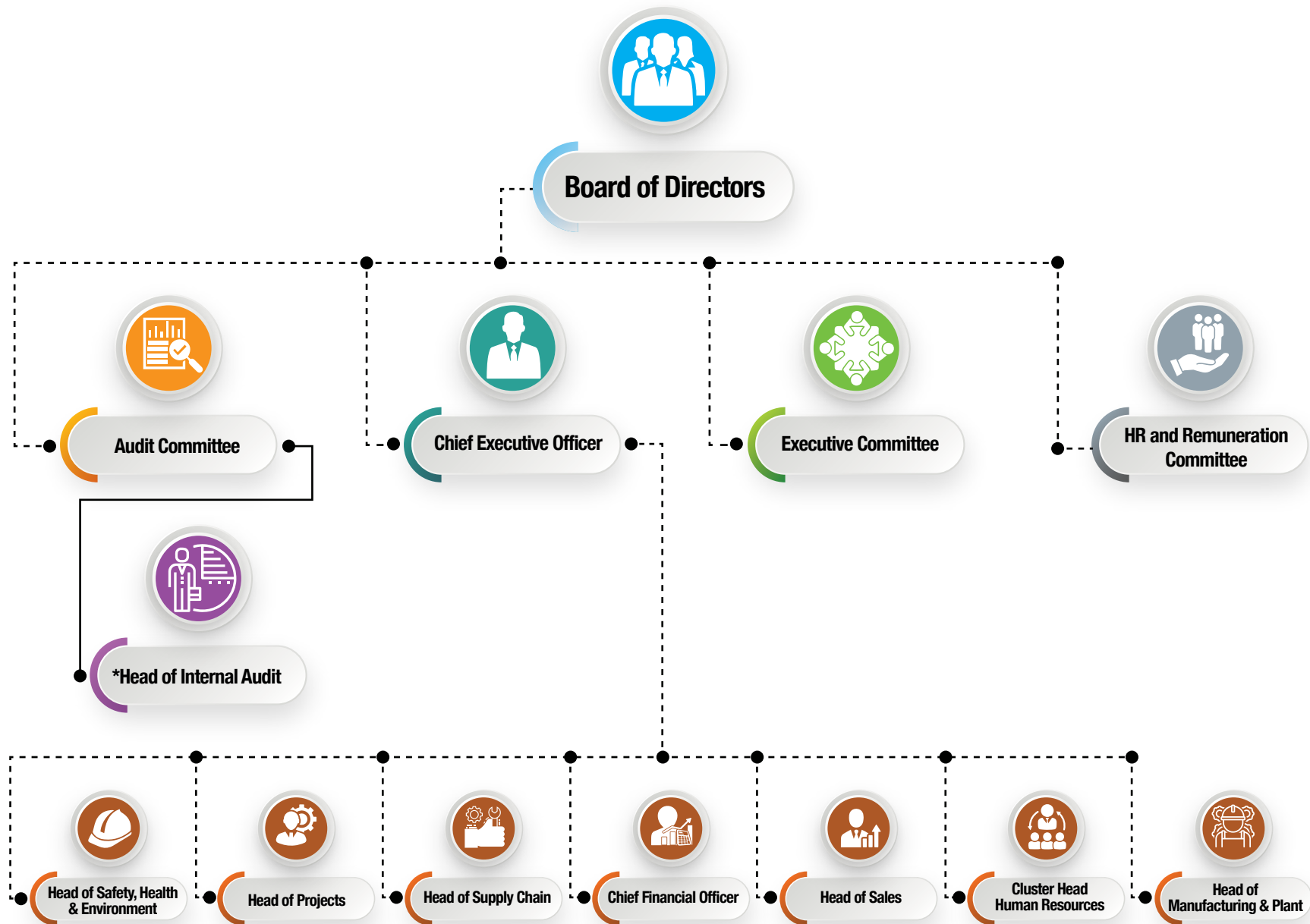
Code of conduct for partners

We also require all agents, consultants, vendors and business partners who work on behalf of Tri-Pack Films Limited to comply with these same laws and practices that defines our conduct and how we do business (including Tri-Pack Films Limited sustainability requirements for suppliers).

Whom to report

If you see or suspect misconduct, make a report immediately. We encourage you to speak directly to your own supervisor. You can also report your concerns anonymously in confidentiality through whistle blowing channel.

Organizational Structure



*Internal Audit is managed by Packages Limited (Parent Company).

Group Structure



Packages Limited was established in 1957 as a joint venture between the Ali Group of Pakistan and Akerlund & Rausing of Sweden, to convert paper and paperboard into packaging for consumer industry. Over the years, Packages Limited continued to enhance its facilities to meet the growing demand of packaging products and in the year 2019, its BOD approved the internal restructuring to develop operating synergies across businesses and managing operations in a focused manner while streamlining the ownership structure. Since then it is operating as a holding company, managing its investments in subsidiary companies, associated companies and joint ventures, engaged in various businesses.

SUBSIDIARIES



DIC Pakistan Limited

DIC Pakistan Limited is the leading manufacturer of quality printing inks in Pakistan as joint venture company between Packages Limited and DIC Asia Pacific (Formerly Dainippon Ink & Chemicals) of Singapore. The Company started its operations in July 1994.



Bulleh-Shah Packaging (Private) Limited

Bulleh Shah Packaging, aims to provide responsible packaging solutions for brands in Pakistan. BSP is leading the market of corrugated packaging together with being the largest renewable packaging facility and the only liquid packaging board providing facility. The Company started its operations in 2005.



Packages Real Estate (Private) Limited

Packages Mall is the venture of one of Pakistan's most prestigious companies, Packages Limited, founded in 1956. The Mall has been designed on international standards by a team of foreign and local professionals. Packages Mall has rapidly risen since its inception in 2017 to become the new home of entertainment where Lahore comes to shop.



Packages Lanka (Private) Limited

Established in 1998 as a subsidiary of Packages Ltd, Pakistan, Packages Lanka (Pvt) Ltd is a leading manufacturer of laminated, Printed/Unprinted flexible packaging for consumer products. Since its inception it has grown to become one of the leading packaging companies in Sri Lanka equipped with latest state-of-the-art European machinery.

Anemone Holdings Limited

Anemone Holdings Limited, Mauritius is a special purpose vehicle established in 2015 for the purpose of special acquisitions.



Packages Investments Limited

Packages Investments Limited was incorporated in Pakistan as a public company on May 28, 2019. The Company is in setup phase and will start its operation whereby the principal activity of the company will be to hold investments in various companies.



Starch Pack (Private) Limited

Starch Pack (Private) Limited is a wholly owned subsidiary of Packages Limited and is principally engaged in the manufacture and sale of corn based starch products, its derivatives, by-products and trading of corn.



Tri-Pack Films Limited

Tri-Pack Films Limited (Tri-Pack) was incorporated as a Public Limited Company on April 29, 1993. It is principally engaged in the manufacturing and sale of Biaxially Oriented Polypropylene (BOPP) and Cast Polypropylene (CPP) film. In 2022, Packages Limited acquired 19.33% equity of Tri-Pack from Mitsubishi Corporation and now holds 69.26% shareholding in Tri-Pack and hence Tri-Pack is now a subsidiary of Packages Limited.

Linnaea Holdings Inc.

It is the intermediate holding company of Chantler Packages Inc.



Chantler Packages Inc.

Chantler Packaging Inc. and Packages Lanka (Private) Limited (a subsidiary of Packages Limited,) announce the creation of a joint venture, Chantler Packages, represents the joining together of a major packaging company with a global footprint, and a long-established Canadian enterprise with a history of innovation.

ASSOCIATE



Packages Power (Private) Limited

Packages Power (Private) Limited is a wholly owned subsidiary of Packages Limited formed for the purpose of setting up a 3.1 MW hydropower project as advertised by the Punjab Power Development Board (PPDB).



Packages Convertors Limited

Subsequent to internal restructuring in 2019-20, Packages Limited transferred its manufacturing businesses including folding cartons, flexible packaging, consumer product etc. to Packages Convertors Limited, its wholly owned subsidiary. PCL is principally engaged in the manufacture and sale of packaging materials, tissue and personal hygiene products.

IGI IGI Holdings Limited

IGI Holdings Limited - a Packages Group Company, is a public listed company and was incorporated in 1953. Objects of IGI Holdings Limited includes to act as an investment holding company and for that purpose invest, acquire, sell and hold the securities and financial instruments.

JOINT VENTURE



OmyaPack (Private) Limited

Omya provides versatile product solutions that contribute to multiple industries such as Construction, Printing & Writing, Packaging, Food, Personal & Home Care, Pharmaceuticals, Agriculture and Forestry, Water and Energy.

SUBSIDIARIES



Hoechst Pakistan Limited

Hoechst Pakistan Limited is a public limited Company incorporated in Pakistan under the repealed Companies Act, 1913 (Now the Companies Act, 2017). The Company is engaged in the manufacturing, selling, and trading of pharmaceuticals and related products. The Company has changed its name from Sanofi-Aventis Pakistan Limited to Hoechst Pakistan Limited.

Packages Trading FZCO

Packages Trading FZCO has been incorporated under the Dubai Integrated Economic Zones Authority Implementing Regulations, 2022, and registered with Dubai Integrated Economic Zones Authority. It is a wholly-owned subsidiary of Packages Limited primarily engaged in commercial trading with import, export, distribution, and warehousing.

IGI Investments (Private) Limited

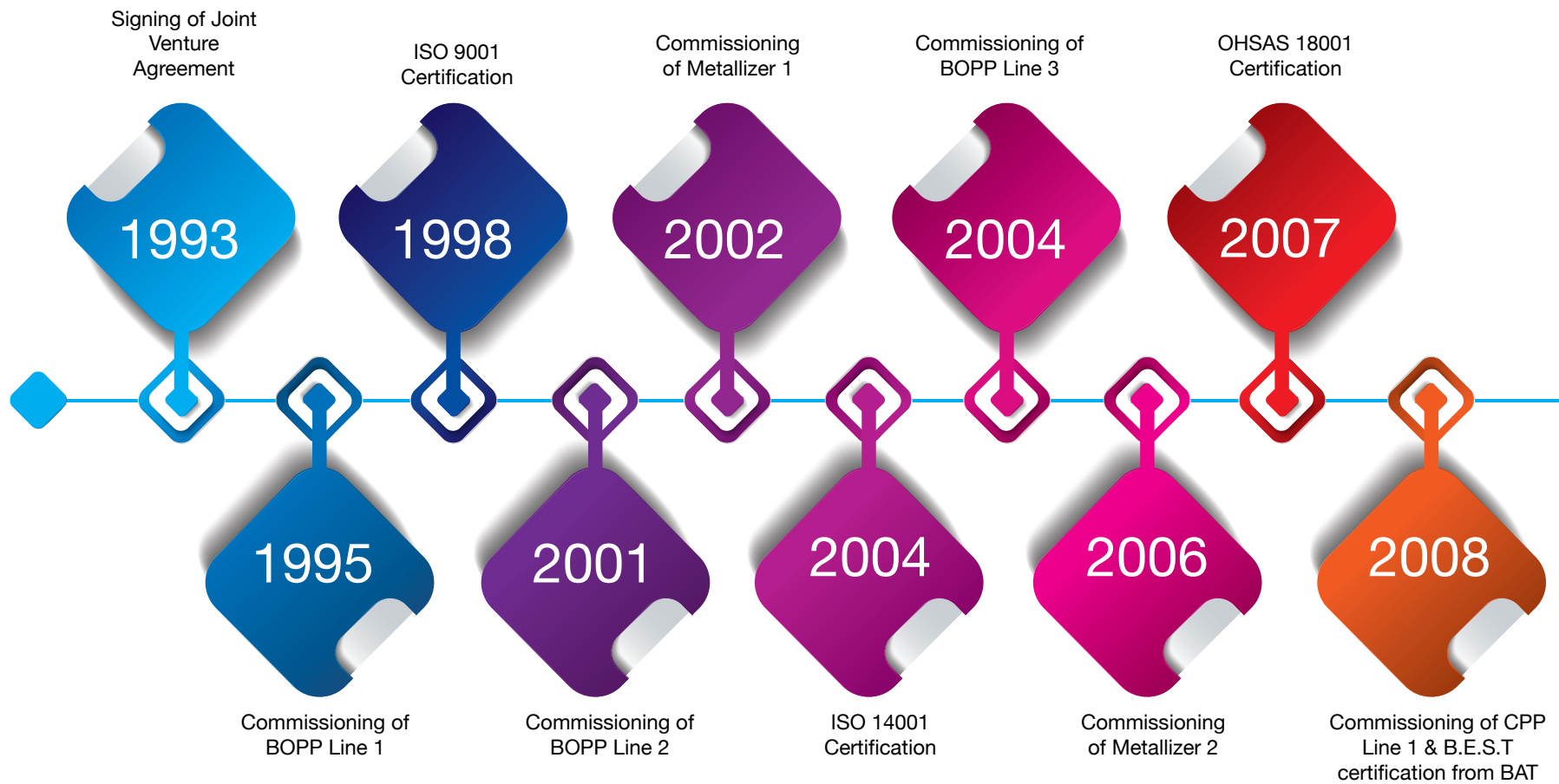
IGI Finex Securities (Private) Limited

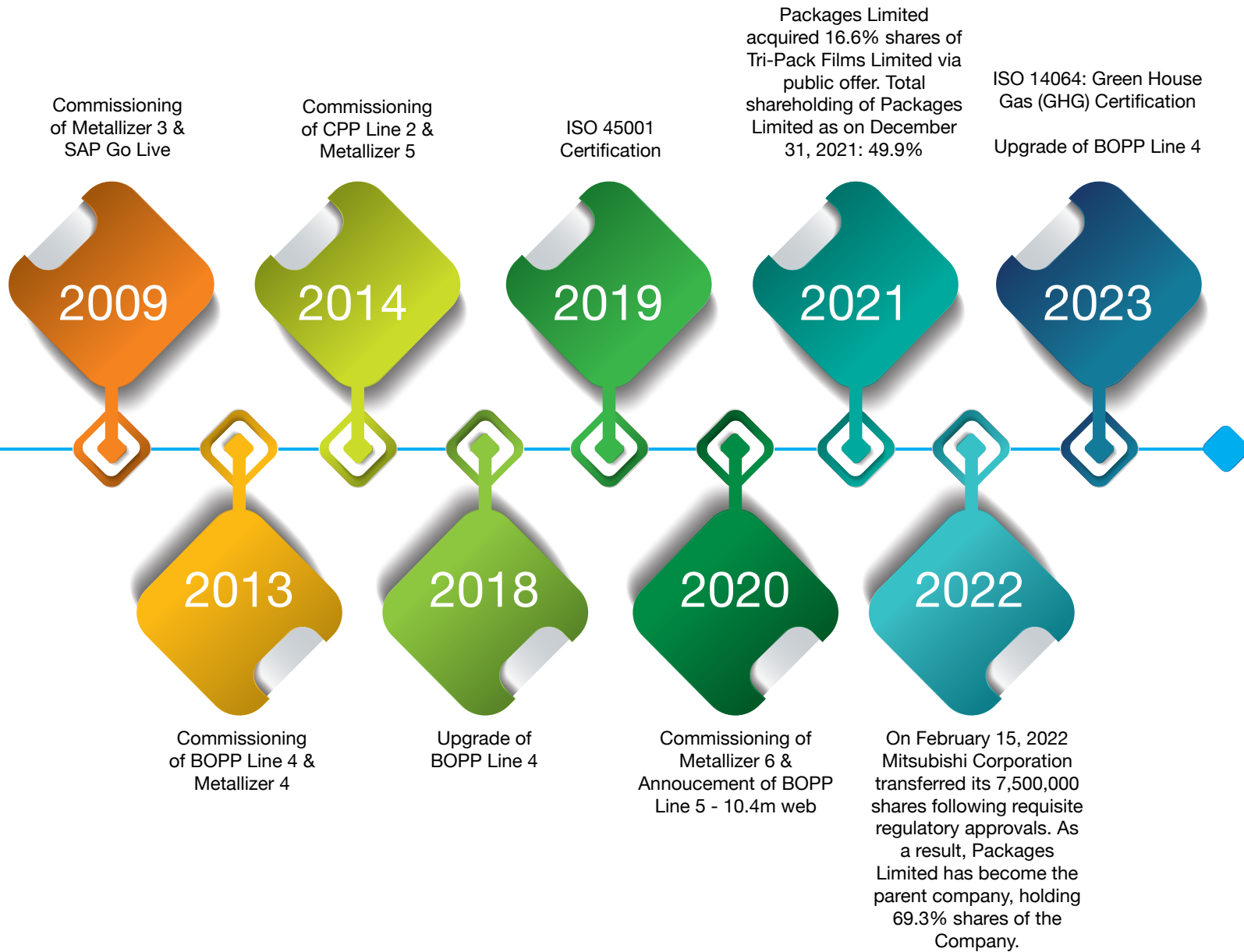
IGI FSI (Private) Limited

IGI Life Insurance Limited

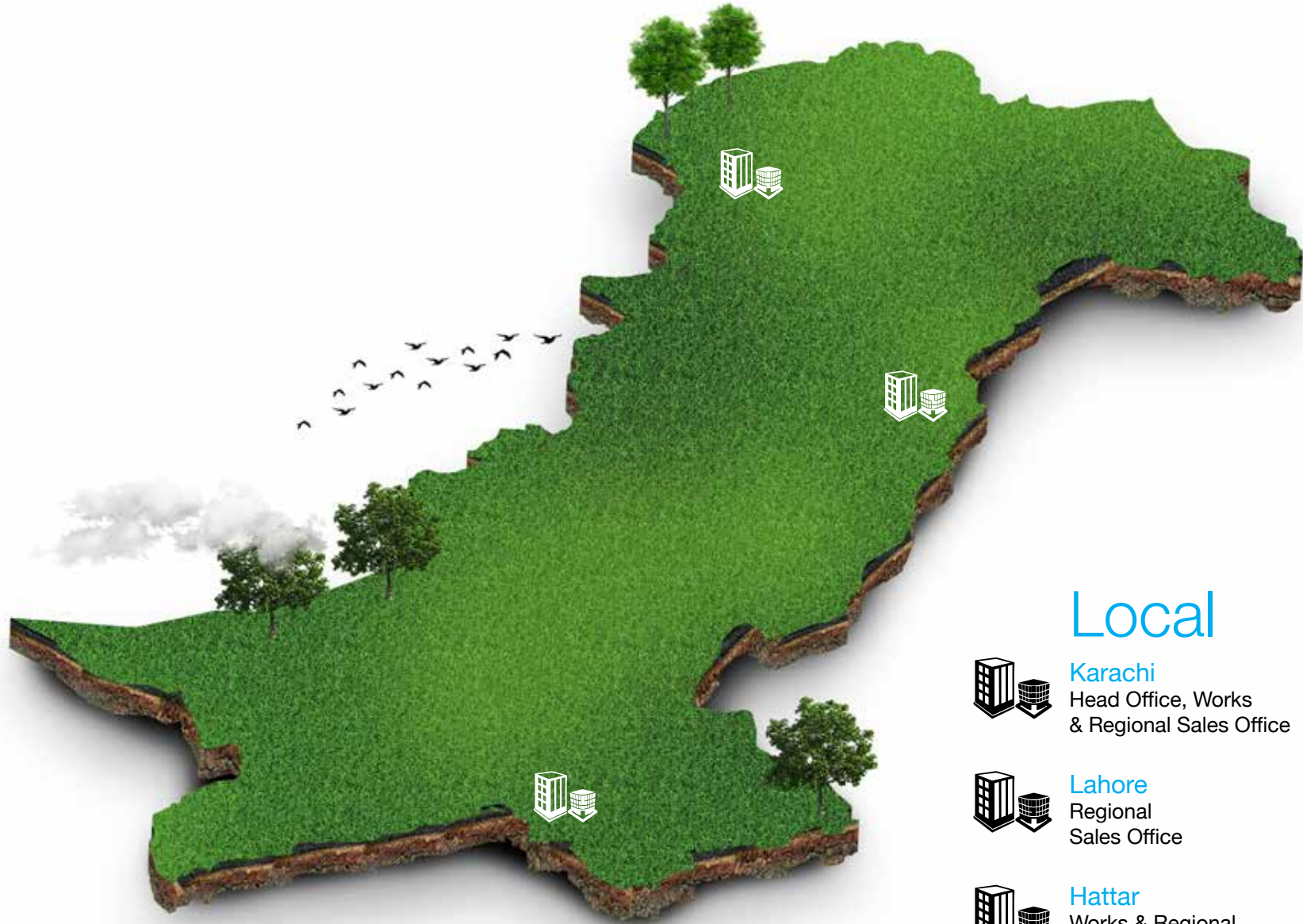
IGI General Insurance

Milestones





Geographical Presence



Local



Karachi

Head Office, Works
& Regional Sales Office



Lahore

Regional
Sales Office



Hattar

Works & Regional
Sales Office

International Markets Served



Our Products

Tri-Pack offers wide range of Biaxially Oriented and Cast Polypropylene (BOPP & CPP) packaging films, which are carefully and diligently produced to not only meet the packaging needs but also outperform the expectations of the market. Our products are best suited for food and beverage applications (snacks, confectionery, dairy food, fresh cut vegetables, beverages etc.) and non-food applications (overwrapping, lamination, bag making etc.).

We have the capability to supply films in various sizes and thickness, ranging from 10 to 150 micron. We manufacture specialized films having unique barrier characteristics for special needs of the market designed to cater the ever-growing demand of our customers.

Our films are designed to capture, enhance and protect the products that they envelope. Be it transparent, metallized or opalescent; simple wrapping or ultra-barrier; low sealing temperature films or specialized films. These films not only extend and enhance shelf life, but they also protect against the supply chain conditions. We are also specialized in developing the following high-grade films:

Low Sealing Temperature Films

Tri-Pack's portfolio conglomerates low sealing temperature films with precise slip properties which can be laminated with other films and in single web laminations for high speed horizontal packaging machines. The main feature includes higher speed packaging, wider process ability on packaging machines especially in HFFS, superb ink adhesion-heat seal strength. The main application is in snacks, biscuits, ice-cream & chocolate wrappers. It also includes frozen food items as well as health, medicine, household items such as sanitary, detergent bags and gift wrappings.

Ultra Low Temperature Sealable Film

Tri-Pack has also developed ultra-low temperature sealable films in Transparent & Metallized Printable grade films with excellent slip properties. Their superior seal integrity at low temperature makes it recommended to use sustainable structures.

Tobacco Non-Coated Transparent Wrap

The new trend in packaging is to replace the carton with clear film for the transparent collation of cigarette packs. While Tri-Pack Films

Limited already offers a suitable film for this purpose, the challenge was to develop a non-coated film that shrinks onto the collated packs providing a tight wrap. We are one of the few approved suppliers in the world who are offering such grades which are non-coated. The films are static free and offer a super wide heat-seal range for outstanding machine performance.

Anti-Fog Films

Anti-fog films are generally transparent films which go in fresh fruits / vegetables, salad packaging, meat packaging applications. The high moisture content in these food items lead to mist formation on the film surface thus affecting the visibility and therefore perceived freshness of the food packed inside. An anti-fogging film not only prevents this phenomenon leading to a better visibility of the contents inside but also renders the pack, a better shelf appeal owing to its enhanced gloss/optics.

Perforated Films

Tri-Pack now offers specially produced perforated BOPP films to help extend shelf life, improve point of sale displays and maintain the quality and freshness of fruits and vegetables.

Matt Film

Tri-Pack has extended range of products which also includes BOPP Matt film. Thanks to its excellent printability on the gloss side; sealable on the matt side; velvety appearance promoted by the matt side. Matt film creates visual impact with its "paper look" and soft touch effect.

Matt films are highly appreciated especially in monolayer or laminated flexible packaging constructions for cookies, biscuits, snacks, coffee, cereal bars, confectionery, ice-cream and general decorative applications.

In Mould Labels

In Mould Label (IML) Films are getting increasingly popular due to good aesthetics, durability of the label and the elimination of an additional step of labelling the container. Our current portfolio consists of opaque films with excellent orange peel effect.

Low Density Label films

An improved pearl white film which is co-extruded pearl white BOPP film used as a mono layer and with different substrates in bottle label application in beverage industry and in food packaging labels. We are now producing low density pearl films, significantly enhancing the yield at customer end. Tri-Pack has successfully achieved customer specific shade of our pearl white films, meeting the needs of export customers. It is specially designed for speed conversion on HFFS and VFFS machines. Outstanding opacity and great ink conversion widely used in chocolate bar wrappers, ice cream and gift wraps.

High Gloss Label Films

Our new high gloss pearl label BOPP films are best suited for products which need high level of performance and serve variety of markets like beverages, food, bath, beauty and other industrial use. It offers high gloss, improved tensile strength that facilitates high-speed printing, greater stiffness, excellent printability, moisture and abrasion resistance.

Broad Seal High Barrier

Metallized high barrier 15 microns being used as a main barrier film in chips and biscuit packaging while maintaining good metal anchorage, brilliant dimensional stability, excellent oxygen and moisture barrier with additional vibrant shine.

Ultra High Barrier Metallized Film

Metallized BOPP film is a versatile ultra-high oxygen and moisture barrier film. Even with low microns it ensures excellent gas, moisture,

aroma and mineral oil barrier for food and non-food applications that can be used in two or three lamination layers and as a foil replacement.

Heat Resistive BOPP Film

Tri-Pack Films Ltd has developed a new transparent printable biaxially oriented polypropylene (BOPP) film with a higher heat resistance compared to conventional BOPP film. The entire packaging industry are aiming to promote sustainability & green environment by recycling waste generated from flexible packaging. BOPP films have an excellent recyclability however most of the flexible packaging is made with different plastic materials with their specific properties making it difficult to recycle. Our HR BOPP film has been engineered to work as a printing layer allowing mono material structures in multi-layer laminates for various packaging applications in both food and non-food segments. The film has excellent slip properties, good machinability and has a great performance on high-speed VFFS and HFFS machines. It has good thermal stability (no shrinkage) compared to conventional BOPP films. It will prove to be a good replacement in packaging machines where the sealing temperatures are higher.

Cold Seal

Tri-Pack offers cold seal films which is engineered to anchor the cold seal adhesive on one surface with easy release from another surface. The principal benefit of cold-seal packaging is the increase in packaging speed over heat-seal packaging and regulations. Moreover, it is highly recommended for heat sensitive products like chocolates bars, cereal bars etc which must be protected from heat to avoid melting while sealing operation.

BOPE

Tri-Pack has again broadened its product portfolio by adding newly developed BOPE films. It is available in both transparent & metallized grades. Its main features include excellent printability, low temperature sealable with excellent seal integrity, high barrier properties & high stiffness & tensile strength compared to conventional blown PE films. These properties make it to replace conventional blown PE films with low grammage BOPE films in detergents, soaps, ketchup & mayonnaise pouches etc.

BOPP Super Barrier Film.

Tri-Pack Films Ltd has recently introduced the Super Barrier BOPP film having impressive properties with an OTR of 0.1 cm³/m².day and WVTR of 0.1 g//m².day, making it comparable to aluminum foil. The current packaging laminated structures, which combine plastic films with metallic aluminum foil, pose recycling challenges, particularly in laminated configurations where aluminum is sandwiched between plastic films in triplex structures used in spices and dry milk powder applications. The super barrier BOPP film, innovated by Tri-Pack Films Ltd, presents a viable alternative to aluminum foil, providing similar OTR and WVTR values in laminated structures while enhancing recyclability and promoting sustainability.

CPP High Speed Lamination Films

Tri-Pack has latest innovative variant of high speed CPP transparent film with good slip properties for pasta and bakery packaging applications.

Paper Bond Film

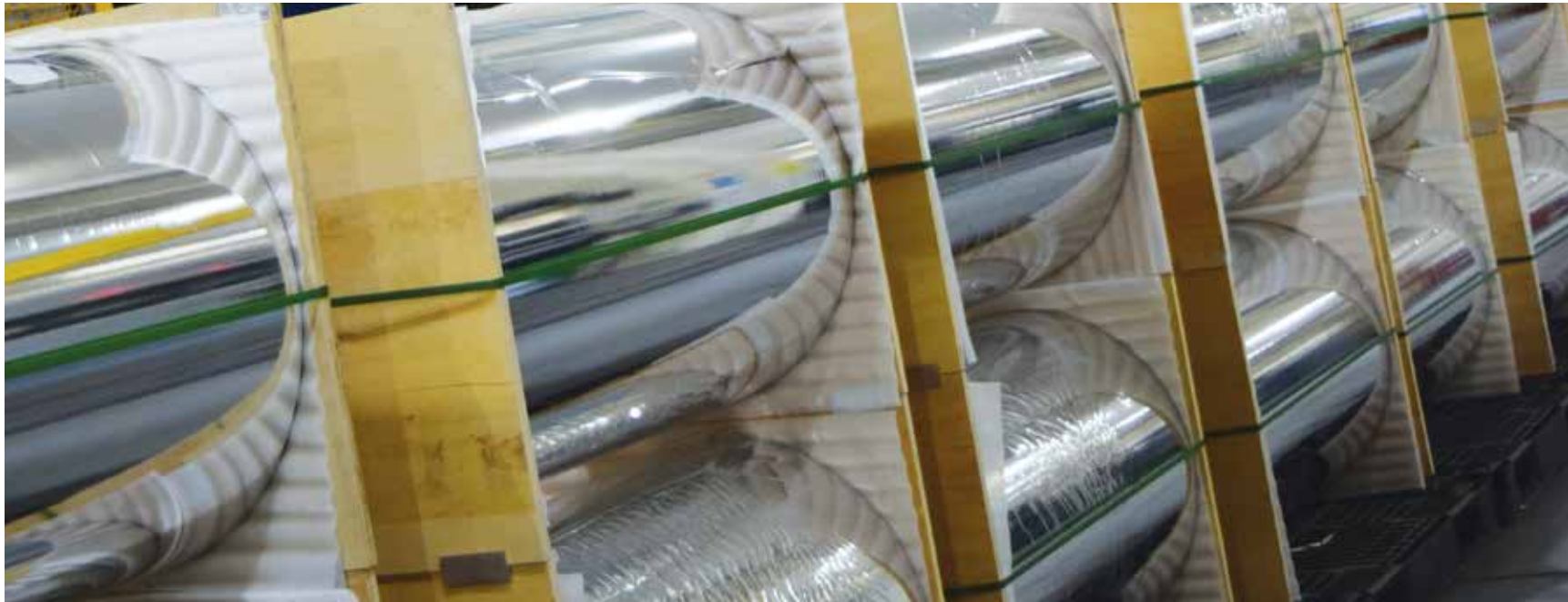
Tri-Pack also offers specially produced CPP film that bonds with paper for syringe packaging to improve point of sale display.

CPP Metallized Low Temperature Heat Sealable Film

Tri-Pack has successfully accomplished the production of CPP metallized low heat sealable film in low micron for high speed machines. This metallized film has improved metal anchorage and good oxygen and moisture barrier with brilliant shine.

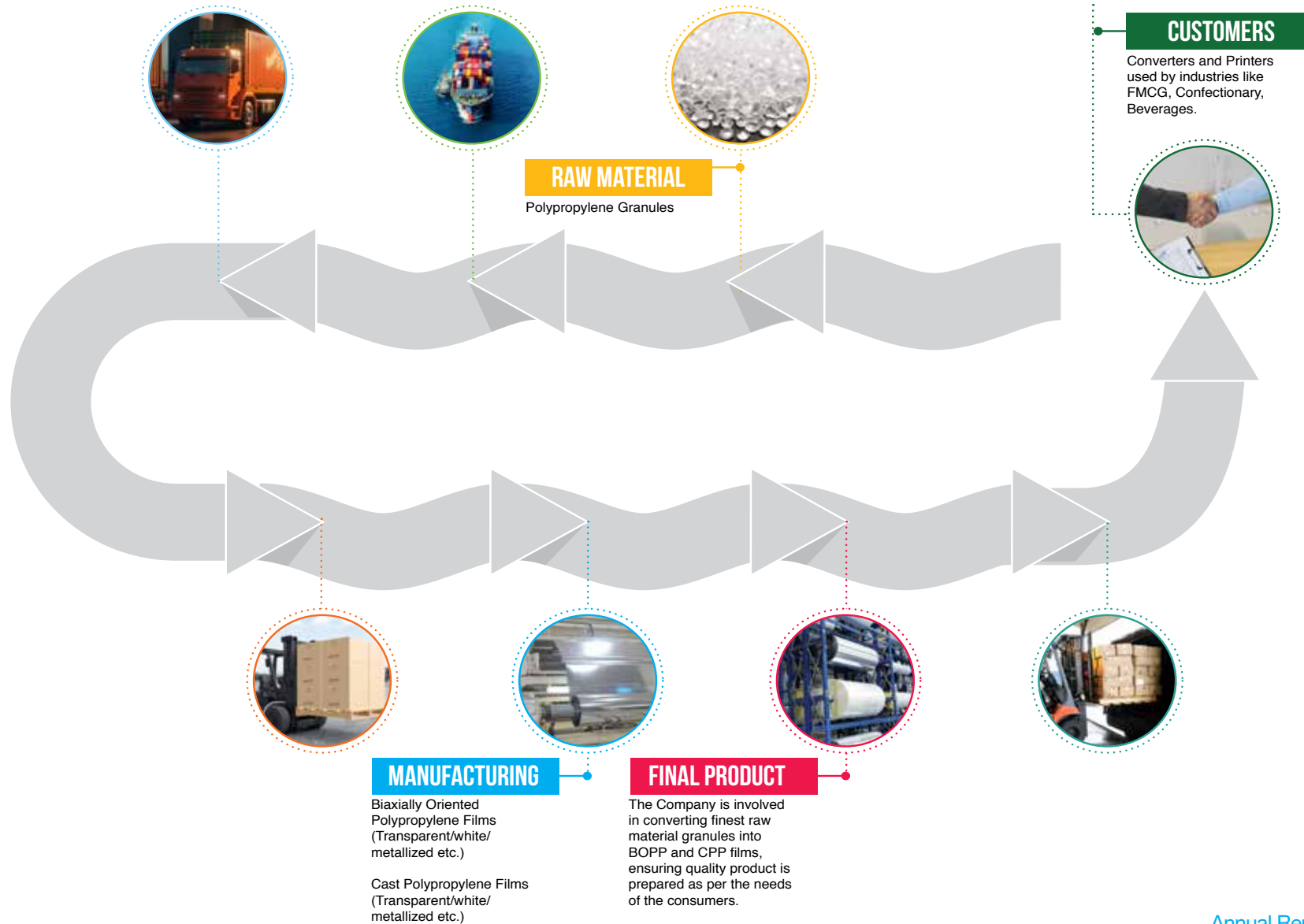
CPP Metallized High Barrier Film

The newly developed heat sealable high barrier cpp film enabling packaging machine to run at good speed with high barrier properties and good metal adhesion. The films is most suitable for biscuits, cookies, and crackers, snack food applications, chocolates and ice-cream.









Value Chain

Tri-Pack has always strived to deliver best quality products to its customers and one of the main factors that helped the Company to execute it efficiently is through an efficient value chain network.



Significant Factors Affecting the External Environment

	P POLITICAL	E ECONOMICAL	S SOCIAL	T TECHNOLOGICAL	E ENVIRONMENTAL	L LEGAL
DEFINITION	Political factors pertain to the extent to which government policies and actions impact the economy, a specific industry and an organization.	Economic factors take into account the various aspects of financial state of the economy and are generally measured and reported by the Central Bank.	Social factors include the cultural and demographic trends of the society. They form the norms, customs, culture and values within which the organization operates.	Technological factors form link to innovations in technology that may affect the operations of the industry and the market favorably or unfavorably.	Environmental factors refer to the ecological conditions and climate changes that affect the Company. Every Company has its impact on the environment.	Legal factors include current and impending legislation that may affect the industry in areas such as employment, competition, and health and safety.
FACTORS AFFECTING EXTERNAL ENVIRONMENT	Political uncertainty may disrupt the overall business and operations environment including demand.	The economy of the country is grappling with uncertainty amid rising interest rates, depreciation of the Pak Rupee against major currencies, a foreign exchange availability crisis impacting imports, high exchange rate volatility, unprecedented inflation, and a substantial increase in energy prices and benchmark discount rates. These economic factors are regularly being monitored by the management taking proactive measures to consolidate on positive economic indicators while countering the negative ones. The difficulties in the business and economy is expected to remain a challenge for the Company.	The Company considers an obligation towards the betterment and welfare of its employees as well as the society at large.	We believe advancement in technology plays a vital role in the growth of Tri-Pack. Not catching up with technological advancements limits process and product advancement which adversely affects results.	As the weather extremes and the biological conditions become more and more critical to the human activities it is of prime importance that organizations educate, spread awareness and take adequate steps to reduce pollution and harmful materials within our surroundings.	Companies are required to follow all the legal requirements that are applicable to the industry it operates in.
ORGANIZATION'S RESPONSE	The Company remains vigilant to the ever changing political environment of the country and takes necessary steps to mitigate and avoid any adverse impact on the Company's business.	The Company is ever more focused on managing its working capital to mitigate the effects of increasing interest rates and cost controlling drives are going on. Company remains vigilant to the rapidly evolving macro environment and international trends, assessing critically its impact on the productivity and profitability and taking necessary measures to minimize any adverse impact.	The Company has made donations to various organizations working for social causes, provided financial aid to merit student and encouraged women empowerment within the Company. The Company took the initiative to induct differentially abled persons in its departments.	Tri-Pack has a dedicated Research and Development department which is persistent in product development and innovation along with reducing the cost of production through technological advancement. Further, to cater to the increased demand of BOPP films in Pakistan, the Company has announced a new state-of-the-art BOPP Film manufacturing line. The Company keeps itself updated in IT landscape as well.	Tri-Pack is always committed to have a positive impact on the environment. To operate sustainably and responsibly in our business and yield greater social impact, we have aligned our environmental and social obligations United Nations Sustainable Development Goals (SDGs).	Tri-Pack abides by all the applicable laws like Companies Act 2017, Income tax Ordinance 2001, SECP Act, Code of Corporate Governance, laws related to labor, environment etc.
						

Significant Changes from Prior Year

On June 08, 2021, Packages Limited entered into a Share Purchase Agreement with Mitsubishi Corporation (MC) for purchase of 7,500,000 ordinary shares representing approximately 19.33% shareholding in the Company. Consequently, Packages Limited made a public offer to acquire up to 6,438,598 shares (representing 16.6% of the total issued paid up share capital of the Company) from general public in accordance with the provisions of Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017. Public offer procedures were concluded and

shares were transferred to Packages Limited on December 31, 2021. Subsequently, on February 15, 2022 Mitsubishi Corporation transferred its 7,500,000 shares following requisite regulatory approvals including payment.

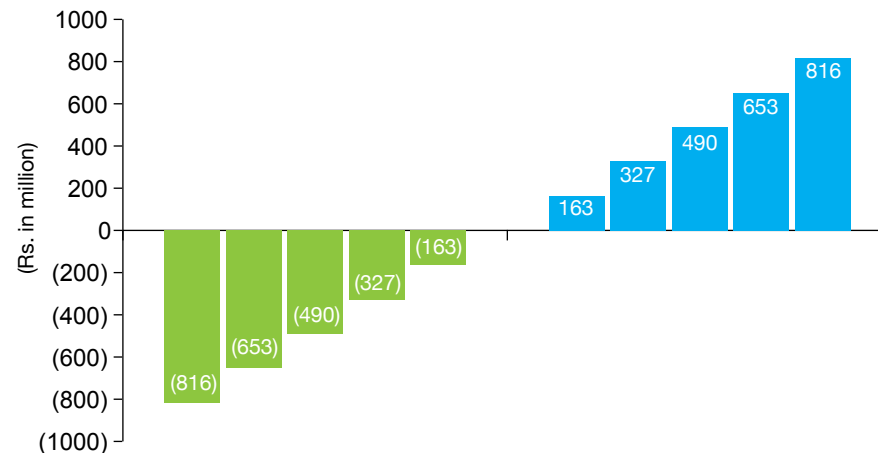
As a result of the above transactions Packages Limited has become the parent company, holding 69.3% shares of the Company.

During 2023, there has been no significant change from prior year.

Composition of local Versus Imported Material and Sensitivity Analysis due to Foreign Currency Fluctuation

Raw material of the Company is entirely imported from various regions across the globe. Thus, the company is highly exposed to the currency risk and is directly affected by any variation in foreign exchange rates. Keeping all other factors constant an increase or decrease of 5% in exchange rates will have an impact of Rs. 816 million on raw material purchases.

The company observes minutely any change in the exchange rates and acts accordingly to ensure any adverse impacts are duly mitigated.



Competitive Landscape and Market Positioning

Over more than two decades, Tri-Pack Films Limited has enhanced its product portfolio offering an extensive range of Biaxially Oriented and Cast Polypropylene (BOPP & CPP) packaging solutions keeping in view the varying needs of the market and the evolving trend of sustainable yet eco-friendly packaging. We aim to exceed the expectations of the market and excel in what we do.

Our brand range is well-suited for diversified usage including food and beverage applications (snacks, confectionery, dairy food, fresh cut vegetables, beverages etc.) and non-food applications (overwrapping, lamination, bag making etc.).

Our competitive edge lies in our capacity to supply films in various specifications as required by our esteemed customers. Our specialized films have unique characteristics and are designed to capture, enhance and shield the products they encase. These films have the ability to preserve the product and enhance their shelf life against harsh weather and logistical conditions.

We believe that the secret to maintain the leading market position is to adapt and evolve with the rapidly changing dynamics of the market. We constantly strive to explore and enter new markets nationally as well as internationally. Owing to this we are looking forward to our new BOPP line to enhance our capacity and cater the market demand.

Competition in the industry

Despite few producers in the industry, the competition in the film manufacturing industry is quite high. However, Tri-Pack Films Limited maintains its position as the market leader as it continues to cater the market demand and increase its market share. The company also contests against international players.

Potential of new entrants into the industry

Despite removal of anti-dumping duties, the potential of players entering the packaging industry is limited given the high capital requirement. New CPP manufacturing lines have been commissioned

during the year. However, our expertise, strategic positioning and state of the art machinery combined with our commitment to satisfy our stakeholders gives us precedence in the packaging industry.

Power of Suppliers

Our raw material is entirely imported from across the globe thus there is an increased reliance on our suppliers. We purchase granules from some of the best international suppliers who are fore-runners in their fields. We hold great regards, maintain cordial relations with them and consider them as our valued associates in business. The company has contracts and agreed pricing mechanisms in place with these vendors. Our supply chain department is dedicated to ensure continuity of plant operations by establishing constant supply of raw materials at finest prices within scheduled timelines.

Power of Customers

To satisfy our customers and meet their demands is prime focus of Tri-Pack's mission statement. Our customers majorly include convertors who purchase films from us and convert them as per the branding requirements. Due to our wide range of film type we possess a diverse range of customers all of whom are treated at top priorities. We seek to fulfil their requirements and designs by continuously assessing the market trend and evolving our products likewise.

Threat of Substitutes

The drastic climatic changes and the innovation on global level has led the world being ever more inclined towards eco-friendly and sustainable use of products. Global brands are now concentrating on adopting environmentally safe packaging solutions for their products. Thus, there is a switch expected from other packaging materials to BOPP film packaging since it can be recycled conveniently as well as be sculpted to serve the desired packaging purpose.

We believe that our position in the market is robust as we put in efforts to maintain our edge.





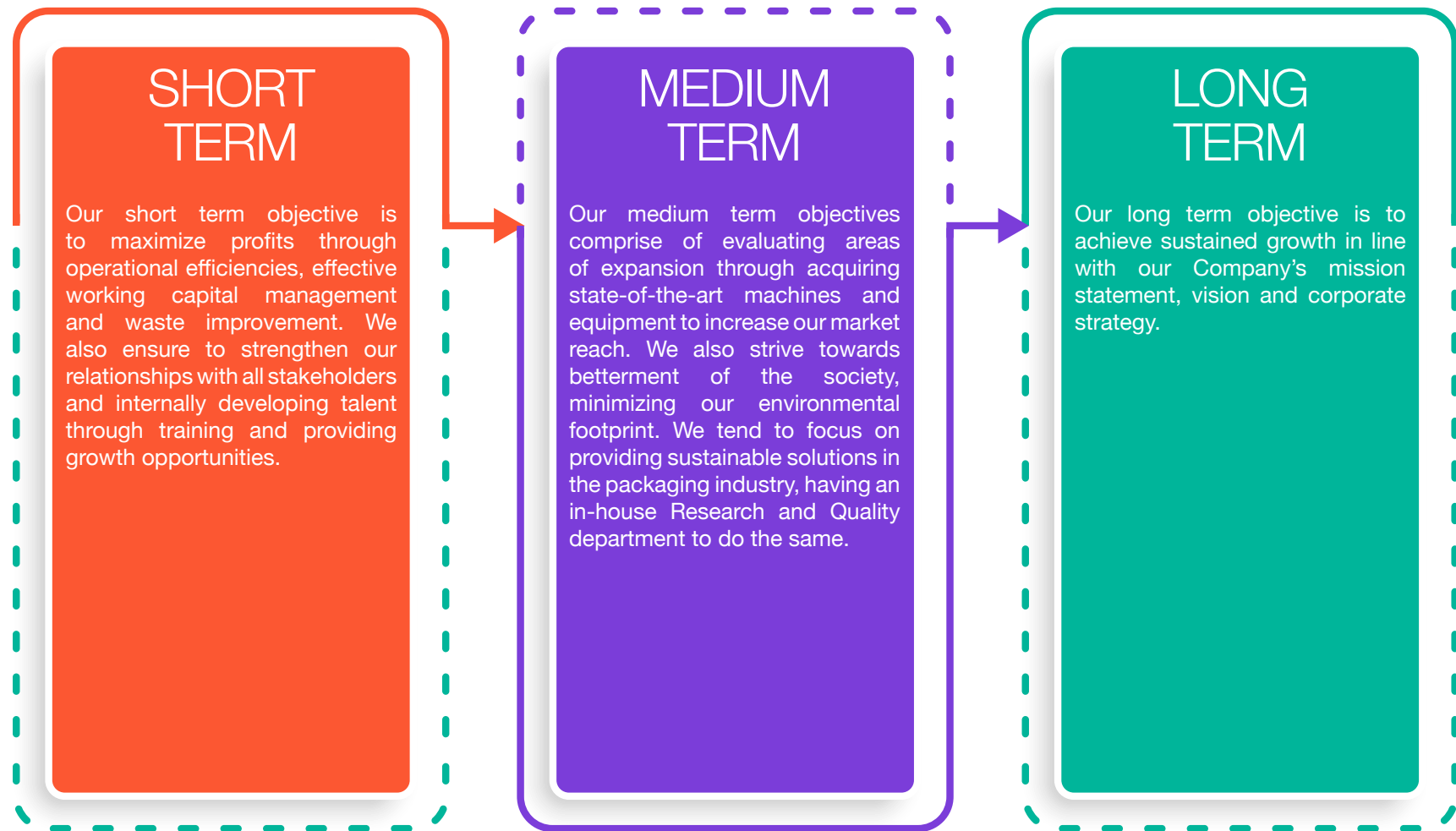


Strategy and Resource Allocation

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Short, Medium & Long Term Objectives and Strategies in Place

Tri-Pack Films Limited has always focused on setting SMART objectives with the intention to ensure goal congruence. The overall objectives of the Company are set by the Board and performance against those objectives is timely reported. These objectives are aligned with the Company's vision and mission statement.





Liquidity Strategy and Financing Position

The vigilant monitoring and timely decision-making are fundamental to effectively managing our operational working capital. We maintain a balance between liabilities and receivables while ensuring adequate inventory levels, considering business dynamics.

Current Liquidity strategy

Tri-Pack Films Limited maintains a stable liquidity position by monitoring daily fund availability. This practice enables us to effectively manage funds and ensure prompt payments to vendors without delays.

Financing Position

The Company has cordial business relations with all the reputed banks and financial institutions of the Country. Adequate unutilized short-term financing facilities are available at the Company's disposal. In the past the Company has obtained long-term loans to finance expansion projects at attractive markup rates, the repayment of which is as per schedule. In this way, gearing levels are kept in check and we ensure covenants are fulfilled.

Significant Plans and Decisions

The Company has remained committed to achieving process improvements through technological advancements and upgradations. Growth and expansion is depicted in our milestone road map, with the addition of year 2020 as the Company announced to acquire another state-of-the-art BOPP film manufacturing line. The decision was based keeping in view increased demand of BOPP films in Pakistan and offer faster delivery, better quality, greater convenience and increased flexibility to its customers.

Significant Changes in Objectives and Strategies

Objectives and strategies are in line with the Mission Statement and Corporate Strategy of the Company and there is no material change in Company's objectives and strategies from the prior years.

Business Continuity Plan

Tri-Pack Films Limited recognizes its responsibility to operate and ascertain protection of business operations from any sort of disruption.

We have a Business Continuity Plan in place identifying the mandate and responsibilities of 'Business Continuity Management Team (BCMT)' and support functions. The BCP is in line with the risk identification and assessment plan that takes into account the risk faced by the Company, their financial impact, mitigating controls and risks that might affect the operations of the Company. Based on this, disaster classification criteria have been established i.e. Green, Yellow, Brown and Red (Low to High; Left to right). These risks are mentioned in section 'Risks and Opportunities' on page no 44 and 46.

Formal trainings and drills are being conducted to impart and educate the people throughout the organization. Testing of BCP is also carried out as per plan to ensure that the plan remains effective. Any flaw identified during testing is assessed and reviewed by the BCMT and Executive Management Team and changes are updated accordingly.

The Effect of Societal Issues, Technological Change & Environmental Challenges

Tri-Pack Films Limited has a robust mechanism to ensure that the resources are efficiently allocated to implement the strategy and financial capital structure. However, with the ever changing business environment, there are certain challenges that the Company faces in implementing the resource allocation plan:

	Societal Issues	Technological Change	Environmental Challenge
Capital affected	<ul style="list-style-type: none"> • Human • Manufactured • Intellectual • Social & Relationship 	<ul style="list-style-type: none"> • Manufactured • Financial • Intellectual 	<ul style="list-style-type: none"> • Human • Manufactured • Financial • Natural
What are the challenges?	Population and demographic changes, human rights, health, education and poverty.	Ever changing fast paced technology, less competitive, poor product quality, higher process inefficiencies.	Energy crises, high carbon footprint, poor employee safety.
What are we doing?	Tri-Pack is involved in various CSR activities, based on the idea of giving back to the society. Employee safety is our utmost priority. Medical benefits are provided to employees along with in-house medical team for emergencies. Further, diversity and inclusion also remains our key focus.	Tri-Pack has a history of investing in latest technology to fulfil the market gap and generate process efficiencies. We have a dedicated in-house team for R&D for product innovation and improvement. Under the direction of management, existing processes are improved to reduce wastages and increase productivity.	Tri-Pack has a sustainable portfolio of vendors to ensure continuity of material supply. Through technological advancement, we try to reduce our carbon footprint and emission. We have invested in recycling machines to recycle and reuse wastages from the production process.

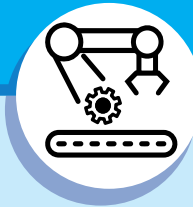
Resource Allocation Plan

Human Capital



Our people are integral to every aspect of our strategy. We invest in their development through training, workshops, job rotations, coaching, and special projects. Our goal is to motivate and equip them for successful, long-term careers with us, ensuring future-focused performance. By offering growth opportunities and fostering a supportive environment, we aim to attract and retain top talent.

Manufactured Capital



Tri-Pack Films Limited has installed four BOPP lines and two CPP lines. Besides that, the Company has several metallizers and slitting machines to cater to customer's specific requirements. Considering the market dynamics, we have acquired state-of-the-art metallizers and slitter machines. The Company has also announced investment in new BOPP line to deliver market demand.

To further improve operational efficiency and reduce process wastages, focus remained on engagements with consultants from equipment suppliers and industry experts.

Financial Capital



As at December 31, 2023, the Company has a debt to equity ratio of 71:29 and an outstanding long term loan of Rs 8.9 billion (including current maturity). Further, short term borrowings were at Rs 4.9 billion. We invest in high margins and growth products. Investment into new machines are only made after they are financially feasible and meets the minimum return benchmarks.

Intellectual Capital



The Company is operating in a highly competitive and challenging environment where the needs of our customers are dynamically evolving. Corporates and consumers are moving towards economic, efficient and sustainable alternatives. We have a competent team of individuals driving the research and development department, which strives to not only develop new products but to also enhance the properties of the existing ones. Our intellectual capital is vested in our experts who formulate carefully the technique and process of film manufacturing while ensuring that maximum utility is gained from minimum and efficient use of machinery and resources.

Social and Relationship Capital



We believe that regular communication with stakeholders is an important part of creating an open and constructive environment. We respond to our shareholders' expectations through improvements in business operations, effective governance and corporate reporting framework. When it comes to customers, Tri-Pack has invested significantly over the years in customer relationship management going beyond extending usual credit facilities and trade discounts. In dealings with supply and financing partners, we support open communication and aspire to engage for a long term relationship.

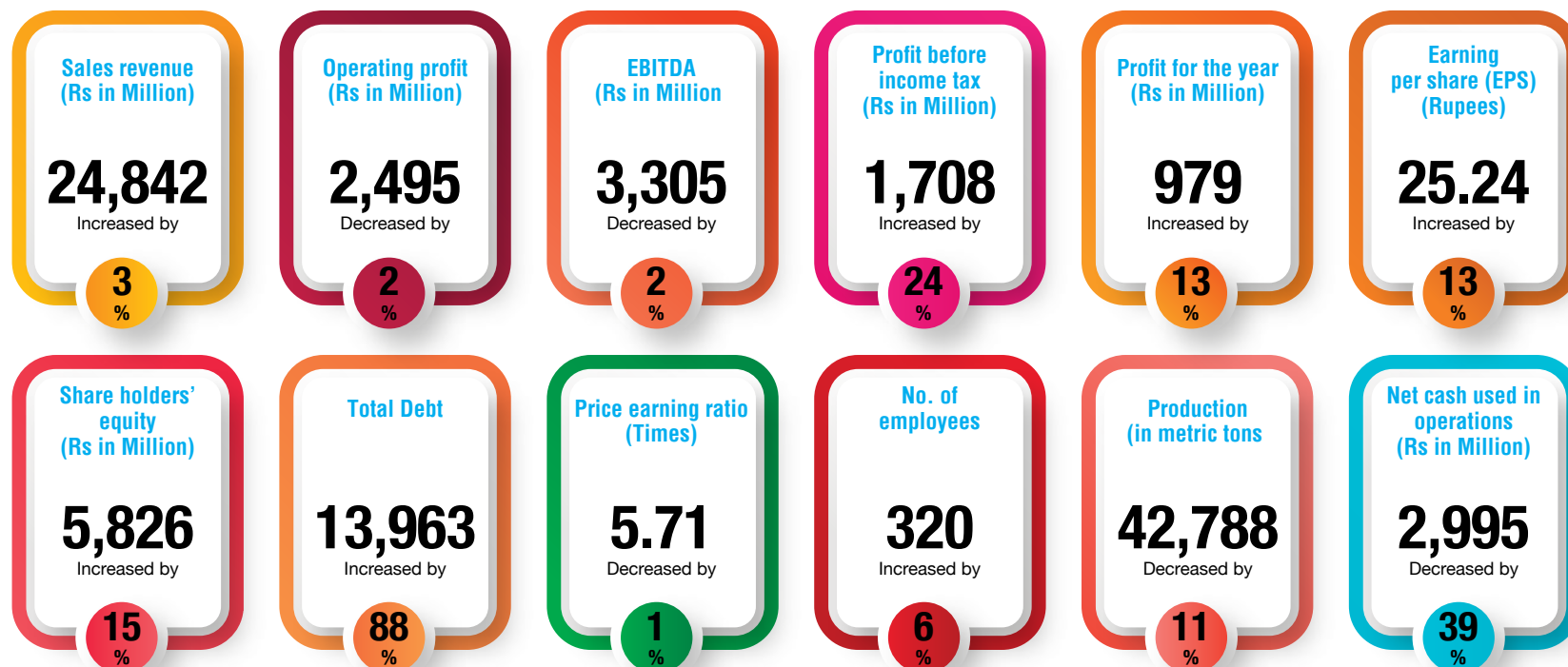
Natural Capital



Natural Capital is the environmental stock or resources of earth which provide goods and ecological services required to support life. Tri-Pack has always been keen to abide and go beyond the legal requirement of health and safety in its production process which is reflected in our 17th, 18th, 19th and 20th Annual Environment Excellence Awards by NFEH. We try to minimize the carbon footprint of production process through recyclability or reusability. Emission exhausted by gas engines is used to operate the absorption chillers. We abide by the parameters as set in Sindh Environment Protection Act 2014 for industrial effluents. Any waste generated during production is recycled using recycling machines.

Key Performance Indicators

Financial Indicators



Methods and Assumptions Used

Everyone strives to increase the top and bottom line of a business, trying to gain more market share in an attempt to increase profits and Tri-Pack Films Limited is no different. We vigilantly monitor our KPIs to remain competitive.





The vision to maximize the wealth of our shareholders reflects in our performance and the same can be seen from our set KPIs. Sales revenue, profitability, earnings per share are basic financial indicators. All of these KPIs eventually reflect in our shareholder equity position.

Considering debt to equity ratio of 71:29, monitoring of debt levels is our top priority. We ensure to meet all our covenants as set by the financing institutions.

The cash generated from operations is directly connected to our higher debt position. In order to sustain, we need to be pragmatic in managing our cash flows and working capital.

These key performance indicators will be relevant for the organization in the future as well. However, these are also assessed regularly and if needed will be changed keeping in view the changing business scenario.

Non-Financial Indicators

 Capital Forms	 Objective	 KPI Monitored	 Future Relevance
Human Capital	Training needs Health and safety	Number of training man-hours Zero lost time injury, number of near misses, unsafe acts etc.	Human resource function is crucial to achieve Company's mission and will always be.
Manufactured Capital	Maintain market share Overall Equipment Effectiveness (OEE) Focus on quality	Market share of BOPP and CPP films Monitoring of machine availability, performance and product quality against benchmarks Number of customer complaints /customer retention ratio	Considering the competitive nature of the industry, achieving operational efficiencies shall always be our KPI.
Intellectual Capital	Upgrade automated systems Product development and innovation	Timely upgradation of automated systems and conversion of manual workflows to automated workflows. Increase in share of specialized films against commodity film volumes	We shall continue to innovate and expand our reach, making opportunities for the Company to expand.
Social and Relationship Capital	Customer relationship Employee engagement level Supplier relationship	Quality of product, OTIF delivery and customer feedback Employee Engagement Score (EES) Timely payment and supplier feedback	We focus on strengthening our relationship with all our stakeholders and shall continue to do so.
Natural Capital	Compliance with all environmental regulations	Full compliance of all the relatable laws	We shall nurture and inculcate a culture based on high ethical standards to meet our obligations towards the environment.





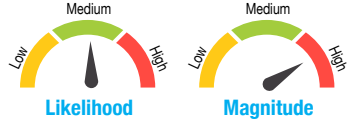
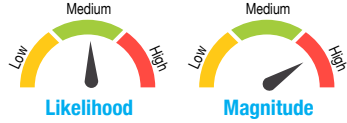
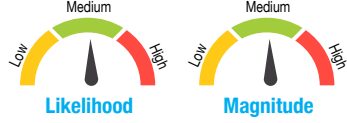
Risks and Opportunities

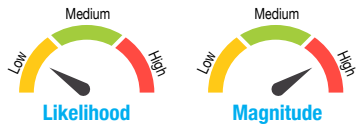
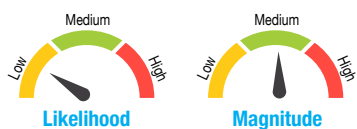
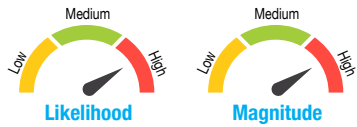
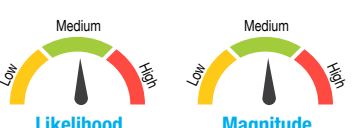
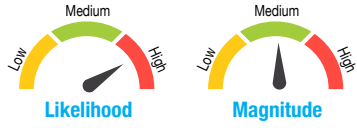
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Risks and Opportunities

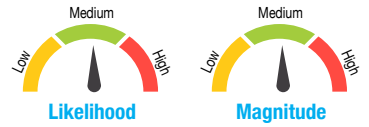
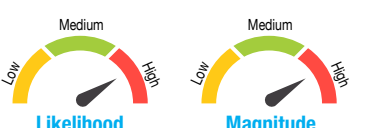
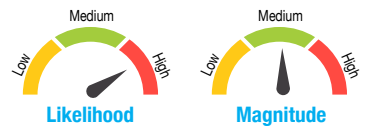
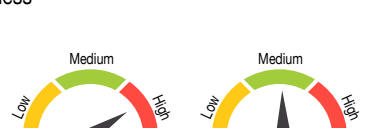
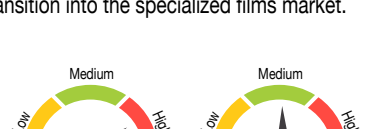
Tri-Pack Films Limited is dedicated to proactively managing risks and leveraging opportunities to strengthen our market position and foster business expansion. Our decisions are thoughtfully crafted with a primary focus on shareholder interests, ensuring harmonization with the company's overarching prosperity.

Risks

Risks	Source	Capital	Term Categorisation	Mitigating Factor	Associated Strategic Objective
<p>Availability of Raw Material</p> 	External	- Manufactured	- Short term - Medium term - Long term	Guarantee timely acquisition of raw materials and establish sufficient buffer stocks to navigate challenging periods effectively.	Our goal is to meet our customers' needs by providing timely delivery of products according to their specifications.
<p>Elevated expenses of imported raw materials</p> 	External	- Financial	- Medium term - Long term	The cost of raw materials constitutes a significant portion of the overall production costs for the Company. Given the evolving global economic landscape and rising inflation rates, any increases in raw material costs will directly impact production expenses.	Our aim is to consistently deliver top-quality films to our customers promptly and efficiently.
<p>Gas availability</p> <p>Reduction in gas pressure or deterioration in gas quality resulting in low load on engines and production losses.</p> 	External	- Financial - Manufactured	- Short term - Medium term	During instances of recurring gas load management or shutdowns, the Company incurs substantial expenses by renting generators. Additionally, continuous monitoring of gas quality is conducted, and if any issues are identified, diesel or furnace oil engines are deployed to offset load reduction. Moreover, the Company has established alternative energy sources such as KE and solar power connections.	Ensuring uninterrupted delivery of goods to our customers at competitive prices is our priority. We are committed to maintaining a steady supply chain to meet the demands of our clientele efficiently. Additionally, we constantly strive to optimize our production processes to enhance cost-effectiveness and pass on the benefits to our customers through economical pricing strategies. Our focus on reliability and affordability underscores our dedication to customer satisfaction.

Risk	Source	Capital	Term Categorisation	Mitigating Factor	Associated Strategic Objective
<p>Cyber security threat; Compromised information integrity; Information leakage.</p> 	External	<ul style="list-style-type: none"> - Intellectual - Financial - Social and relationship 	<ul style="list-style-type: none"> - Short term - Medium term - Long term 	We maintain robust cybersecurity measures by implementing both hardware and software firewalls, which are regularly updated in real-time. Our computer systems and servers are equipped with up-to-date antivirus software for enhanced protection. Furthermore, we conduct periodic vulnerability assessments to ensure the integrity and security of our network infrastructure.	Our utmost priority is to safeguard all data, whether internal or external, from any potential risks or threats at all times.
<p>Credit Risk</p> 	Internal	<ul style="list-style-type: none"> - Financial 	<ul style="list-style-type: none"> - Short term - Medium term 	We diligently monitor credit limits to prevent any customer from exceeding their approved limit.	Our commitment lies in continually generating value for our stakeholders
<p>Machine breakdown/Hazards</p> 	External	<ul style="list-style-type: none"> - Manufactured - Financial 	<ul style="list-style-type: none"> - Short term - Medium term 	Regular and timely maintenance of machinery is carried out to mitigate the risk of breakdowns.	Our aim is to consistently deliver goods to our customers in a timely manner, ensuring uninterrupted supply at competitive prices.
<p>Vulnerability of fluctuations in exchange rates</p> 	External	<ul style="list-style-type: none"> - Financial 	<ul style="list-style-type: none"> - Short term - Medium term 	Considering our exposure to foreign currency fluctuations, we conduct regular monitoring and adjust prices accordingly to reflect any exchange rate impacts for our customers.	Our objective is to consistently deliver goods to our customers with uninterrupted and punctual supply, all while maintaining competitive pricing.
<p>Increasing policy rates</p> <p>Increasing policy rates will decrease the profitability of the Company as our working capital and expansion project financing is debt based.</p> 	External	<ul style="list-style-type: none"> - Financial 	<ul style="list-style-type: none"> - Short term - Medium term - Long term 	<ul style="list-style-type: none"> -To ensure timely recovery of receivables. -Efficient working capital management strategies. -To negotiate best possible rates with our lenders 	To enhance shareholder's value and make business profitable.

Opportunities

Opportunities	Source	Capital	Term Categorisation	How to Achieve Them?	Associated Strategic Objective
<p>Lowering production costs through the implementation of cutting-edge technological solutions.</p> 	Internal	<ul style="list-style-type: none"> - Intellectual - Financial - Manufactured 	<ul style="list-style-type: none"> - Medium term - Long term 	To enhance both productivity and profitability, the Company allocates resources towards investing in new technology and associated IT capabilities.	Utilize cost effective technology solutions to maintain our competitive advantage.
<p>Exploring potential market opportunities</p> 	External	<ul style="list-style-type: none"> - Social and relationship - Intellectual - Financial 	<ul style="list-style-type: none"> - Long term 	The Company prioritizes innovation and product development to expand into new markets and stimulate demand. Additionally, we are actively exploring untapped opportunities both domestically and internationally. In 2023, we successfully entered export markets in multiple new countries.	Our commitment remains steadfast in continuously developing new products and expanding into both local and international markets to strengthen our presence.
<p>Leverage existing capacity to diversify product offerings and fulfill large-scale orders</p> 	External / Internal	<ul style="list-style-type: none"> - Social and relationship - Manufactured - Financial 	<ul style="list-style-type: none"> - Long term 	The company is dedicated to tapping into all possible markets, both domestically and internationally, to maximize volumes and enhance market share. Our investment in a new BOPP line illustrates our commitment to this strategic direction.	Our goal is to consistently supply our customers with goods in a timely manner, ensuring uninterrupted service at competitive prices.
<p>Creating synergies within the Packages Group to elevate the overall value and performance of the business</p> 	External / Internal	<ul style="list-style-type: none"> - Financial - Intellectual - Social 	<ul style="list-style-type: none"> - Short term - Medium term - Long term 	<ul style="list-style-type: none"> - Leveraging the unique strengths of various related businesses within the Group to optimize operational efficiency and effectiveness. - Expanding stakeholder engagement and reach to foster stronger relationships and support sustainable growth. - Negotiating with shared suppliers and customers to maximize value for all parties involved. 	To optimize shareholder value and deliver a comprehensive value proposition to all our stakeholders.
<p>To transition into the specialized films market.</p> 	Internal	Medium	<ul style="list-style-type: none"> - Medium term 	<p>We are actively engaged in continuous research and development.</p> <p>Additionally, we have strategic investment plans in place to enter both the local and export markets for specialized films. The launch of our tape product is scheduled for 2025.</p>	The Company is strategically positioned to capture additional market share and leverage economies of scale for increased benefits.

Risk Management Framework & Board's Role in the Risk Management of the Company

The Company's Board diligently monitors the operating environment to prevent any disruptions to Tri-Pack's performance and activities. Through systematic identification and assessment, the Board determines various risks, be it business, operational, or financial and devises strategies to mitigate their impact.

To gauge the Company's risk tolerance, the Board has crafted and ratified a comprehensive risk management policy. This policy aims to pinpoint and address risks that may hinder the attainment of business objectives, implementing necessary controls. By embedding the risk management process throughout the organization, we foster a culture where employees proactively recognize and manage operational risks.

Policy

- **Credit Risk**
Credit shall be extended with adequate and reasonable conditions pursuant to a detailed review of credit history of the customer
- **Market Risk**
The volatility and liquidity of each commodity shall be cautiously considered
- **Investment Risk**
The significance and purpose of investments shall be clarified and business plan shall be drawn up after analyzing the risk and returns; decision making shall then be conducted in accordance with internal corporate rules
- **Business Risk**
Business objectives shall be clearly and explicitly identified. The risks to the achievement of objective shall be identified and the likelihood of their occurrence shall be considered
- **Operational Risk**
 - The Risk and Control Evaluation Matrix (RCEM) and Segregation of Duties Matrix (SODM) shall be reviewed on yearly basis and any deficiency shall be controlled. The risks identified shall be ranked

in terms of significance and in terms of potential exposures to those risks. The individual departments within Company shall be responsible for assessing the risks and ensuring mitigating controls are in place within the processes

- Relevant regulatory requirements, laws and codes of conduct shall be observed and implemented as appropriate.

Materiality Approach

The Board of Directors has endorsed materiality in compliance with the Code of Corporate Governance, specifically outlining it for line items in the Statement of Profit or Loss and Statement of Financial Position. With this framework in place, the Board has empowered the Chief Executive with authority and discretion for daily decision-making.

Furthermore, clear delegation of powers has been established, and formalized procedures are adhered to for executing day-to-day operations and transactions.

Capital Structure

The Company's current total debt to equity ratio stands at 71:29, reflecting an increase compared to 2022 primarily attributed to heightened debt levels related to the new BOPP line project. However, it's important to note that this ratio remains favorable compared to the bank covenants stipulated for maintenance. As such, the current capital structure is deemed adequate, providing a solid foundation for ongoing operations and financial stability.

Company Initiatives taken in Promoting and Enabling Innovation

The Company has an in-house Research and Development department dedicated to relentless innovation aimed at delivering utmost value to customers while driving cost reduction efforts. Further details regarding these initiatives are elaborated in the Sustainability and Corporate Social Responsibility section under the heading 'Research and Development on page 58.





Sustainability and Corporate Social Responsibility

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As a conscientious employer, we want to do what is right and seriously take pride in our progress across all dimensions of these programs that are specifically implemented across all business operations, designed to meet applicable compliance elements as well as to minimize the impact of our business on environment and communities we operate in. Together, this is all tied up with the Company's social obligations with the commitment to the United Nations Sustainable Development Goals (SDGs).

Our focus has been to engage and train people and take their consultation through participation in an objective setting. Our policy is reflected in our business decisions and impacts our system, surroundings, habitat, and the community we live in. We ensured the allocation of adequate resources and strategies, necessary for the efficacious implementation of SH&E and compliance with the Company standards and applicable legal requirements. Performance monitoring against goals and objectives has served as a guiding path towards continual improvement along with collaboration with our sponsors, contractors, suppliers, and customers. We are periodically reviewing the Company's performance in implementing the SH&E management system. Behavior-based Safety campaign was also organized to strengthen the culture, engagement, and capability of teams at all levels.

Safety, Health and Environment (SH&E) Strategy & Developments

By adopting a comprehensive approach to Employee Health and Safety (EHS), the EHS department plays a crucial role in safeguarding individuals and preserving Tri-Pack Films Limited assets and the environment. This is achieved through a visible commitment to leadership, the establishment of effective control frameworks, and the cultivation of a strong EHS culture throughout the organization. Alongside our ongoing efforts to protect the environment, we have set ambitious sustainability targets aimed at reducing our long-term environmental footprint.

Our proactive, risk-based approach is outlined in our EHS policy and reflected in our systems and procedures, which ensure compliance across all operations. Hazards are meticulously managed through the safe design of facilities, machinery, and equipment, as well as stringent procedures that provide effective safeguards for employee health and safety.

In 2023, Environment, Health & Safety (EHS) remained a top priority for the Company. We have implemented a focused and proactive strategy to instill a safety culture throughout the organization, with a steadfast commitment to Safety, Health, and Environment. This commitment was further reinforced with the integration of sustainability into our priorities, ensuring a responsible approach to natural resource consumption. TPFL successfully passed its 2nd Surveillance Audit for Integrated Management Systems and FSSC 22000 v5.1 without any major non-conformances.

Excellence is attained through diligent work and the ongoing stability of systems and procedures, recognized externally through awards from reputable agencies. In 2023, Tri-Pack Films Limited was awarded the 2nd Prize in EFP 17th Best Practices Award in Occupational Safety, Health, and Environment OSHE in Chemical, Petrochemical, and Allied section.



Given the increasing momentum of the Sustainability movement, Tri-Pack Films Limited made Sustainability a top priority in 2023, aiming to track progress in sustainable practices proactively. This commitment was underscored by receiving the National Forum

of Environment & Health (NFEH) award for the fourth consecutive year and achieving ISO 14064-1 certification for Green house Gas Emissions and Removals reporting.

Furthermore, Tri-Pack Films Limited undertook significant initiatives to advance sustainability, including a large-scale Mangroves plantation drive in collaboration with WWF Pakistan and the installation of a solar power generation system. These efforts align with our commitment to sustainable development and reducing our carbon footprint, as evidenced by our progress towards achieving Sustainable Development Goal 7: Affordable & Clean Energy.

Additionally, Tri-Pack Films Limited achieved Energy Management System Certification ISO 50001:2018, reflecting our dedication to reducing energy consumption and managing natural resources efficiently. Quarterly gazettes, monthly dashboards, and Green House Gas (GHG) calculations were integral activities throughout 2023.



Tri-Pack Films Limited. received recognition for its sustainability efforts, including a Bronze Medal from EcoVadis and ongoing efforts towards ISO-14064 certification for Carbon Footprint accounting. Stakeholder engagement and environmental initiatives were emphasized, including planting trees and engaging employees in various environmental activities.



As a responsible employer, Tri-Pack Films Limited is committed to meeting applicable compliance standards and minimizing its environmental impact across all operations. Our focus remains on engaging and training employees, aligning business decisions with our policies, and collaborating with stakeholders to achieve continual improvement in EHS performance.

Our EHS management system integrates various components, including leadership culture, regulatory compliance, performance measurement, and stakeholder collaboration. We prioritize sustainable practices, responsible sourcing, and efficient resource management while ensuring the safety and well-being of our employees and communities.

Moving forward, Tri-Pack Films Limited will continue its efforts to enhance EHS and Sustainability practices, ensuring alignment with its vision and mission statement.

Sustainability

Sustainability is an integral part of our business and operations. Tri-Pack is committed to reduce its impact on the environment and deliver more sustainable products to its customers; from producing energy efficient products and deploying robust safety systems to being the employer of choice for employees, we make decisions based on how the outcome ultimately creates value for our customers and stakeholders, consistent with the long-term preservation and enhancement of environmental, social and financial capital.



It is our aspiration to ensure sustainability in our approach, the way we manufacture our products which includes the use of raw materials from responsible sourcing, ensuring ever increasing trend in recyclability of our product internally, reduction in waste generation by increasing machine efficiencies and productivity & taking other relevant measures to protect the environment.

In 2023, we made significant progress in our ambition to be a sustainable organization by achieving our social and environmental sustainability targets; we certified for the ISO 14064: Green House Gas (GHG) Emissions Accounting & Reporting standard and too achieved the Bronze EcoVadis Medal for sustainability alongside our other Group Companies

We too attained the prestigious 20th Annual Environment Excellence Award 2023 by National Forum of Environment and Health (NFEH) and 2nd place in Best Practices Award in Occupational Health, Safety & Environment by the Employers' Federation of Pakistan (EFP). This achievement mirrors our unwavering commitment towards SH&E excellence workplace and a safety-first culture.



Moreover, each year we deliver various programs and campaigns in an effort to boost health & well-being of our people, be it on-site Hepatitis vaccination drives & testing, Flu vaccination camps, Mental health, Diabetes and Breast cancer awareness sessions or promoting fitness through our Group's vitality app.

We are also committed to positively impacting our communities by investing certain of our earnings towards our Group's Charitable Trust, as well as, in other community partnerships and programs.

Our practices in different avenues be it philanthropy, environment conservation, diversity & inclusion and fair labor practices are a testament towards our commitment to uplift to our community. All of our decisions and actions reinforce our purpose of creating better experiences together for a better tomorrow for our customers, people and the communities we serve.

Company's Corporate Social Responsibility Philosophy

At Tri-Pack, we believe that our success is intertwined with the well-being of society and the planet. Guided by our core values of Care, Respect, Honesty, Courage and Lead, we are committed to making a positive impact in the community where we operate.

We are committed to achieve the highest standards in social and environmental responsibility and we fully recognize our responsibility towards our customers, stakeholders and the communities in which we operate in and are fortunate to be able to deliver on Sustainable Development Goals (UN's SDGs) in areas of Sustainable Operations, Community Development, Diversity & Inclusion, Women Empowerment, Environment, Health & Safety.

We hold ourselves accountable for the impact of our actions. We maintain transparent reporting practices, sharing our CSR initiatives, performance metrics, and progress toward our goals with our stakeholders. And we welcome feedback and strive for continuous dialogue and improvement.

At Tri-Pack, CSR is not just a corporate obligation; it is a fundamental part of who we are. We are dedicated to creating value for society, protecting the environment, and building a more sustainable future for generations to come.

Efforts to secure Environment (SDG 11: Sustainable Cities & Communities, SDG 13: Climate Action, SDG 14: Life on Land, SDG 15: Life on Water)

Each year the Company dedicates an entire week to celebrate this message under its annual "Environment Week". To that end and to further strengthen Environment Protection & Conservation our Green Office Initiatives (WWF Green Office Certified), Energy Management Systems and responsible reporting has resulted in achievement of the 20th Annual Environmental Excellence Award by the National Forum of Environment and Health in August 2023.

Efforts to maintain Good Health and Well-being (SDG 03: Good Health & Well-being)

Tri-Pack is committed to ensuring the health, safety, well-being and welfare of its employees. We apply high standards throughout the organization in the management and control of our operations. These standards are designed to ensure that, in all our activities, we properly safeguard those who work with us.

Yet again, Tri-Pack Films Limited was recognized at the 17th Employers Federation of Pakistan (EFP) Awards in September, 2023, winning the prestigious 'Best Practices in Occupational Safety, Health, and Environment' award. This achievement mirrors our unwavering commitment to SHE excellence and promoted a safety-first culture.

Further, we promote various health & well-being campaigns in an effort to boost health & well-being of our staff, be it on-site Hepatitis Vaccination & Testing via our partners ESSA Lab, Flu Vaccination Camps via Hoechst Pakistan, or Mental Health Awareness sessions for staff.

Other CSR Activities (2023):

World Hepatitis Day (SDG-3: Good Health & Well-Being):

As a part of our commitment promote Good Health & Well-being, an awareness session was conducted on Hepatitis on 2nd August 2023 by Dr. Rani Mandhani (MBBS FCPS Consultant Physician) at Tri-pack Films Ltd. The session was followed by a Hepatitis Testing Drive for permanent staff, Janitorial staff, mess and admin attendants. A total of 126 personnel were tested for Hepatitis.



Breast Cancer Awareness Month (SDG-3 Good Health & Well Being)

To advocate, and further the agenda of D&I and promote women's health, Breast cancer awareness session was conducted on 26th October 2023 by Dr. Rani Mandhani (MBBS & OB-GYN – ESSA Lab) for female staff of Tri-Pack Films Limited.



World Mental Health day (SDG-3 Good Health & Well Being)

On 18th October, 2023, a live transmission of webinar “Wellbeing Workout” facilitated by Learning Minds Group on the account of World Mental Health Day was hosted for the employees which addressed important topics relating to social, mental and physical well-being. The webinar was conducted by Muzna Ali (Social Wellbeing), Umaimah Muzammil (Mental Wellbeing) and Saman Aly (Physical Well Being) from Learning Minds Group.



Global Handwashing Day (SDG-3 Good Health & Well Being)

On 15th October, 2023, Global Handwashing Day was observed, dedicated to increase an awareness about the importance of handwashing with soap as an effective and affordable way to prevent diseases and save lives.



World Diabetes Day (SDG-3 Good Health & Well Being)

On 23rd November, 2023, an awareness Session on World Diabetes Day was observed by Dr. Riasat Ali Khan (M.B.B.S, MCPS, FCPS, Consultant Diabetologist), HOD- Baqai Institute of Diabetes at Tri-Pack Films Limited followed by diabetes testing by the Tri-Pack's medical team.

World Water Week (SDG-6: Clean Water and Sanitation)

As a part of our commitment to the SDG-6 of clean water and sanitation, an awareness session was conducted for employees about water conservation, its necessity and importance. This year, the Campaigns theme was: seeds of change: Innovative solutions for a Water-Wise World, emphasizes the need for adaptation and creativity in managing water resources. Tri-Pack Films Limited observed World Water Week 2023 from 20th to 24th August 2023. The session was followed by Interactive brainstorming activities and focus groups to generate solutions on how to conserve water.

Day of Awareness on food Loss & Waste (SDG-2: Zero Hunger)

To raise awareness on presentation of food waste and loss, on 29th September 2023, an awareness session was conducted followed by competition among the employees where they presented dishes made by leftover different ingredients which would otherwise be wasted.

UN's Sustainable Development Goals

The United Nations Sustainable Development Goals (SDG's) set out a vision to facilitate the challenges faced by humanity and we can proudly say that Tri-Pack Films Limited fulfills environmental and social obligations, making a positive impact as an organization.

By prioritizing environmental stewardship, social responsibility, and good governance practices, we create value for all stakeholders while mitigating risks associated with regulatory non-compliance and reputational damage. Our commitment to sustainability extends beyond regulatory requirements, encompassing initiatives aimed at creating positive social impact and preserving natural resources for future generations.

Our resolution from yesteryears and beyond remain on focusing on the following goals: SDG 03: Good Health; SDG 05: Gender Equality; SDG 07: Affordable and Clean Energy, SDG 10: Reduced Inequalities; SDG 13: Climate Action.

Code of Conduct and Legal Compliance

At the heart of our organization lies the commitment to ethical behavior and integrity. Our Code of Conduct serves as a compass, guiding every decision and action taken within the Company. It outlines the fundamental principles and values that govern our interactions with stakeholders, employees, customers, and the broader community.

By upholding these ethical standards, we not only foster trust and credibility but also create a positive work culture conducive to innovation and sustainable growth.

Business Ethics and Anti-Corruption Measures

Business ethics is our fundamental value and lies at the heart of everything that we do at Tri-Pack Films Limited. The Board of Directors

of the Company has univocally set down the acceptable business practices and code of conduct which is based on values and clarifies the ethics and compliance expectations for everyone who works at Tri-Pack Films Limited. In addition, thereto, multiple channels are available to our Stakeholders to speak-up and identify practices and behaviors that are unacceptable to our fundamental and core values.

Diversity & Inclusion (D&I)

At Tri-Pack, we focus on creating a diverse, inclusive and equitable environment in which all our employees feel secure, supported and respected with a feeling of sense of belonging prevailing. We have embedded equity and inclusion into the Company processes including recruitment and CSR.



D&I remains our key priority, be it gender equity or inclusivity of Trans-genders and differently-abled individuals. Our aim is not only equal representation but to empower our people, give them the platform to grow their professional careers, address stereotypes and biasness, and ensure our people are sensitized and aware on the subjects of D&I and dignified workplaces.

We too have associations with institutions M/S Akhuwat and M/S NOWPDP for exploring employment opportunities for differently-abled people at Tri-Pack Films Limited (SDG 04: Gender Equality, SDG 10: Reduced Inequality).

This successful collaboration led to the onboarding of persons of different abilities and diverse backgrounds, which remains strong to date and we take pride in our talent and their diversity.

Our success keeps us motivated to strive and do our part to support D&I agenda not only at the workplace but also in our community.

Women Empowerment

Our commitment to women's empowerment is one of our top priorities, driven directly by our executive leadership team who are personally vested in improving and sustaining talented females in respective job functions, ensuring they realize their potential and grow in their respective careers within the organization.



Over the last six years, we have attained a rising trend in female representation at Tri-Pack, we have more than doubled the female head-count at our workplace, starting with 16 females in 2018 and closing 2023 with a female head count of 35 with representation from shop floor up to managerial level.

Moreover, we have reformed our workplace, to be a better fit for women at work, by implementing female-friendly practices inspired by the industry leaders.

We also participate in and regularly engage our staff in workshops and events that promote D&I and Women Empowerment, to ensure our people are sensitive and aware on the importance of creating a respectful workplace environment/conduct, as well as, a culture of inclusion and belonging.

Rewarding Performance

We value and develop our people, rewarding them based on their performance, potential and contribution to our values and success.

We believe, the better we perform, the more we grow, the more we explore new business opportunities, and the more value we add and deliver better results to our stakeholders.

Our performance management and reward processes are well rooted in our Company' strategy and culture. An integral part of our culture is to reward our people for sustainable results.

Throughout the year we focused on a number of areas to ensure our people remain highly motivated and engaged. And to deliver on that promise, despite the economic challenges faced by the country, we kept our focus on maintaining cordial employer-employee relations and improving the health & financial well-being of our people through various engagement events, and inflationary incentives.

Our goal remains to attract, motivate and retain our talent; reward them for doing the right thing whilst having regard to our customers and shareholders; focus on how things are achieved as much as what is achieved.

In 2023, we delivered on our stakeholder's engagement agenda, strategically drove our talent's performance to achieve business results, retained high performers particularly those with the critical skills and priority capabilities, whilst sustaining our diversity representation &

inclusion at the workplace and maintaining cordial employer-employee relations.

Talent Development & Career Advancement Opportunities

Every year, Tri-Pack invests in developmental plans for all their employees, focused towards enhancing their critical skills, for the present and future, as identified by the business. Our career / talent growth model facilitates this aspect, by giving our workforce the opportunity to not only gain relevant experiences that support our business strategy but to also strengthen their skillset.



Today, our business is driven by demand in technology, automation, cloud and analytics and such rapid development requires a shift in focus on our learning and development programs agenda. To that end, our learning and development agenda has made training accessible to our employees round the clock and making them accountable for their personal development.

Social Campaigns

In 2023, the following campaigns were delivered in pursuance of the same:

- a) International Day of Awareness of Food Loss & Waste (SDG 03- Good Health & Well-being; SDG 12- Responsible Consumption & Production; SDG 13 - Climate Action; SDG 15- Life on Land)
- b) International Literacy Day (SDG 04 – Quality education; SDG 16 – Peace, Justice & Strong Institutions; SDG 17- Partnerships for the Goals)
- c) Global Handwashing Day (SDG 03- Good Health & Well-being)
- d) World Diabetes Day (SDG 03- Good Health & Well-being)
- e) Mental Health Awareness Day (SDG 03- Good Health & Well-being)
- f) Safety Week (SDG 03- Good Health & Well-being)
- g) World Hepatitis Day (SDG 03- Good Health & Well-being)
- h) World Health Day (SDG 03- Good Health & Well-being)
- i) Breast Cancer Awareness Day (SDG 03- Good Health & Well-being)

Research & Development

In the realm of innovation and continuous improvement, Tri-Pack Films Limited's R&D team has been tirelessly dedicated to enhancing our Company's capabilities while providing cutting-edge solutions to our clients. Our commitment to excellence in packaging solutions extends across various industries, including the food and beverage sector and numerous non-essential industries, encompassing applications such as overwrapping, lamination, bag making, and beyond.

Throughout the past year, our R&D team has fervently pursued avenues to enhance product quality, optimize existing packaging machinery parameters for heightened productivity, and anticipate market needs through the development of innovative solutions. Our efforts have not only focused on refining products for our current markets but also on pioneering new applications to expand our reach and meet evolving consumer demands.

At the heart of our R&D endeavors lies a team of highly motivated, experienced, and skilled professionals, well-versed in packaging materials, films, converter processes, and end consumer applications. Additionally, our team provides invaluable lab testing facilities and technical guidance to our customers, ensuring seamless resolution of technical challenges and fostering enduring partnerships.

This year, our commitment to sustainability has been a driving force behind several successful projects. In response to market demands and environmental considerations, we have engineered heat-resistant BOPP films to replace PET and developed super high barrier films as alternatives to aluminum foil, promoting sustainability and recyclability in packaging structures. Furthermore, advancements in CPP film technology have yielded high metal adhesion and high barrier films, addressing contemporary challenges in the packaging industry. Embracing the call for greater recyclability, we have also introduced BOPE films for printing and lamination applications, contributing to a more sustainable market landscape.

As we reflect on the past year, it is evident that Tri-Pack Films Limited remains steadfast in its pursuit of innovation and sustainability. With each project successfully executed, we move forward with renewed vigor, transforming ideas into reality and shaping the future of packaging solutions.



Quality Control

At Tri-Pack, our unwavering commitment to quality serves as the cornerstone of our vision and mission. We firmly believe in the principle of 'Zero Defect', recognizing that customer satisfaction is paramount to the success of our organization. In our pursuit of excellence, we continuously strive to stay ahead, ensuring that our products meet and exceed the expectations of our valued customers.

Our dedicated team operates with a sense of urgency, understanding the critical importance of maintaining high standards of quality. We recognize that achieving and sustaining customer satisfaction requires constant vigilance and proactive measures. To this end, we are committed to cultivating the right quality capabilities for our business, both now and in the future.

Our team comprises highly competent engineers and chemists who possess profound knowledge and expertise in their respective fields. With a keen understanding of quality management principles, they diligently monitor and control quality throughout the development and production processes. Moreover, our well-equipped quality control lab, furnished with state-of-the-art testing equipment sourced from the world's leading suppliers, ensures precise and reliable testing results.

R&D and Quality Control teams collaborate with passion to maintain Tri-Pack's esteemed reputation for excellence. As we persist in innovating and enhancing our procedures, our commitment to delivering products of exceptional quality that surpass customer expectations remains unwavering.





Governance

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Leadership Structure



Syed Babar Ali
Chairman

Syed Babar Ali is the founder of various industries and social welfare institutions. He is the Chairman of the Board of Directors since the inception of the Company. In the past, he had also been engaged with the Boards and Management Committee of Coca-Cola Beverages Pakistan Limited and Aitchison College, Lahore respectively. Besides Tri-Pack, he is the Chairman of Ali Institute of Education, Babar Ali Foundation, IGI Holdings Limited, Industrial Technical & Educational Institute, National Management Foundation, Hoechst Pakistan Limited (formerly Sanofi Aventis Pakistan Limited), Syed Maratib Ali Religious & Charitable Trust Society and Tetra Pak Pakistan Limited. Mr. Ali is also on the boards of Nestle Pakistan Limited and Gurmani Foundation. He is serving as a member of the Governing Body of Lahore University of Management Sciences (LUMS).

Syed Babar Ali was also inducted as a member to the prestigious American Academy of Arts and Science.



Syed Hyder Ali

Mr. Ali is a Non-Executive Member of the Board since its inception. Mr. Ali joined Packages Limited in July 1987 and presently holds the position of Managing Director and CEO of the Company and IGI Holdings Limited. He has done his Masters in Sciences from the Institute of Paper Chemistry and has also served as Mill Manager of Paper and Board operations of the Company.

He is also the CEO/Deemed Director of Packages Convertors Limited and holds directorship in several companies including IGI Life Insurance Company Limited, IGI General Insurance Limited, IGI Investments (Private) Limited, Nestle Pakistan Limited, Packages Real Estate (Private) Limited, Packages Lanka (Private) Limited, Hoechst Pakistan Limited (formerly Sanofi Aventis Pakistan Limited), Bulleh Shah Packaging (Private) Limited, Packages Trading FZCO, National Management Foundation, Pakistan Centre for Philanthropy, and Syed Maratib Ali Religious & Charitable Trust Society. He also serves on the Boards of several other philanthropic, educational, charitable and business support organizations including Ali Institute of Education, International Chamber of Commerce, Lahore University of Management Sciences and World-Wide Fund for Nature – Member Advisory Council. He is also serving on the Board of Trustees of Packages Foundation.



Mr. Saquib Hussain Shirazi

Mr. Shirazi is an Independent Director of the Company. He is the Chief Executive Officer and Director of Atlas Honda Limited. In the past, he has served on the boards of Pakistan Petroleum, National Refinery, Sui Southern Gas Company, Cherat Cement, Cherat Paper, Pakistan Cables, Privatization Commission and as Chairman PAMA. He was Harvard Business School's Global Alumni Board President for the years 2006-2008. At present, he is serving on the boards of Atlas Honda Limited, Atlas Autos (Private) Limited, Atlas DID (Private) Limited, Atlas Engineering (Private) Limited, Atlas Energy Limited, Atlas GCI (Private) Limited, Atlas Global FZE (UAE), Atlas Hitec (Private) Limited, Atlas Power Limited, Atlas Venture Limited (UAE), Honda Atlas Cars (Pakistan) Limited, Oyster International Holdings Limited, Pakistan Mobile Communications Limited, SF Global Holdings Limited, Shirazi Investments (Private) Limited and Shirazi Trading Company (Private) Limited.

He is a graduate of the Wharton School of Finance and received his MBA from the Harvard Business School.



Mr. Asif Qadir

Mr. Qadir holds a degree in Chemical Engineering from Columbia University, New York, USA. He was elected as a Non-Executive Independent Director of the Company on October 03, 2012. He also serves on the boards of Descon Oxychem Limited, Thal Limited, UNICOL, Cherat Cement Limited, Indus Motors and Century Paper Limited. He is also a member of governing body of Liaquat National Hospital.



Mr. Khurram Raza Bakhtayari

Mr. Bakhtayari, currently the Chief Financial Officer of Packages Limited, is a Non-Executive Member of the Board. He did his Bachelors in Commerce in 1997 from the Hailey College of Commerce, University of the Punjab, Lahore and thereafter qualified as a Chartered Accountant in 2002 from the Institute of Chartered Accountants of Pakistan. He became a fellow member of the Institute in January 2013. He has over 18 years of experience in Pakistan in the field of corporate finance, accountancy, treasury, auditing, corporate affairs and administration. He is the CEO and Director of Packages Real Estate (Private) Limited. He also holds directorships in several other companies including Anemone Holdings Limited, Bulleh Shah Packaging (Private) Limited, DIC Pakistan Limited, IGI Life Insurance Company Limited, IGI Investments (Private) Limited, OmyaPack (Private) Limited, Packages Lanka (Private) Limited, Packages Trading FZCO and S.C. Johnson & Son of Pakistan (Private) Limited.



Ms. Nermeen Towfiq Chinoy

Ms. Chinoy has over twenty-three years of experience in the varied fields of banking, media, manufacturing, and trading. She began her career in corporate banking at Bank of America NT&SA. Ms. Chinoy went on to join CityFM89, an FM radio network established by The Dawn Media Group. During her ten years as the Chief Executive Officer of CityFM89, it became the foremost FM network in Pakistan. Since 2012, Ms. Chinoy has been based in Dubai running her own trading company. Over the years, she has also contributed to several voluntary initiatives and served for ten years on the National Committee for The Aga Khan Foundation (Pakistan). Ms. Chinoy did her schooling in Karachi and subsequently earned her undergraduate degree in Economics from Smith College, USA. She holds a directorship on the board of Yaqin Steels Limited.



Mr. Asghar Abbas

Mr. Asghar Abbas is a mechanical engineer and holds a Masters's degree in business administration from Nanyang Technological University (NTU). He joined Packages Limited in 1998 and developed strategic and functional level expertise in the packaging business over the years while serving at various positions in different companies of the Packages Group. Currently, he holds the position of Chief Executive Officer and Director at Bulleh Shah Packaging (Private) Limited and Packages Power (Private) Limited and he has also served as Managing Director of Packages Lanka (Private) Limited in Sri Lanka. Due to his diverse knowledge of the packaging industry, he is serving on the boards of various companies of Packages Group including Packages Convertors Limited, Packages Lanka (Private) Limited, Anemone Holdings Limited, Omya Pack (Private) Limited, Packages Trading FZCO, StarchPack (Private) Limited and Chantler Packages Inc.



Mr. Nasir Jamal

Mr. Nasir Jamal is the CEO of Tri-Pack Films Limited since March 2016 and is therefore a deemed Director of the Company.

Before being named as the CEO, Mr. Jamal was Tri-Pack's Chief Commercial & Chief Financial Officer where he was responsible for overseeing the commercial, financial, and risk management activities for the domestic and international operations of the Company. He joined the Company in 2013 as Chief Financial Officer.

Mr. Jamal has a comprehensive background in Finance and Commercial roles. He has worked for over two decades in a multitude of senior positions at different financial and manufacturing organizations, with his last 8 years of service at ICI Pakistan Limited as General Manager of Finance. Mr. Jamal is a fellow member of the Institute of Chartered Accountants of Pakistan. He also holds a directorship in Packages Trading FZCO.

Executive Management Team



Seated Left to Right:

Mr. Rizwan Hanif - Head of Safety, Health and Environment
Mr. Numan Noor - Head of Manufacturing & Plant Manager
Kamil Ikram Asad Khan - Head of Sales

Standing Left to Right:

Mr. Adnan Sultan - Head of Supply Chain
Mr. Taimoor Ahmed – Cluster Head Human Resources
Mr. Nasir Jamal - Chief Executive Officer
Mr. Mohammad Monir Khan - Head of Projects
Mr. Muhammad Zuhair Damani - Chief Financial Officer



Chairman's Review

For the year ended December 31, 2023

Dear Stakeholders,

I am pleased to share with you a review on the financial results of Tri-Pack Films Limited for the year ended December 31, 2023.

Despite strong headwinds at economics and business front your Company performed very well, particularly debt and working capital management, in a very high interest rate environment.

Our leadership team remains dedicated to implementing sound financial strategies and effective risk management practices. Real success lies in controlling cost, cash, having a strong control system and innovation, under the guidance of the Board.

With the new expansion project, the Company will be pitching itself very firmly in the export markets which will help in overcoming the challenge emanating from expected supply overhang in the local market in coming few years.

Year 2024 will be challenging, however with unwavering commitment of the leadership team and the Board, the Company would steer out of challenges successfully whilst creating a strong foot print in exports market.

I extend my sincere gratitude to all stakeholders for their trust in the Company and continuous support.

Karachi:
February 7, 2024

A handwritten signature in black ink, appearing to read 'Syed Babar Ali', with a long horizontal flourish underneath.

Syed Babar Ali
Chairman

Directors' Report to the Shareholders

The Board of Directors are pleased to present the report along with the audited financial statements for the year ended December 31, 2023.

The Company continued with its commitment to adhering with the safety, health & environment (SHE) policies and procedures in everything it does.

Market and Business Overview

Year 2023 came with many serious challenges including foreign exchange availability crisis affecting imports, high volatility in exchange rate, unprecedented inflation, unprecedented rise in energy prices and bench mark discount rates.

All these factors had a negative impact on industrial growth, demand and supplies affecting the volumes and the overall business and economic sentiments.

Till the close of year, no worth mentioning improvements were noted in the demand, supply and business sentiments.

Financial Highlights

Owing to the restrictions on import and suppressed demand, overall sales volumes for the year declined by 11% compared to last year however, revenue was higher by 3% as devaluation of Rupee led to increase in raw material prices and net sales income. Better margin management and efficiencies delivered 3% higher gross profit.

Administrative and distribution expenses were higher on the back of higher inflation and fuel prices.

The Company delivered operating profit of Rs. 2,495 million compared to Rs. 2,555 million last year.

With aggressive working capital management interest cost was lower despite significantly higher interest rates. Foreign exchange fluctuations resulted in higher exchange losses.

The Company posted profit before tax of Rs. 1,708 million compared to Rs. 1,381 million in SPLY and net profit of Rs. 979 million compared to Rs 864 million last year.

During the year we were graced with the “Best Corporate Reporting Award” by ICAP/ICMAP for our annual report 2022. This exhibits our continued effort to ensure all relevant information is shared with our valuable stake holders in the most comprehensive manner.

Key Financial Highlights are as follows:

	2023	2022
Sales Volume (Tons) - Local	36,673	43,165
Sales Volume (Tons) - Export	6,581	5,602
Net Sales Value - (Rs in Million)	24,842	24,120
Gross Profit - (Rs in Million)	3,923	3,807
Gross Profit (%)	15.79%	15.78%
Operating profit (Rs in Million)	2,495	2,555
Interest cost (Rs in Million)	861	1,153
Exchange loss (Rs in Million)	48	19
Net Profit (Rs in Million)	979	864
Earnings per share (Rs)	25.24	22.26

Dividend

The directors have recommended a final cash dividend of 60% i.e. Rs. 6.00 per share (2022: Rs. 5.00/- per share).

Names of the members of the directors and their committees

The members of the committees of the Board are mentioned in the company information section given on page 102 of the annual report.

Future Outlook

Economic conditions are not expected to recover somewhere soon. We see the next two years as very challenging for the Country's economy besides the commissioning of three new BOPP lines, which will increase country capacity by more than double, would pose challenges in terms of volumes and prices.

The Company is working hard to ensure that the project be commissioned by early Q2 2024. The project cost is expected to increase due to uncontrollable factors of Rupee devaluation and high interest rates.

We wish to draw the attention of policy makers on the new provincial regulations on use of plastic packaging material and the proposed FTA with Gulf countries creating lot of hardship for the industry particularly when the domestic cost of doing business has significantly increased. Also the current rates of interest would not bode well with the sustenance and/or growth of local industry in coming years.

Cash Flow Strategy

During the year, despite improved financial performance cash generated from operations amounted to Rs. 2,995 million compared to Rs. 4,947 million last year.

Primary reason being the increase in sales tax refund by Rs 1.5 billion, relating to import of project of related machinery. Unfortunately the process of refunds are not very industry friendly and this would add further burden to the financial cost.

Risks and uncertainties

The Company is familiar with the interest rate risk on account of the increase in benchmark policy rates and the foreign exchange risk hovering over rupee.

A detailed Risks and Opportunities analysis covering the internal and external factors has been given on page 44 of the annual report.

Principal Activities / Major Developments / Changes in the Nature of the Business

The principal activities of the Company have been given in the annual report on page 7. There have been no changes in the nature of the business being conducted by the Company during the year.

Internal Financial Controls

The Company has a thorough internal controls framework in place. Detailed financial control manuals are in place, which are regularly updated and reviewed. These manuals contain department-wise process flows, details of controls over each activity and requirements on legal and operational compliance.

The system of internal control is sound in design and has been effectively implemented and monitored. The system is continuously monitored by Internal Audit and through other such monitoring procedures. The process of monitoring internal controls will continue as an ongoing process with an objective to further strengthen the controls.

Accounting Policies

Appropriate accounting policies have been consistently applied in preparation of financial statements except for the changes as stated in Notes to the Financial Statements. The accounting policies are based on reasonable and prudent judgement.

International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.

The financial statements are audited by the external auditors as required by the local statute.

Directors' responsibility in respect of internal financial controls

The Board Audit Committee (BAC) has been nominated, which includes three directors including one independent director. As per the requirements of Code of Corporate Governance, the BAC is chaired by the independent director and its terms of reference have been determined by the Board of Directors and are in line with the guidelines provided in the Code of Corporate Governance. These terms of reference include but are not limited to oversight over matters involving financial information, internal controls and corporate governance.

Material changes affecting the financial position between the end of financial year and date of directors' report

The material changes, if any, affecting the financial position between the end of financial year and date of directors' report are reflected in the audited annual financial statements annexed to this report.

Safety, Health and Environment

Safety, Health and Environment (SHE) remained among the top priorities of the Company with addition of "Sustainability" part to ensure conservative approach remains intact towards consumption of natural resources.

We were awarded 20th Annual Environment Excellence Award by National Forum of Environment & Health (NFEH) for our commitment towards environmental sustainability and a 2nd Prize in Employers Federation of Pakistan's (EFP) 17th Best Practices Award in OSHE in "Chemical, Petrochemical and Allied Sector".

As a part of our commitment to the SDG's of Climate Action, Tri-Pack Films Limited has planted 1000 mangrove samplings in collaboration with WWF Pakistan campaign of "RUNG DO PAKISTAN".

Tri-Pack Films Limited successfully went through its Surveillance Audit for Integrated Management Systems (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018) and achieved yet another milestone. We are also certified on ISO 14064-1: Quantification and Reporting of Greenhouse Gas Emissions and Removals and ISO 50001: Energy Management System.

Corporate Social Responsibility

At Tri-Pack, we aim to enable a responsible, inclusive and sustainable community.

To underpin the delivery of this purpose, we ensure that we operate in a responsible way, acting lawfully and with integrity in everything we do.

We are committed to positively impacting our communities by investing certain of our earnings towards our Group's Charitable Trust, as well as, in other community partnerships and programs.

Our practices in different avenues be it philanthropy, environment conservation, diversity & inclusion and fair labor practices are a testament towards our commitment to uplift our community. All of our decisions and actions reinforce our purpose of creating better experiences together for a better tomorrow for our customers, people and the communities we serve.

Management Information Systems

Our focus remains on maximum utilization of our ERP to ensure effective planning and robust internal controls. We have a dedicated team who constantly strives to give out of the box solutions to all stakeholders and in turn help the Company to achieve its ambition to enhance operational efficiency and reporting accuracy. We have embarked on 'Project Buraq' for upgrading our ERP system being part of Packages Group.

Human Resource

Our people are critical to the successful performance of our business. Therefore, it is essential that they are engaged and embrace our purpose and values.

Our goal remains to attract, motivate and retain our talent; reward them for doing the right thing whilst having regard to our customers and shareholders; focus on how things are achieved as much as what is achieved.

In 2023, we delivered on our stakeholder's engagement agenda, strategically drove our talent's performance to achieve business results, retained high performers particularly those with the critical skills and priority capabilities, whilst sustaining our diversity representation & inclusion at the workplace and maintaining cordial employer-employee relations.

Moreover, we reinforced our future leaders' programs like the Summer Internship, Management Trainee Program and Trade Apprenticeship Program to support the development of technical streams across critical specializations, as well as, strengthen our talent pipeline for the future.

Quality Management

Quality is not merely a standard upheld for our products; it is an intrinsic element of our organizational ethos. We persistently ensure adherence to the most elevated industry benchmarks through a meticulous system of key performance indicators (KPIs) and sustained training initiatives.

In our pursuit of continuous improvement, we have prioritized initiatives to enhance productivity, optimize machine efficiency, and reduce process wastages as we embark on our journey towards World Class Manufacturing (WCM) certification. These endeavors encompass ongoing improvement initiatives and collaborative efforts with internal and external experts.

Related Parties Transaction

In accordance with Section 208 of the Companies Act, 2017 and the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018, the Company has:

- (a) established a policy of related party transactions which has been duly approved by the Board;
- (b) set up conditions for transactions with related parties to be characterized as "arm's length transactions;"
- (c) circulated and disclosed to the Directors in the Board papers information required for approval of related party transactions.

Code of Corporate Governance

The requirements of the Code of Corporate Governance set out in the Listed Companies (Code of Corporate Governance Regulations, 2019) have been adopted by the Company and have been duly complied with. A statement to this effect is annexed to the annual report.

Corporate and Financial Reporting Framework

- i) The financial statements, prepared by the Management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- ii) Proper books of account of the Company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates except for the changes as stated in Notes to the Financial Statements. The accounting policies are based on reasonable and prudent judgment.

- iv) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- v) The system of internal control is sound in design and has been effectively implemented and monitored. The system is continuously monitored by Internal Audit and through other such monitoring procedures. The process of monitoring internal controls will continue as an ongoing process with an objective to further strengthen the controls.
- vi) Details of significant changes in the Company's operating results during the current year as compared to last year and significant plans and decisions for the future prospects of profits are stated in this report.
- vii) Key operating and financial data of last six years is annexed.
- viii) Information about the taxes and levies has been annexed as 'Wealth generated and distributed' on page 162 of the annual report.
- ix) There are no doubts upon the Company's ability to continue as a going concern.
- x) There has been no material departure from the best practices of corporate governance, as detailed in Regulations.
- xi) The value of investments of provident and gratuity funds, as at 30th June 2023 based on their un-audited accounts is as follows:

	Rs '000
Provident Fund	224,747
Gratuity Fund	175,871

- xii) All Directors have either attended the Directors Training Program or have minimum of 14 years of education and 15 years of experience on the Board of listed companies and therefore are exempt from the requirements of Directors Training Program.

Trading of shares by CEO/Directors and Executives

The details of the trading of shares by Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit, Other Executives, their spouses, and minor children are as under:-

Purchase/Sale of shares	No. of shares
Directors *	NIL
Chief Executive Officer	NIL
Chief Financial Officer	NIL
Company Secretary	NIL
Head of Internal Audit	NIL
Other Executives	NIL
Spouses	NIL
Minor children	NIL
Sale of Shares:	NIL

**During the year 306,787 shares were given as a gift by the Chairman.*

Board of Directors

Syed Babar Ali	(Chairman - Non-Executive Director)
Mr. Asghar Abbas	(Non-Executive Director)
Syed Hyder Ali	(Non-Executive Director)
Mr. Khurram Raza Bakhtayari	(Non-Executive Director)
Ms. Nermeen Towfiq Chinoy	(Independent Director)
Mr. Asif Qadir	(Non-Executive Director)
Mr. Saquib Hussain Shirazi	(Independent Director)
Mr. Nasir Jamal	(Deemed Director)

Change in the Composition of the Board

There was no change in the Composition of the Board during the year 2023.

Composition of Board

The Board of directors of the Company consists of:

(a) Male	7
(b) Female	1

Composition:

(i) Independent Directors	2
(ii) Non-Executive Directors	5
(iii) Executive Director (Deemed Director)	1
(iv) Female (included in Independent Directors)	1

Mr. Nasir Jamal, the Chief Executive Officer of the Company, is a deemed director as envisaged in Section 188(3) of the Companies Act, 2017.

Meetings of Board of Directors

During the year 2023, five (5) meetings of the Board of Directors were held. The attendance of each Director is as follow:

S.No.	Name of Directors	No.of meetings attended
1.	Syed Babar Ali	5
2.	Mr. Asghar Abbas	3
3.	Syed Hyder Ali	3
4.	Mr. Khurram Raza Bakhtayari	4
5.	Ms. Nermeen Towfiq Chinoy	5
6.	Mr. Asif Qadir	4
7.	Mr. Saquib Hussain Shirazi	5
8.	Mr. Nasir Jamal	5

Leave of absence was granted to the Directors who could not attend the Board meetings.

Board Audit Committee

An Audit Committee of the Board has been in existence since the enforcement of the Code of Corporate Governance. It comprises of two (2) Non-Executive Directors and one (1) Independent Director including the Chairperson.

Four (4) meetings of the Audit Committee were held during the year. Attendance of each Member is given hereunder:

S.No.	Name of Directors	No.of meetings attended
1.	Ms. Nermeen Towfiq Chinoy	4
2.	Mr. Khurram Raza Bakhtayari	3
3.	Mr. Asif Qadir	4

Leave of absence was granted to the Members who could not attend the meetings of the Audit Committee.

The Audit Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee comprises of two (2) Non-Executive Directors and the Chairperson who is an Independent Director.

One (1) meeting of the Human Resource and Remuneration Committee was held during the year. Attendance of each Member is given here under:

S.No.	Name of Directors	No.of meetings attended
1.	Ms. Nermeen Towfiq Chinoy	1
2.	Mr. Asghar Abbas	1
3.	Mr. Khurram Raza Bakhtayari	1

The Human Resource and Remuneration Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Directors' Remuneration

The Company has approved the Director's Remuneration Policy. The policy as set out by the Board has been given on page 76 of the annual report.

Further, details of aggregate amount of remuneration to executive and non-executive directors is mentioned in the Financial Statements, note 31, page 218 of the annual report.

Contribution to National Exchequer

The Company's contribution to the national exchequer in the form of Sales Tax, Custom Duties and Income Taxes etc. is approximately Rs. 5,476 million in the year 2023.

Pattern of Shareholding

A statement of the pattern of shareholding of certain class of shareholders as at December 31, 2023, disclosure of which is required under the reporting framework, is included in the annexed shareholders' information given on page 234 of the annual report.

External Auditors

The present auditors' M/s A. F. Ferguson & Co., Chartered Accountants are retiring and being eligible, have offered themselves for reappointment. The Board of directors on the recommendation of the Audit Committee proposes the appointment of M/s A. F. Ferguson & Co., Chartered Accountants as the auditors until the next annual general meeting at a fee to be mutually agreed.

Chairman's Review

The Chairman's review is part of the Annual Report given on page 66 of the annual report.

Acknowledgement

We are grateful to our valued stakeholders including customers, banks, suppliers, contractors, and shareholders, for their exceptional support and confidence. We also thank our employees for their diligence and commitment to the organization throughout the year.



Nasir Jamal
Chief Executive Officer



Syed Babar Ali
Chairman

February 07, 2024
Karachi



Corporate Governance Framework

Our Corporate Governance policy aims to provide guidance on the administration of the Company's affairs and governance structure. The system of corporate governance shall be designed to ensure:

- That the important decisions shall be made in conformity with the law, memorandum and articles of association, business activities shall be conducted in accordance with those decisions and decision making and conduct of business activities shall be subject to proper oversight;
- Sound, transparent and efficient corporate Management. The Company shall make decisions and conduct business activities as appropriate in light of the Company's size, industry sector and relevant laws and regulation;
- An independent supervision and auditing of business activities for proper oversight;
- Proper auditing of accounts to establish reliability of corporate accounts and financial statements;
- That the Chief Executive officer shall while considering the overall interest of stakeholders, strive to maximize corporate value in conformity with the law, internal corporate rules, memorandum and articles of association of the Company;
- That the Chief Executive officer shall following consultative process define the Company's mission and vision statement and shall strive to achieve Management goals by providing leadership to officers and employees; and,
- That the Chief Executive officer shall be aware of the risks and problems facing the Company and, to guard against them, put in place a system for proper conduct of operations.

Decision taken by the Board and Matters Delegated to the Management

The Company has a Corporate Governance Policy in place, which provides guidelines about administration of Board of Directors.

The Board of Directors of the Company meets on quarterly basis as required by the Companies Act 2017. Moreover, the Board meeting can also be convened to approve significant matters such as approval of revenue and capital budget

of the Company, to review significant changes in the operations of the Company including plans for expansion, capital and operational restructuring, approval of new policies & procedures and significant amendments to current policies & procedures etc. Due communication is made of all such meetings and their outcome as required by the Securities and Exchange Commission of Pakistan.

Principal Board Committees including Executive Committee, Board Audit Committee and Human Resource and Remuneration Committee are also in place to oversee the operations of the Company.

The Board of Directors systematically designs procedures to ensure sound, transparent and efficient corporate management. The Company makes decisions to conduct business activities in appropriate manner in the light of the size, industry sector and relevant laws and regulations.

The Board has authorized the Chief Executive Officer (CEO) to maximize corporate value in conformity with the law, internal corporate rules, memorandum and articles of association of the Company while considering the overall interest of shareholders. CEO has further been authorized to define the Company's mission / vision statement and ensure the alignment of objectives, from grass root level to the top, with the mission / vision.

The Board regularly evaluates performance of the Company ensuring proper conduct of operations directly and indirectly through Board Committees and the CEO.

Annual Evaluation of the Board, Individual Members, Chief Executive Officer (CEO) and the Chairman

In accordance with Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board has carried out an evaluation of the performance of its individual members, the board and the performance of its Committees.

Board evaluation process was conducted internally by the Company Secretary who prepared an annual Evaluation Assessment Questionnaire which is circulated amongst the Board Members to provide clarifications and further insights and perspectives on the performance of the Board.

The Company Secretary then draws all the responses together from the information gathered. Strict level of confidentiality is practiced upon receiving of filled questionnaire and Directors' comments by the Company Secretary.

Director's Orientation and Training

No new directors were appointed on the Board during the year ended December 31, 2023. New directors receive sufficient induction training to be effective in their roles. With regards to the same, the Board Members are regularly provided with an update on new applicable laws, rules and regulations including amendments thereto to apprise them with their powers, duties, responsibilities, Company's Corporate Governance structure and undertaking training on Packages' Group Code of Conduct.

All Directors have either attended the Directors' Training Program or have minimum of 14 years of education and 15 years of experience on the Board of listed companies and therefore are exempt from the Directors' Training Program.

Female Director

Diversity & Inclusion has been a core part of Company's corporate objective. Our commitment to the same is reflected by our well-timed compliance to the gender diversity goals for the composition of the Board of Directors as defined by Company laws. The Board of Tri-Pack Films Limited has acquired the services of Ms. Nermeen Towfiq Chinoy as an independent director.

She is not only a member of the BOD but has also been appointed as the chairperson of the BAC during the year 2021.

Remuneration Policy of Directors including Non-Executive and Independent Directors

Tri-Pack Films Limited has implemented a policy purpose of which is to have a transparent procedure for fixing the remuneration packages of individual directors for attending meetings of the board and its committees.

- a. The remuneration of the Directors for attending meetings of the Board or Committees of Directors shall from time to time be determined by the Board.
- b. Nominee directors of Packages from other group companies shall not be entitled to receive board/committee meeting fees.
- c. If a director is resident out of the place at which any board meeting is held, and who shall come to that place for the purpose of attending board/committee meetings, the director shall be entitled to be reimbursed at actual.

Executive Director serving as Non-Executive Director

Currently, no individual is serving as an Executive Director on the Board of Tri-Pack Films Limited. Chief Executive Officer (deemed director), is also not serving as non-executive director in other companies.

Governance Practices Exceeding Legal Requirements

Tri-Pack Films Limited has always believed in going the extra mile when it comes to corporate governance. In line with this strategy, not only have we complied with all mandatory legal compliances under the Code of Corporate Governance, the Companies Act, 2017 and other applicable rules, regulations and standards, but we have also carried out the following activities in addition to the legal requirements;

1. Other information: The management reports various other essential information in this annual report which is not required by law.
2. Implementation of SHE: The Company has developed and implemented aggressive SHE strategies at its Plants to ensure maximum safety of its people and equipment.
3. Adopting BCR Criteria: The Company prepares its annual report in line with BCR criteria, reflecting on our stance to be transparent in all dealings, disclosing maximum quality information to our shareholders.
4. Integrated reporting: The management tries to ensure that integrated reporting framework is followed for the preparation of the Annual Report.

Gender Diversity Policy

This Policy aims to set out the parameters to maintain a gender balanced Board of Directors.

Board diversity is an essential measure of good governance, be it ethnicity, age or gender. It is a critical attribute of a well-functioning board and contributes to the sustainable development of the Company. To enhance the decision-making capability, a diverse board is more effective in dealing with organizational changes and ensures that the decisions made by the Board have been considered from all points of view.

To achieve its gender diversity aspirations, the Company shall:

- I. Ensure that the Board's composition considers the right balance of skills, experience, knowledge, perspectives and particularly 'gender' in alignment with the strategic needs of the Company.
- II. Foster a culture that promotes and values diversity among staff at all levels.
- III. Integrate gender and diversity objectives in line with this Policy in its strategic plan.
- IV. Review the gender pay gap analysis within the Company, its retention and development of skills of the female employees, provision of a conducive work environment including: Daycare facilities, better maternity leaves, anti-harassment and speak up policies and forums, with a specialized committee overseeing harassment complaints.
- V. Set concrete targets and review its implementation progress annually.
- VI. Ensure that diversity objectives are a part of Key Performance Indicators (KPIs) of Senior Management.
- VII. Encourage the female members who hold management positions to move into senior management or executive level positions and take up additional responsibilities based on their performance. This will help reinforce the Company's culture and public image of diversity and inclusion, thus allowing Company to retain and cultivate their best talent at all levels.

Inclusion

We focus on creating an inclusive, and equitable environment in which our employees feel secure, supported, and respected with a feeling of sense of belonging to prevail. We embed equity and inclusion into the Company processes including recruitment, retention, and sponsorship advancement.

Leadership commitment to gender equality is essential to truly create an inclusive environment, therefore, each year we endeavor to increase the representation of women in the workforce by incorporating Gender Diversity as an essential corporate goal. In 2023, we sustained our female representation in our Company. Our new year aim is to increase/maintain the level of gender

diversity within its workforce from Middle Management to Top Management. We understand that we have a long way to go in closing the representation gap, however, faced with these challenges, we are committed to re-writing the gender playbooks so that we can change the fabric of everyday work life by encouraging relentless execution, fresh ideas, and courageous personal actions.

We always strive to broaden our horizons with respect to D&I at the workplace. It remains our key priority, focusing on gender equity and inclusivity of Trans-Genders and Differently-Abled individuals. Our aim is not only equal representation but to empower (UN Women Empowerment Principles), promote & develop, Break Stereotypes, Sensitize our People & Fight Biasness.

In our most recent initiative, we joined hands with M/S Akhuwat to provide employment to trans-people and M/S NOWPDP to provide employment to differently-abled people at TPFL (SDG 04: Gender Equality, SDG 10: Reduced Inequality)

This successful collaboration led to the onboarding of individuals from the trans community and from differently-abled communities at Tri-Pack Films Limited.

Our success keeps us motivated to strive and do our part to support and develop them.

Related Party

As required under Fourth Schedule to the Companies Act, 2017, detailed disclosures regarding related party transactions have been presented in note 36 to the financial statements presented afterwards in this annual report. Such disclosure is in line with the requirements of the Fourth Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards.

Name of related party with whom Company had entered into a transaction in year 2023 along with basis of relationship and aggregate % of shareholding has been taken into account in note 36 of the annexed financial statements.

The Company has an approved related party policy which is covered further in the annual report.

Detail of Board Meetings Held Outside Pakistan

The Company conducted 5 Board meeting during the year, all of which were held in Pakistan.

All the meetings were held virtually and attended by directors via video conference facility.

Investor Relations & Communications Policy

Purpose & General Principles

- This Investor Relations and Communication Policy and Guidelines describes the principles and practices that the Company applies in order to provide current and prospective investors with information necessary to make well informed investment decisions and to ensure a level playing field.
- In the course of its Investor Relations and Communication activities, the Company will comply with all applicable securities laws and regulations.
- All material information is disclosed to the Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange.
- Unpublished material is not selectively disclosed.

Communication Guidelines

- The Company endeavor to provide clear, fair and balanced disclosure of pertinent information to its shareholders and the investment community in a timely and effective manner.
- To the extent possible, all disclosures will:
 - (a) be factual and clear;
 - (b) contain sufficient quantitative information to allow investors to evaluate its relative importance to the activities of the Company;
 - (c) be balanced and fair;
 - (d) avoid over-technical language; and
 - (e) explain the consequences or effects of the information on the Company's future prospects.

Authorized Spokesperson

- The Company communicates only through designated senior spokespersons determined by the CEO who will establish and maintain regular dialogues with shareholders to solicit and understand their views, as well as respond to inquiries from members of the investment community or media.
- Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community or media, unless specifically authorized by designated senior spokespersons.

Safety of Company's Records

The company maintains due records of its financial transactions, business activities and other data. All information is stored in the physical form as well as uploaded on the Company's ERP for its safe keeping (Wherever applicable). The Company aims to ensure that all the records are maintained as per the regulations prescribed in The Company's Act 2017 and Income Tax Ordinance.

Further the Company has initiated a Digitization drive whereby all the records held in physical form such as files and folders are scanned and stored in a secured software accessible to those authorized for reuse and reference.

Business Continuity/ Disaster Management Plan

Statement of Policy

The plan relates to response(s) to disruptions in day to day business affairs that could potentially affect physical property, data & records and personnel. This plan details the Company's continuity and recovery of critical business functions, necessary operations and essential services on a priority basis when triggered at the time of any disaster or disruption. It is designed to reduce the risk of occurrence and resulting losses from an unexpected disruption of the critical functions / operations.

Purpose

The plan is developed for smooth continuity, restoration and recovery of business operations in the event of an emergency. Proper execution of this plan will assist in facilitating continuity and timely recovery of critical business functions while' keeping disruption losses and recovery downtime well within the management defined tolerance levels. The Tri-Pack's Business Continuity Plan is designed to reduce the risk to an acceptable level by ensuring the restoration of Critical processing.

Scope

It is developed to identify:

- Systems, tasks and processes which are crucial to the operation of business functions and define back-up procedures for business continuity.
- Personnel responsible for business continuity activities and to specify their roles and responsibilities in relation to BCP.
- Steps and resources required to ensure business continuity and restoration at the time of emergency.

Objective

- Protect technology assets and information resources from damage.
- Minimize economic / opportunity losses resulting from disruptions to business functions.
- Provide an action plan to facilitate an orderly business continuity, restoration and recovery of identified critical business functions. All the departments will have to develop action plans pertinent to their activities and processes in order to assist the overall action plan.
- Make decisions and to document reasoning and responses before, while and after a disruption occurs.
- Identify and document the process of disaster declaration, BCP invocation and disaster management.
- Identify key individuals who will manage the process of recovery and restoration of businesses after an emergency and those who will complete the specific activities necessary to continue critical business functions.
- Maintain catalogue of outsourced services required (e.g. names and details of contractors), necessary equipment and other internal / external resources that could assist in the recovery process.

Beneficial Ownership

Details in relation to beneficial ownership and any change there in can be found in note 1, 12 and 36 to the annexed financial statements. The structure within the group and relationships with group companies can be found on page 18 of the report.

Presence of The Chairman of The Audit Committee At The Agm

Ms. Nermeen Towfiq Chinoy , Chairperson Audit Committee (at that time) was present at the 31st Annual General Meeting of Tri pack Films Limited dated April 10, 2023 to answer questions on the Audit Committee's Activities and matters within the scope of the Audit Committee's responsibilities.

External Oversight

The Company's internal audit function is being looked after by the Head of Internal Audit in compliance with the Code of Corporate Governance, who is assisted by Packages Group Internal Audit Function. The Head of Internal Audit, who has the required qualifications as prescribed under the Regulations, reports directly to the Chairperson of the Board Audit Committee.

The Board Audit Committee has ensured safeguarding of the assets of the Company as well as shareholder's wealth through effective operational and compliance controls and risk management.

Policies and procedures are in place for all the areas of the organization whether it be sales, finance, production etc. These policies are strictly followed. Further, these are also regularly reviewed and updated for changes.

Conflict of Interest Policy

Tri-Pack Films Limited expects all employees to be free from actual or potential conflicts of interest.

A conflict of interest occurs whenever the prospect of direct or indirect personal gain may influence or appear to influence an employee judgment or actions while conducting the business in which employee has a prime responsibility towards the Company and is expected to avoid activities or transactions that clash directly with the interest of the Company. Such situations could arise in a number of ways.

Some of the specifically forbidden situations are outlined below. This list is, however, neither exhaustive nor all inclusive. In case of doubt, the advice of the management should be sought.

- Any employee or any dependent member of his/her family (for the purpose of this code family includes parents, spouse, children and siblings in a position to influence) having an interest in any organization supplying goods or services to the Company.
- Any employee conducting personal business activities on the company premises or using company facilities for such purposes.
- Gaining personally from, performing any work for, or serving as a consultant, advisor, employee, or director of any competitor, supplier, or customer.
- Using Company equipment, assets, or time to engage in non-Company activities, unless expressly authorized in writing by the CEO.
- Engaging in any financial transaction with or possessing or controlling any financial interest in any competitor, customer, or supplier, whose securities are publicly traded on a stock exchange.

- Family Members can work in Tri-Pack Films Limited, provided they are not working in the same unit or in any capacity where one position might be able to influence the other one. If the employee's family member has applied for a position at Tri-Pack Films Limited, then the employee will not be allowed to participate in the selection or recruitment of that position. In case a family relationship develops within the organization or within a Group company after employment, then the employee will be required to inform Human Resource (HR) in writing immediately.
- Accepting compensation or anything of material value (equivalent to Rs. 5000 or above) from third parties that have or propose to have a business relationship with the Company.

Reporting Conflicts:

Any actual or potential conflict of interest has to be reported in writing to the HR and Internal Audit Heads.





Whistle Blowing Policy

Purpose

The purpose of this document is to provide guidelines to establish an objective and impartial process for prevention, detection and remedial measures of unethical behavior, corruption and fraudulent activities that may cause damage to the Company's assets or reputation. This would ensure a safe, ethical and productive working environment free from any prejudice, harassment, fraud or other malpractices.

POLICY STATEMENT, OBJECTIVE & SCOPE

Policy Statement

All the complaints received through whistle blowing channel would be investigated in a fair and transparent manner. The company has zero tolerance policy against issues relating to non-compliance to the company's code of conduct including corruption, bribery, misappropriation, violation of rules and regulation etc. and strict action would be taken against those convicted in such cases including termination of employment or business relationship.

Objective & Scope

1. The objective of this document is to ensure that the Code of Conduct is upheld through transparent and fair process. Employees are encouraged to question, discuss, and share information regarding any suspected irregularities or non-compliance with the Code of Conduct.
2. The types of issues which may be reported includes but are not limited to:
 - Breach of the code of conduct;
 - Corruption;
 - Harassment;
 - Misappropriation of financial data/reports;
 - Misuse of company's assets;
 - Violation of applicable laws & regulations;
 - Action raising safety, security, and environmental concerns;
 - Damage to Tri-Pack's reputation or business; and Discrimination against a person on the basis of his/her race, sex, identity, age, nationality, ancestry, religion, physical/ mental disability or marital status.

3. This policy and related procedures are applicable to all employees, contractors and other stakeholders of the company to encourage them to raise their concerns rather than overlooking them.
4. Raising concerns does not mean disloyalty to colleagues, subordinates or supervisors; rather it is a valuable contribution towards the colleagues and the company which would prevent inequality, harassment or a harmful trend of dishonesty, unlawful or unethical conduct.
5. An employee will assume full responsibility for accusation placed against a person for any act of discrimination, harassment, breach of the Code of Conduct or unethical business practices. Any wrongful accusation may also call for a disciplinary action.
6. Whistle blowing process has been devised to:
 - Encourage people to raise their concerns and feel confident in questioning and acting upon the Code of Conduct;
 - Provide channels to raise concerns in confidence and receive feedback on any action taken;
 - Ensure that response is provided against concerns; and
 - Assure complainants that their identity would be kept strictly confidential and protected from possible reprisals.
7. HR Department shall take measures for dissemination of the policy to create awareness among the people and encourage them to raise concerns through this procedure.

REPORTING PROCEDURE

1. Any person who believes that he/ she has been a victim of discrimination, harassment, or becomes aware of any activity which breaches the Code of Conduct or law should immediately report the issue under this policy. Confidentiality of all complaints would be ensured and appropriate remedial action would be taken after thorough verification/ investigation of underlying facts and details.

2. For communication of complaints following modes should be used:

Email to: "whistle@tripack.com.pk" OR
Send mail to: Head of Internal Audit
Shahrah-e-Roomi. P.O. Amer Sidhu Lahore - 54760
Packages Limited Lahore, Pakistan

All complaints would be communicated to the Chairman of Board Audit Committee and Head of Internal Audit through mail forwarding facility.

3. If it is determined that the allegations constitute an act of harassment, breach of the Code of Conduct or law or constitutes unethical business practices; the allegations would be investigated by the Head of Internal Audit by forming an investigation team. Investigation of complaints would be conducted with high level of objectivity, impartiality and fairness.

NON-RETALIATION

1. No hardship, loss, or penalty may be imposed on an employee in response to:
 - Filing or responding to a bonafide complaint
 - Appearing as a witness in the investigation of a complaint.
 - Serving as an investigator of a complaint.
2. Retaliation or attempted retaliation in response to lodging a complaint or invoking the complaint process is a violation of this policy. Any person who is found to have violated this aspect of the policy will be subject to sanctions up to and including termination of employment/ business relationship.

MANAGEMENT & REPORTING OF COMPLAINTS

1. Internal Audit Department is responsible for handling all complaints under this policy. A summary of all complaints received as well as the status of the investigation and outcome would be provided to the Board Audit Committee on a quarterly basis by Head of Internal Audit.
2. The Audit Committee has exclusive power to close, direct further investigation or declare an ongoing investigation as dormant.

MODIFICATION

Any changes in this document in whole or in part will be approved by the Board of Directors upon recommendation of the Board Audit Committee.



Human Resource Policy

Purpose

The purpose of this policy is to provide guidance pertaining to human resource administration by facilitating the development of a sound employment and working environment and strengthening the human resource of the Company.

Policy

Personnel shall be hired by the best means available on the basis of a recruitment policy (setting out the number of people to be recruited, the type of people required, etc.) and in accordance with the laws and practices of the country and the conditions of labor market, without distinction of gender, race or any other factor unrelated to the candidate's ability to perform the job. Appointment, retirement and termination of the Chief Executive Officer, Chief Financial Officer, Company Secretary, and Internal Auditor shall be approved by Board of Directors and through its Remuneration Committee shall fix the remuneration of the Chief Executive Officer and his direct reportees.

It is the responsibility of the Chief Executive Officer to ensure that Tri-Pack is properly resourced and is capable of sustaining existing operations and meeting strategic business needs. He shall do so by:

- Identifying and developing talent pool;
- Succession planning for all key senior positions, in particular, his direct reportees; and,
- Maintaining, development, careers and succession planning and remuneration in consultation with his executive team in line with better market practices and facilitated by the Head of Human Resource.

Human Resource Values

Employees are the most valuable asset and a source of competitive advantage for Tri-Pack. Policies and procedures have been formulated to retain professionally competent and motivated employees. Tri-pack believes in respect for individuals, equal opportunities and advancement based on merit, effective communications and the development of a business culture and organization which values and encourages continuous improvement at all levels. Tri-pack gives particular importance to:

- Providing safe, secure and healthy working environment;
- Ensuring that employees are not discriminated on any grounds other than effective job performance;
- Employee evaluation are based on their performance and rewarded accordingly;
- Ensuring that employees are properly equipped and trained to deliver better performance;
- Effective and open communication so that employees may display initiative and innovation in their work;
- Promoting environment free from any fear to exploit the best potential;
- Encouraging curiosity to ask questions;
- Proper segregation of function and duties to avoid concentration of information, power and authority;
- Ensuring gender diversity;
- Sharing of information on need to know basis; and,
- Ensuring that entitlement and benefits as far possible should be clearly specified to avoid element of discretion.

In order to achieve the above mentioned values, good practices are to be adopted in the following areas:

- Employees recruitment and orientation;
- Assessment of training and development needs;
- Performance management review;
- Succession planning;
- Job profile / description;
- Recognition and reward;
- Long term benefits;
- Code of Conduct; and,
- Performance based culture.



Insider Trading Policy

Introduction

The purpose of this Insider Trading Policy (the “Policy”) is to promote compliance with applicable securities laws by the Company and all directors, officers and employees thereof, in order to preserve the reputation and integrity of the Company as well as that of all persons associated with it.

In case there is any conflict in the provisions of this Policy and any other Rules of the Company, then this Policy shall prevail.

Applicability / Scope

The Policy is applicable to all directors, officers and employees of the Company. This Policy also applies to material, unpublished price sensitive information relating to any other company with publicly-traded securities, including the Company’s customers or suppliers, obtained in the course of employment by or association with the Company.

Policy

If a director, officer or any employee of the Company or any agent or advisor of the Company, its subsidiaries and affiliates has material, unpublished price sensitive information relating to the Company, it is the Company’s policy that neither that person nor any Connected Person (as defined below) may buy or sell securities of the Company (the “Company Securities”) or engage in any other action to take advantage of, or pass on to others, that information.

Trading in Other Securities

No director, officer or employee may place purchase or sell orders or recommend that another person place a purchase or sell order in the securities of another company if the person learns of material, unpublished information about the other company in the course of his/her employment with the Company.

Directors, officers and employees, and their Connected Persons may not trade Company Securities or sell Company Securities “short.” In

addition, directors, officers and employees, and their Related Persons may not hold Company Securities in margin accounts.

Prohibition on Trading During Closed Period

As per Clause 5.6.4 of Pakistan Stock Exchange Regulations, no Director, CEO or executive shall, directly or indirectly, deal in the securities of the Company in any manner during the closed period.

The closed period shall start from the day when any document/statement, which forms the basis of price sensitive information, is sent to the Board of Directors and terminates after the information is made public. It is expected that such a restriction would help minimize the risk of insider trading by key management/directors or employees of the Company.

Reporting

All trades in Company’s shares by all Directors, CEO or Employees, or their spouses, of the Company shall be immediately notified in writing to the Company Secretary. This is to be followed by a written record of the price, number of shares, form of share certificates, (i.e., whether physical or electronic within the Central Depository System), and nature of transaction along with supporting invoice from broker to the Company Secretary within two days of effecting the transaction.

The Company Secretary shall immediately forward all trade in shares, as notified above, to the Exchange for its dissemination to all concerned and shall also place before the Board of Directors at their meeting immediately subsequent to such transactions as required by Clause 5.6.1 (a) of the Pakistan Stock Exchange Regulations.

Consequences for violation of this Policy / Guidelines

Employees who violate this Policy/Guidelines shall be subject to disciplinary action by the Company and the employee may be subject to dismissal.

Related Party Policy

Purpose

The purpose of this policy is to ensure the timely approval of related party transactions that are conducted in the normal course of business and to define the minimum parameters that should be kept into consideration before executing such related party transactions. This policy is defined to govern the approval process to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions as amended from time to time.

Scope

This policy applies to all the transactions executed by the company in the normal course of its business with its related parties as defined in section 208 of the Companies Act, 2017. These transactions may include:

- sale, purchase or supply of any goods or materials;
- selling or otherwise disposing of, or buying, property of any kind;
- leasing of property of any kind;
- availing or rendering of any services;
- appointment of any agent for purchase or sale of goods, materials, services or property; and
- such related party appointment to any office or place of profit in the company, its subsidiary company or associated company.

Related Parties

Related parties include all the persons or parties that are related to the company. As defined in section 208 of the Companies Act, 2017 related party includes:

- a) a director or his relative;
- b) a key managerial personnel or his relative;
- c) a firm, in which a director, manager or his relative is a partner;
- d) a private company in which a director or manager is a member or director;
- e) a public company in which a director or manager is a director or holds along with his relatives, any shares of its paid-up share capital;

- f) anybody corporate whose chief executive or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- g) any person on whose advice, directions or instructions a director or manager is accustomed to act:
Provided that nothing in sub-clauses (f) and (g) shall apply to the advice, directions or instructions given in a professional capacity;
- h) any company which is
 - a. a holding, subsidiary or an associated company of such company; or
 - b. a subsidiary of a holding company to which it is also a subsidiary;
- i) such other person as may be specified;

Potential Risks

The related party transactions are a common feature of business but they may give rise to specific risks depending upon the nature of relationships. The major risks associated with these transactions are listed below:

- related parties may operate through an extensive and complex range of relationships and structures, with a corresponding increase in the complexity of related party transactions;
- information systems may be ineffective at identifying or summarizing transactions and outstanding balances between an entity and its related parties;
- related party transactions may not be conducted under normal market terms and conditions;
- related party transactions executed by the company may be non-complied with the relevant laws and regulations as amended from time to time;
- related party transactions may be motivated solely or by and large to engage in fraudulent financial reporting or conceal misappropriation of assets.

Mitigating Controls

The following mitigating controls are in place to mitigate the potential risks:

- All related parties are identified by the Company Secretarial and Finance departments and an updated list is being maintained.
- Balances and other transactions with the related parties are reported and disclosed separately in the financial statements of the company.
- All the related party transactions are being approved by the board of directors.
- Transactions with related parties are captured in separate ledgers and reported along with the mode of cost determination to BOD for approval.
- Amount of transactions;
- Timeframe or duration of the transactions or contracts or arrangements;
- Pricing policy;
- Recommendations to the audit committee, where applicable; and
- Any other relevant and material information that is necessary for the board to make a well-informed decision regarding the approval of related party transactions.

Pricing Policy

Company executes all the transactions with its related parties at arm's length. The term arm's length transactions mean any transaction carried out in a way, as if:

- The parties to the transaction were unrelated in any way;
- The parties were free from any undue influence, control or pressure;
- Through its relevant decision-makers, each party was sufficiently knowledgeable about the circumstances of the transaction, sufficiently experienced in business and sufficiently well advised to be able to form a sound judgement as to what was in its interests; and
- Each party was concerned only to achieve the best available commercial result for itself in all the circumstances.

Approval of Related Party Transactions

The board shall approve all related party transactions and the following minimum information shall be circulated and disclosed to the directors along with agenda item for board's meeting called for approval of related party transaction:

- Name of the related party;
- Names of the interested or concerned persons or directors;
- Nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in the related party;
- Detail, description, terms and conditions of transactions;

Responsibility of Board

The board of directors shall ensure:

- To educate and train directors and relevant employees so that they can identify and report the related party transactions to the board or other authorized persons;
- To provide direction as to whom a director or employee can consult should they be uncertain if a transaction is a related party transaction;
- For setting general criteria to approve transactions or agreement with related parties at various levels;
- For identifying and determining whether a related party transaction requires members' approval
- To ensure that any related party transactions that require board's approval are put before the board;
- To ensure that any related party transactions that require members' approval are put before members;
- To fix the responsibility for identification and disclosure of related party transactions; and
- To ensure the company meets its legal and regulatory obligations in relation to related party transactions.

Records to be maintained

The company shall maintain a register containing the information of transactions carried out with the related parties. The register shall contain the information that is required to be maintained as per the relevant provisions of law.



Social Media Policy

I. Applicability

This policy supplements the Packages Group Code of Conduct and other policies and standards issued by the Company/Packages Group (collectively referred to as the “Packages Group”) from time to time and applies to all employees and staff of all companies falling within the Packages Group (collectively referred to as “Employees”).



Social Media Policy

This Policy shall also apply to all business partners, consultants, agents, suppliers, vendors, financial advisors, affiliates, sales representatives, independent contractors, contract workers and third-party service providers of the Packages Group (collectively referred to as “Group Representatives”) when they act on behalf of or represent the Packages Group or any company falling within the Packages Group.

Failure to comply with this Policy may result in disciplinary action, up to and including termination.

II. Scope of the Policy

The policy provides guidance for the use of social media by Employees and Group Representatives and it is expected that that this Policy is adhered to by all Employees and Group Representatives. The term “social media” is broadly understood to include, but not limited to, social networking sites, blogs, message boards, electronic newsletters, online forums, and other sites and services that permit users to share information with others over the internet.

For the purposes of this Policy, “Confidential information” shall mean any data or information, that is valuable to the Company and not generally known to the public or to competitors of the Company including but not limited to financial information, know-how, data, trade secrets, price sensitive information, pricing strategies, sales trends, marketing strategies and plans, business plans, forecasts, customers lists and details of contracts with customers, legal issues, future promotional activities, personal information of customers and Employees and Group Representatives, information which the Packages Group or any company falling within the Packages Group is under an obligation to third parties to maintain as confidential or any other information relating to the Packages Group and any company falling within the Packages Group.

III. Policy Guidelines

The following guidelines apply to the use of social media on behalf of the Packages Group or any company falling within the Packages Group as well as personal use of social media by Employees and Group Representatives when referring to the Packages Group or any company falling within the Packages Group:

- The vision of the Packages Group to achieve sustainable growth is guided by the following core values and it is expected that all Employees and Group Representatives are also committed to such values.

Care - Fairness and consideration are integral

Respect - Truthfulness, integrity, transparency and trust

Lead - We stand up for what we believe in

Honesty - Treat people with respect and dignity

Courage - We aspire to lead in everything we do

- Employees and Group Representatives need to know, understand and adhere to the Packages Group Code of Conduct and other Packages Group policies and applicable laws, rules and regulations when using social media in reference to the Packages Group or any company falling within the Packages Group.
- In all aspects of usage and management of Confidential Information, all Employees and Group Representatives must adhere to the basic principles of confidentiality, integrity and high ethical standards.
- Do not let social media influence and/or interfere with your responsibilities and performance in your role within the Packages Group or any company falling within the Packages Group.
- Employees and Group Representatives should exercise sound judgment [and common sense] when posting content that is either unethical, inappropriate or harmful to the Packages Group or any company falling within the Packages Group or its reputation, brand image, customers, Employees and Group Representatives.
- Employees and Group Representatives should be mindful of the consequences their actions may have on the reputation of the Packages Group or any company falling within the Packages Group whether directly or indirectly.
- An Employee or Group Representative who has posted any content online that is capable of tarnishing the reputation and image of the Packages Group or any company falling within the Packages Group, shall be solely responsible and held liable for such content.
- Employees and Group Representatives should be aware that Packages Group or any company falling within the Packages Group may observe

and follow the content published or posted by Employees and Group Representatives on social media relating to the Group.

- Prohibited social media conduct is that which can create a hostile work environment and includes but is not limited to posting commentary, content, or images that are defamatory, harassment, libelous, offensive, abusive, derogatory, discriminatory, false and misleading, illegal, unethical.
- Employees and Group Representatives shall not publish, post or release any information that is considered as Confidential Information or not public.
- If you as an Employee or Group Representative are expressing your personal opinion, do not represent yourself as a spokesperson for, or on behalf of, Packages Group or any company falling within the Packages Group. If you do publish any content online related to the work that you do or the Packages Group or any company falling within the Packages Group, clearly specify the fact that you are not speaking on behalf of the Packages Group and/or any company falling within the Packages Group; and that your views do not represent those of the Packages Group Packages Group or any company falling within the Packages Group, fellow associates, members, customers, suppliers or people working on behalf of the Packages Group or any company falling within the Packages Group.

Further Guidelines for posting on the social media pages of the Packages Group or any company falling within the Packages Group

- In addition to the foregoing, Employees or Group Representatives or any other persons participating in social media activities on behalf of the Packages Group or any company falling within the Packages Group, on the social media pages, or any other online platform, of the Packages Group or any company falling within the Packages Group, should remember that:
 - Always get appropriate permission before referring to or posting any content relating to current or former employees, clients, customers, business partners, consultants, agents, suppliers,

vendors, financial advisors, affiliates, sales representatives, independent contractors, contract workers and third-party service providers.

- Do not publish Confidential Information or other proprietary information and never violate another's rights including but not limited to intellectual property rights.
- Appropriate permission must be attained from the right-holder prior to using any copyright, copyrighted material, trademarks, publicity rights or other intellectual property.
- Give credit where credit is due – if you are using another party's content or quoting them, ensure that they are given due credit for it in your post.
- Keep your personal social media accounts separate from social media accounts of the Packages Group or any company falling within the Packages Group.
- Any material created for and posted on the social media pages of the Packages Group or any company falling within the Packages Group will remain the property of the Packages Group or any company falling within the Packages Group, as the case may be.
- The Packages Group or any company falling within the Packages Group, reserves the right at all times and at its discretion to remove, or direct the Employee or Group Representative or the social media platform to remove, any damaging or hateful content.

Please think before you post. Remember that online content is permanent and can be viewed globally. When in doubt, refrain from posting any online content. If there is any uncertainty when posting on behalf of the Packages Group or any company falling within the Packages Group, always reach out to the Human Resource Department of the Packages Group or any company falling within the Packages Group.



Sustainability Policy

Scope and Philosophy

This Policy applies to all employees and third parties who undertake activity for and on behalf of Packages Limited. It applies to all goods and services we procure, our direct operations and services we provide to our customers. At Packages Group we are committed to creating a sustainable society, managing our operations in a way that covers the social, environmental, and economic objectives throughout the value chain, with human rights integrated into all that we do. We are guided by our Core Values – Lead, Care, Respect, Honesty and Courage.

Our Sustainability Agenda is based on the Triple Bottom Line approach of People, Planet and Prosperity, supporting the UN Global Compact on human rights, labor, environment and anti-corruption aiming to follow and promote good sustainability practices where we have influence.

All business activities are carried out under this philosophy and aspire for sustainable results for stakeholders' benefits and acceptance. To do this, sustainability considerations are woven throughout a suite of interdependent policies and procedures, which are implemented collectively to deliver the objectives of our Sustainability Policy.

We are committed to accountability and transparency in our sustainability performance.

Objectives

- To promote an ethical company culture that goes beyond complying with regulations
- To integrate sustainability into all our business models and decisions
- To ensure employees are fully aware of our Sustainability Policy and are committed and empowered to implementing and improving it
- To minimize the impact of our activities and products on the environment
- To ensure our products and services respond to a growing awareness of sustainability

- To make partners aware of our Sustainability Policy and encourage them to adopt sound sustainable management practices.

To review, annually report, and to continually strive to improve our sustainability performance.

Policy

Packages Group is committed to contributing to a more sustainable society and to continually improve the positive impacts by:

- Complying with and exceeding where practicable, applicable legislations, regulations, codes of practices and ethical standards.
- Ensuring the human rights of everyone under the influence of the organization are provided as per the United Nations Guiding Principles.
- Ensuring a safe and rewarding workplace for all employees, free of discrimination and harassment while aiming to contribute to the vitality of the communities around our operations.
- Utilizing natural resources with care by creating and seeking approaches and methods of optimized consumption, waste reduction and resource efficiency measures.
- Ensuring our systems and procedures prevent pollution, and minimize resource consumption.
- We ensure responsible sourcing of goods and services.

We articulate our shared values, and wherever possible, establish clear metrics and use them to track our sustainability performance.

Compliance

Packages Group as part of its sustainability objectives is committed to communicating these objectives to its suppliers, employees and other stakeholders and to support, promote and conform with this Policy.

This Policy and the actions arising from it will be annually reviewed as part of the business strategy.



HARASSMENT

Work Place Harassment

We believe that it is the right of every employee at Tri-Pack to work in a dignified environment. To achieve this and to promote a harmonized work culture, we will provide equal opportunities for development and growth regardless of gender, race, color, creed or religion.

Tri-Pack will not tolerate any harassment, discrimination or abuse of authority at the workplace. It includes behavior that creates an offensive, intimidating, humiliating or hostile work environment that unreasonably interferes with another person's work performance. All employees are expected to comply with this policy and to take appropriate measures to ensure that prohibited conduct does not occur.

The following examples of harassment are intended to be guidelines and deemed as violation of the Policy:

- a. Discrimination against a person on the basis of his/her race, sex, gender, identity, age, national origin, ancestry, religion, physical/ mental disability or marital status.
- b. Unwelcome and inappropriate propositions or advances.
- c. Singling out or targeting an individual,
- d. Mistreating individuals, creating an intimidating, hostile, demeaning or offensive work environment for an individual.
- e. Offensive language, jokes or comments.
- f. Displays or electronic transmission of derogatory, demeaning or hostile materials.

ROLE AND RESPONSIBILITIES

Managers and Supervisors

It is imperative that managers and supervisors set the tone for the enforcement of this policy. Managers and supervisors have a particular obligation to model appropriate behaviour; promote this policy; assist in the informal resolution of complaints and attend to them promptly; monitor the work environment and seek HR help for complex or serious matters.

HR Department

The HR Department is responsible for regulating and monitoring the policy.

Employees

All employees have the responsibility to comply with this policy; report incidents to the Internal Complaints Committee and not to participate in discriminatory or harassing behavior.

PROCEDURE

Any employee who believes that he or she has been a victim of discrimination, harassment, retaliation or misconduct prohibited by this policy should immediately report to Internal Complaints Committee (names mentioned below). The Committee guarantees confidentiality of all complaints and will take appropriate remedial action.

- i. Complaints may be submitted to the Internal Complaints Committee within 15 days of occurrence, by emailing at whistle@tripack.com.pk
- ii. Every complaint shall be investigated and a report will be issued within 15 days of its receipt. However, if there is more than one complaint then the Chairperson of the Committee may exercise his best judgment, based on the sensitivity of the complaints, to prioritize their investigation.
- iii. The HR Department will be the custodian of the 'Speak Out' email and responsible for its effective functioning. They shall have access to the email account designated above.
- iv. If the Complaints Committee determines that the allegations constitute an act of harassment, they will proceed to investigate the allegation with the assistance of the HR Department.
- v. In case the complaint is found to be false, the complainant shall be liable for appropriate disciplinary action imposed by the Competent Authority, the CEO.
- vi. In case a complaint is received against the Internal Complaints Committee, the complaint shall be forwarded to the CEO.
- vii. In case a complaint is against the CEO, it will be forwarded to the Chairman of Tri-Pack and Group Head of Internal Audit.
- viii. The Committee shall complete the investigation in a timely manner and draft a report communicating its findings and its recommendations for action to the CEO. The report of the committee shall be treated as an inquiry report on the basis of which disciplinary action will be taken against the violator.
- ix. The CEO will direct appropriate action in accordance with the recommendation proposed by the Committee.

Disciplinary Action will be appropriate to the breach and may include: an official warning and note on the person's personnel file; a formal apology; counselling; demotion, transfer, suspension; or dismissal for very serious matters.

COMPLAINT COMMITTEE

The Chairman and Members of the Committee are as follows:

- Head of Technical, Chairperson
- Group Head of Internal Audit, Member
- Team Lead Learning & Org. Development, Member

RETALIATION

Retaliation or attempted retaliation in response to lodging a complaint or invoking the complaint process is a violation of this policy. Any person who is found to have violated this aspect of the policy will be subject to sanctions up to and including termination of employment.

Social and Environmental Responsibility Policy

Tri-Pack Films Limited's Policy is to

- ensure customer satisfaction by its best quality product made by using state of the art machines and by continuous acquisition of knowledge and skills.
- establish, implement and review objectives & targets to ensure continuous improvement in our SHE System and inculcate Behavior Based concept to encourage employees in contributing towards every aspect of Safety, Health and Environmental protection.
- comply with all regulatory requirements on Safety, Health and Environment. Protect employees and community from health & safety hazards and to prevent environmental pollution.
- promote and adopt eco-friendly sustainable initiatives to minimize adverse impacts on the environment from its activities.
- use raw materials efficiently, manage waste effectively and economically to conserve resources.
- communicate to all stakeholders about our occupational safety, health and environment and quality policy & performance.
- ensure that any new plant, equipment and processes installed will minimize hazards impacting the environment.
- ensure sustainable use of energy and water resources via RO plant.



Role and Responsibilities of the Chairman

- To preside over the Directors' and General Meetings ("Meetings") of the Company;
- To ensure that requirements of the Articles of Association and of the laws and other applicable regulations are appropriately addressed and complied with by the Company in connection with the Meetings, including the Code of Corporate Governance;
- To ensure that the Meetings are duly convened and properly constituted. It is the responsibility of the Chairman to ensure, on the advice of the Company Secretary, that the Meetings are held after due notice has been given and that all those who are present in the Meetings have a right to be there and that the necessary quorum is present;
- To sign the minutes of the last Meetings after such minutes have been prepared, approved as corrected, if required, by the persons attending immediately next Meeting, or earlier if so required or is necessary, and after such minutes have been entered in the minute books;
- To ensure that the business of every Meeting is conducted in the order set down in the previously circulated agenda, subject to the Chairman's right to change this order;
- To ensure, to the extent possible, that order is maintained in the Meetings so that the business of the Meetings may be smoothly conducted. If any members present at a General Meeting behave in a disorderly manner, the Chairman may instruct them to behave properly. If, in spite of due warning, such members continue to behave in a disorderly manner, if any members use un-parliamentary or abusive language, the Chairman may require them to leave the Meeting, or the Chairman may adjourn the Meeting.
- To decide whether the resolutions moved at a Meeting, or the amendments suggested in such resolutions are in order and within the scope of the Meeting;
- To ensure, to the extent possible, that no discussion is allowed in a General Meeting except on a specific motion before the Meeting;
- To ensure that the views of the minority shareholders are properly heard at General Meetings;
- To ensure voting by raising of hands, or where demanded, by poll and declare the results of the voting and to declare as to whether a resolution is adopted or passed by a Meeting;
- To ensure that voting at an election of Directors is conducted in accordance with the Articles of Association and the law and to declare the names of the Directors elected;
- The Chairman shall have the authority to decide all incidental questions of procedure which arise and require decision at any time during the Meetings. The Chairman's decisions will be final and so recorded in the minutes' books;
- To exercise in a proper and business-like manner all the powers which are entrusted to the Chairman in the law or the Articles of Association or which are otherwise delegated by the Board to the Chairman;
- In exercising his powers at any Meeting, the Chairman may seek advice of the Company Secretary and/or the Chief Executive and/or any consultants, including the auditors and legal advisors, present in the Meeting.

Role and Responsibilities of the Chief Executive

The Chief Executive/Managing Director is the chief executive of the Company, and subject to the control and supervision/direction of and any limitations imposed by the Board:

- is entrusted with substantially the whole of the power of management of the business and affairs of the Company;
- has full power (other than the powers required to be exercised at meetings of the Board or the powers which are not delegated by the Board to the Chief Executive) to do all acts, matters and things, deemed necessary, proper or expedient for carrying on the business and concerns of the Company;
- is empowered to undertake the engagement and dismissal of managers, officers, engineers, assistants, clerks and labourers;
- is empowered to make and sign all contracts and to draw, sign, accept, endorse and negotiate, on behalf of the Company, all bills of exchange, promissory notes, cheques, drafts and other instruments; and is empowered to delegate all or some of his powers to such other directors, managers or other persons as the Chief Executive/ Managing Director may think fit and shall have power to grant to any such persons such powers of attorney as he may deem expedient and to revoke any such powers of attorney;
- is responsible to comply with all such directions and instructions as the Board may from time to time issue and to implement and give effect to all such decisions and resolutions as the Board or the Company in General Meeting may from time to time take, pass or adopt; and
- is responsible to ensure that the Company and its officers and employees comply with all applicable laws and regulations, the Articles of Association of the Company, the agreements and documents signed or adhered to by the Company and regulations of the regulatory bodies, such as (without limitations) the listing and other regulations of the Stock Exchanges on which the Company

Chairman's Significant Commitments and any Changes Thereto

Syed Babar Ali is serving Tri-Pack Films Limited as the Chairman of the Board. Details of his commitments are mentioned in the Directors' profile.

No plan, program
or concept is cast
in concrete; you
have to keep on
**modifying and
improving it!**

Syed Babar Ali



Principal Board Committees

Board of Directors

- (i) Syed Babar Ali (Chairman)
- (ii) Mr. Asghar Abbas
- (iii) Syed Hyder Ali
- (iv) Mr. Khurram Raza Bakhtayari
- (v) Ms. Nermeen Towfiq Chinoy
- (vi) Mr. Asif Qadir
- (vii) Mr. Saquib Hussain Shirazi
- (viii) Mr. Nasir Jamal (Chief Executive Officer)

Audit Committee Members

- (i) Ms. Nermeen Towfiq Chinoy (Chairperson)
- (ii) Mr. Khurram Raza Bakhtayari
- (iii) Mr. Asif Qadir

Human Resource and Remuneration (HR&R) Committee Members

- (i) Ms. Nermeen Towfiq Chinoy (Chairperson)
- (ii) Mr. Asghar Abbas
- (iii) Mr. Khurram Raza Bakhtayari

Executive Committee Members

- (i) Syed Hyder Ali (Chairman)
- (iii) Mr. Asghar Abbas
- (ii) Mr. Khurram Raza Bakhtayari

Terms of Reference of the Audit Committee

The terms of reference of the Audit Committee include the following:

- a) Determination of appropriate measures to safeguard the Company's assets;
- b) Review of annual and interim financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
 - Major judgmental areas;
 - Significant adjustments resulting from the audit;
 - Going-concern assumption;
 - Any changes in accounting policies and practices;
- c) Review of preliminary announcements of results prior to external communication and publication;
- d) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) Review of management letter issued by external auditors and management's response thereto;
- f) Ensuring coordination between the internal and external auditors of the Company;
- g) Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- i) Ascertaining that the internal control system including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- j) Review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;

- Compliance with applicable accounting standards;
- Compliance with regulations and other statutory and regulatory requirements; and
- All related party transactions.

- k) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body;
- l) Determination of compliance with relevant statutory requirements;
- m) Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof;
- n) Review of arrangement for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- o) Recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the Company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Code of Corporate Governance. The Board of Directors shall give due consideration to the recommendations of the Audit Committee and where it acts otherwise, it shall record the reasons thereof;
- p) Ensuring that risk mitigation measures are robust;
- q) Ensuring that appropriate extent of disclosure of company's risk framework and internal control system is given in the Directors Report; and
- r) Consideration of any other issue or matter as may be assigned by the Board of Directors.

Terms of Reference of Human Resource and Remuneration (HR&R) Committee

The terms of reference of the Human Resource and Remuneration (HR&R) Committee include the following:

- a) Recommendation to the Board for consideration and approval a policy framework for determining remuneration of Directors (both Executive and Non-Executive Directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the Chief Executive Officer level;
- b) Undertaking annually a formal process of evaluation of performance of the Board as a whole and its Committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the Directors' Report disclosing therein name and qualifications of such consultant and major terms of his/its appointment;
- c) Recommending Human Resource Management Policies to the Board;
- d) Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;
- e) Consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer;
- f) Where human resource and remuneration consultants are appointed, they shall disclose to the Committee their credentials as to whether they have any other connection with the Company;

- g) Considering and making recommendations to the Board in respect of the Board's Committees and the chairmanship of the Board Committees; and
- h) Keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary.

Terms of Reference of Executive Committee Responsibilities

- (a) The Executive Committee shall remain accountable to the Board, and may at its own discretion or at the request of the Board, make available to the Board such information, reports and documents to enable the Board to carry out its duties.

- (b) The Committee shall primarily be authorized to do the following:
 - i) Opening/ closing of bank accounts
 - ii) Securing bank's normal funded and non-funded facilities.
 - ii) Approval of share transfers
 - iv) Any other routine business and/or regulatory matter requiring Board approval.
- (c) The Executive Committee shall in its decision making, give due regard to any relevant legal or regulatory requirements, and associated best practice guidance, as well as to the risk and reputation implications of its decisions (liaising where relevant with the Board and its committees).

Report of the Audit Committee

The members of the Audit Committee are pleased to present their report to the shareholders for the year ended December 31, 2023.

We would like to make the following submissions on adherence to the Code of Corporate Governance, The Board Audit Committee has concluded its annual review of the conduct and operations of the Company for the year ended December 31, 2023 and reports that:

- The Company has adhered in full, without any material departure, with both the mandatory and voluntary provisions of the listing regulations of the Pakistan Stock Exchange, Code of Corporate Governance, Company's Code of Conduct and Values and the best practices of governance throughout the year.
- The Company has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed and certified by the External Auditors of the Company.
- Appropriate accounting policies have been consistently applied except those disclosed in financial statements. Applicable accounting standards were followed in preparation of the financial statements of the Company on a going concern basis for the financial year ended December 31, 2023, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equity of the Company for the year under review.
- The Chief Executive Officer and the Chief Financial Officer have reviewed the financial statements of the Company and the Chairman's and Board of Directors' Report. They acknowledge their responsibility for true and fair presentation of the financial statements, accuracy of reporting, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.
- Accounting estimates are based on reasonable and prudent judgment. Proper, accurate and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017.
- The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and applicable International Accounting Standards and International Financial Reporting Standards notified by the SECP.
- All direct and indirect trading in and holdings of the Company's shares by Directors and executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction. All such transactions have been disclosed.

INTERNAL AUDIT FUNCTION

- Presently the Company's internal Audit function is being looked after by the Head of Internal Auditor in compliance of the Code of Corporate Governance, who is assisted by in-house staff. The Chief Internal Auditor reports directly to the Chairman of the Board Audit Committee. The Chief Internal Auditor has the required qualifications as prescribed under the Regulations.

- The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and control.
- The Board Audit Committee has ensured the achievement of operational, compliance and financial reporting objectives, safeguarding of the assets of the Company and the shareholders' wealth through effective financial, operational and compliance controls and risk management at all levels within the Company.
- Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations

EXTERNAL AUDITORS

- The statutory auditors of the Company, A.F. Ferguson & Co, Chartered Accountants, have completed their audit of the Company's financial statements and the Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 for the financial year ended December 31, 2023 and shall retire on the conclusion of the 32nd Annual General Meeting.
- The final Management Letter is required to be submitted within forty-five (45) days of the date of the Auditors' Report on the financial statements under the Regulations and shall therefore accordingly be discussed in the next Board Audit Committee meeting.
- The external auditors were allowed direct access to the Audit Committee and also met the Audit Committee once a year without the presence of the Management.
- The Audit firm has been given a satisfactory rating under the Quality Control Review Programme of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP. The auditors have indicated their willingness to continue as auditors.
- The Company also obtains taxation related services from A.F. Ferguson & Co, Chartered Accountants. The firm has sound policies and procedures to ensure compliance of independence which includes separate engagement partners and separate teams for both audit and taxation work.
- Being eligible for reappointment under the Regulations, the Board Audit Committee recommends their reappointment for the financial year ending December 31, 2024 on terms and remuneration negotiated by the Chief Executive Officer.



Ms. Nermeen Towfiq Chinoy
Chairperson - BAC

Statement of Compliance

With the Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended December 31, 2023

Tri-Pack Films Limited (the Company) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are 8 as per the following:
 - a. Male: 7
 - b. Female: 1

2. The composition of the Board is as follows:

Independent Director (Female)	1	Ms. Nermeen Towfiq Chinoy
Independent Director (Male)	1	Mr. Saquib Hussain Shirazi
Non-Executive Directors	5	Syed Babar Ali Mr. Asghar Abbas Syed Hyder Ali Mr. Khurram Raza Bakhtayari Mr. Asif Qadir
Executive Director	1	Mr. Nasir Jamal *

Determination of number of independent directors under Regulation 6 arrives at 2.33 (rounded to 2) which is based on seven elected directors. The fraction is not rounded up since the two (2) elected independent directors possess requisite competencies, skills, knowledge and experience to hold the office as such and discharge and execute their responsibilities as per applicable laws and regulations.

*Mr. Nasir Jamal, the Chief Executive Officer of the Company, is a deemed director as envisaged in Section 188(3) of the Companies Act, 2017, (the Act).

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured

that complete record of particulars of significant policies along with their date of approval or update is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. All Directors have either acquired the Directors' Training Program certificates or are exempt from the requirements of the Directors' Training Program;
10. The Board has approved the appointment of the chief financial officer, company secretary, and head of internal audit, including their remuneration and terms and conditions of employment, and complied with relevant requirements of the Regulations;

During the year Mr. Feroze Polani was appointed as the Head of Internal Audit in place of Mr. Shahzeb Haider.

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed Committees comprising of members given below:

- a) **Audit Committee:**

Ms. Nermeen Towfiq Chinoy (Independent Director)	-	Chairperson
Mr. Khurram Raza Bakhtayari (Non-Executive Director)	-	Member
Mr. Asif Qadir (Non-Executive Director)	-	Member

b) **Human Resource and Remuneration Committee:**

Ms. Nermeen Towfiq Chinoy (Independent Director)	-	Chairperson
Mr. Asghar Abbas (Non-Executive Director)	-	Member
Mr. Khurram Raza Bakhtayari (Non-Executive Director)	-	Member

Since there are no Nomination and Risk Management Committees in place (required under non-mandatory provisions of Regulations 29 & 30), their respective terms of reference, as enumerated in the Regulations, have been incorporated in the terms of reference of Human Resource and Remuneration Committee and Audit Committee respectively.

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the committees was as per following:

a) Audit Committee	Quarterly
b) Human Resource and Remuneration Committee	Yearly

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

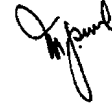
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with

Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

19. Explanation for non-compliance with requirement, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is stated in clause 12.



Mr. Nasir Jamal
Chief Executive Officer



Syed Babar Ali
Chairman

February 07, 2024
Karachi

Independent Auditor's Review Report



A·F·FERGUSON & CO.

To the members of Tri-Pack Films Limited

**Review Report on the Statement of Compliance Contained in Listed Companies
(Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Tri-Pack Films Limited for the year ended December 31, 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2023.

A handwritten signature in black ink, appearing to read 'A.F. Ferguson & Co.', is written over a horizontal line.

A.F.Ferguson&co.
Chartered Accountants
Karachi
Date: March 6, 2024
UDIN: CR202310073ah8OYGPTS

*A.F.FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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■ KARACHI ■ LAHORE ■ ISLAMABAD



IT Governance and Cyber Security

112 Information Technology Policy

112 IT Governance and Security

113 Disaster Recovery Plan (DRP)

Information Technology Policy (IT)

Purpose

The purpose of this policy is to promote active, effective use of IT while ensuring appropriate controls of the associated risks and the installation of safe, secure IT infrastructure at a reasonable cost.

Policy

IT strategy and planning

To ensure strategic, systematic implementation of IT investment, an IT strategy and plan should be drawn up based on the Company's strategy and business policies. Standards shall be established on utilization and installation of IT facilities, and the state of installation should be monitored in order to verify regularly that installation is conducted in accordance with the standards.

IT investment and process Management

- Internal corporate rules or procedures on IT investment should be established, and the investments should be decided and evaluated on that basis; and,
- Development, modification, and management of systems should be conducted in accordance with the prescribed procedures.

Information Security

All information relating to business operations should be treated as information assets subject to information security. An information security policy tailored to the nature of the information should be established and the information assets properly managed on that basis.

Management of information assets

All protected information assets should be categorized, and after analysis of the related risks, appropriate management methods should be established with the officers and employees thoroughly familiarized with them.

Procedures in case of accidents

Procedures to be followed in case of accidents should be established in advance and officers and employees thoroughly familiarized with them.

IT Governance & Security

At Tri-Pack Films Limited, IT governance and cybersecurity is reviewed at Board Audit Committee level. As per the internal audit plan, Information System (IS) & Information Technology (IT) General Controls including IT governance and cybersecurity audit is conducted annually and report is presented to Board Audit Committee. Our IT policies and practices are consistent with those of our Packages Group IT as well. Group IT function is supervised by an IT Steering Committee of which our director Mr. Khurram Raza Bakhtayari is a member.

Following reviews, tests are conducted on a defined frequency to uphold and continue to rely on our IT frameworks and network integrity. The same are reported and reviewed by our top management and in case of any identified threats, the same is communicated to the Board Audit Committee with action plans on addressing the same:

- Risk assessment of overall IS and IT function (last such review conducted in December 2023)
- Internal and external penetration tests by Group IT department and external experts to assess vulnerability of our IT networks to potential threats and breaches.
- New patches (including security upgrades) released by respective IT equipment manufacturers are timely and regularly updated without fail and the same is monitored on regular basis.
- Internet traffic is controlled through firewalls with adequate protocols for minimum required access at every level.
- Internet traffic is monitored and reviewed to identify potential threats and appropriate steps are immediately taken.
- To increase awareness among employees, IT security awareness training is being conducted on frequent basis which covers password security, internet security, safe browsing protocols, portable device access protocols, email security, ransom ware knowledge and safeguards, etc.

Our code of conduct also covers email, computers and network security and is obligatory on all employees to ensure adherence to the same.

Tri-Pack invests in its ERP (SAP) system to continuously upgrade adapt to the industry best practices. System controls are focused and relied upon rather than manual controls for smooth workflows and consistent control application. New upgrades in ERP are implemented after reviewing the benefits to minimize time and effort required in efficiently managing our operations.

Disaster Recovery Plan (DRP)

Disaster Recovery Plan (DRP) is a part of overall Business Continuity Plan (BCP) at Tri-Pack Films Limited. While the BCP covers the entire spectrum of businesses and activities carried out by Tri-Pack Films Limited, DRP is focused chiefly on procedures to recover and protect the IT infrastructure.

The purpose is to prepare Tri-Pack Films Limited in the event of disruptions affecting corporate local area networks (LAN), wide area networks (WAN), internet access and data services due to factors beyond our control (e.g., natural disasters or man-made events). This plan will also guide restoration of IT systems integrity and normal operations to the widest extent possible in a minimum time frame.

The scope of this plan is limited to Information Technology assets and processes and the related data. This is a disaster recovery (DR) plan, not a daily problem resolution procedures document.

At Tri-Pack, we have a separate DRP in place which is designed to mitigate the risk of system and service unavailability by providing written and cost effective contingency solutions for the prompt and effective continuation or resumption of mission-critical services in the event of a disaster.





Performance and Position

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Analysis of Financial and Non-Financial Indicators

At Tri-Pack, we have a robust mechanism for determining financial and non-financial targets for all the departments. Company-wide financial targets are set during the budgeting exercise after taking into consideration inputs from all different departments based on which a master budget is prepared. After review and endorsement by the Executive Management Team, the master budget is approved by the Board of Directors of the Company. These financial targets are cascaded down as key performance indicators at departmental and individual level.

On other hand, non-financial targets of the Company are closely linked with overall objectives and are set as part of the objective setting process of executives and management at the start of the year. These include employee engagement levels, development and enhancement of employee skills, safety, health and environmental benchmarks, quality benchmarks, training and development targets etc.



Composition of Statement of Financial Position



Non-Current and Current Assets

Property, plant and equipment	52%	Other receivables	4%
Intangibles	0%	Refunds due from government - sales tax	7%
Long term deposits	0%	Income tax - refundable	4%
Inventories	16%	Cash and bank balances	6%
Trade debts - net	10%	Advances and prepayments	1%
			100%



Non-Current and Current Assets

Property, plant and equipment	45%	Other receivables	4%
Intangibles	0%	Refunds due from government - sales tax	0%
Long term deposits	0%	Income tax - refundable	8%
Inventories	23%	Cash and bank balances	5%
Trade debts - net	14%	Advances and prepayments	1%
			100%



Equities and Liabilities

Equity & Reserves	21%	Deferred Liability	3%
Long-term Financing Facility	28%	Current Liabilities	48%
			100%



Equities and Liabilities

Equity & Reserves	30%	Deferred Liability	6%
Long-term Financing Facility	15%	Current Liabilities	49%
			100%

Ratio Analysis

	Year to December 31 2023	Year to December 31 2022	Year to December 31 2021	Year to December 31 2020	Year to December 31 2019	Year to December 31 2018
Profitability Ratios						
Cost/Income Ratio	57.3%	49.0%	42.8%	57.2%	112.3%	99.6%
Return on equity	16.8%	17.1%	22.1%	15.8%	-9.5%	4.2%
Return on capital employed	16.2%	19.6%	20.4%	19.1%	8.6%	7.4%
Gross profit ratio	15.8%	15.8%	16.8%	16.2%	10.1%	10.4%
Net profit/Loss to sale	3.9%	3.6%	5.5%	4.1%	-2.1%	1.2%
EBITDA margin to sale	13.3%	14.0%	16.1%	14.9%	9.1%	10.1%
Operating leverage ratio	(0.8)	0.5	1.7	43.8	0.2	(5.2)
Shareholders Funds	4.9%	8.3%	8.3%	10.5%	11.3%	11.0%
Return on shareholder funds	70.6%	62.3%	75.1%	44.3%	-22.3%	11.3%
Liquidity Ratios						
Current ratio	1.0	1.1	1.1	1.0	0.8	0.9
Quick / Acid test ratio	0.7	0.7	0.6	0.6	0.5	0.5
Cash to Current Liabilities	(0.1)	0.1	(0.1)	(0.2)	(0.3)	(0.3)
Cash flow from Operations to Sales	0.1	0.2	(0.1)	0.2	0.2	0.0
Cash Flow to Capital Expenditure	0.4	3.4	(3.8)	1.4	6.2	(0.7)
Cash Flow Coverage Ratio	0.2	0.7	(0.3)	0.5	0.7	0.0
Activity / Turnover Ratios						
Inventory turnover	5.6	6.6	4.0	6.7	7.6	5.5
No. of Days in Inventory	65.5	55.3	91.0	54.6	47.9	66.0
Debtor turnover ratio	10.0	12.2	7.6	10.4	7.5	6.7
No. of Days in Receivables	36.4	30.0	48.0	35.2	48.9	54.5
Creditors turnover ratio	5.2	89.5	49.8	5.0	4.8	27.3
No. of Days in payables	69.7	4.1	7.3	72.6	75.7	13.4
Total Assets turnover ratio	0.9	1.4	1.1	1.1	1.2	1.0
Fixed Assets turnover ratio	1.7	3.2	2.8	2.1	2.4	2.2
Operating Cycle	32.2	81.1	131.7	17.2	21.1	107.2
Employee Productivity Ratio						
production per employee (tons)	133.71	158.02	164.76	157.42	153.37	150.71
Revenue per Employee (Rs.000)	77,632	79,605	65,479	48,520	46,911	41,069
Staff turnover ratio	10%	9.7%	6.8%	0.6%	2.8%	3.9%
Spares Inventory as a % of asset cost	1.8%	3.0%	2.9%	3.9%	3.2%	3.0%
Maintenance Cost as a % of operating expenses	2.9%	2.5%	2.7%	3.1%	2.5%	2.7%
Investment / Market Ratios						
Earnings per share (EPS)	25.2	22.3	26.9	15.8	(8.0)	4.1
Price earning ratio	5.7	5.8	7.6	10.3	(10.5)	26.4
Price to Book ratio	19.8	30.0	47.1	48.1	26.5	33.0
Dividend %	60%	50%	130%	50%	-	40%
Dividend Yield ratio	4.2	3.9	6.4	3.1	-	3.7

	Year to December 31 2023	Year to December 31 2022	Year to December 31 2021	Year to December 31 2020	Year to December 31 2019	Year to December 31 2018
Dividend Payout ratio	23.8	22.5	48.4	31.6	-	98.6
Dividend Cover ratio	4.2	4.5	2.1	3.2	-	1.0
Break-up Value per share	150.1	130.4	121.3	99.9	84.0	96.2
Market value per share	144.2	125.4	203.1	162.8	84.2	107.1
Highest Market value per share during the period	161.1	203.1	236.6	198.0	120.1	183.2
Lowest Market value per share during the period	113.2	123.3	154.0	63.1	47.5	99.9
Capital Structure Ratios						
Net assets per share	150.1	130.4	121.3	99.9	84.0	96.2
Financial Leverage ratio	2.4	1.5	1.9	1.2	1.5	1.8
Weighted average cost of debt	6.1	15.5	6.7	13.0	15.6	7.1
Total Debt to equity ratio	71:29	59:41	65:35	54:46	60:40	65:35
Long Term Debt to Equity Ratio	61:39	38:62	39:61	38:62	28:72	34:66
Interest coverage	3.0	2.3	2.8	2.1	1.0	1.5

Profitability Ratios

Year 2018 and 2019 performance was under pressure due to entry of competition leading to supply overhang in the market. Also, higher raw material and energy cost led to reduced profitability. However, in 2020, despite the pandemic, profits improved with reduced finance costs. This trend continued in 2021, marking the highest profit ever. In 2022, despite challenges like floods and inflation, the company thrived due to timely decisions. Notably, 2023 witnessed further improvements in profitability ratios, reflecting the company's steadfast commitment to optimizing operations and delivering value to stakeholders.

Liquidity Ratios

The current ratio shows a healthy trend as the Company builds its asset base to pay off the debts. During the year, the Company changed its import payment terms from sight to usance to manage working capital requirement, hence increasing the burden on current liability.

Activity/Turnover Ratios

Our attention has primarily been directed towards improving working capital, leading us to focus on recovering payments from customers amid prevailing economic and global challenges. During the year in order to stay competitive, we have adjusted our credit terms, resulting in a rise in trade receivables. The import payment terms were changed from sight to usance hence increasing payable days, the improved operating cycle reflects enhanced operational efficiency, despite increased inventory and receivables days.

Investment/Market Ratios

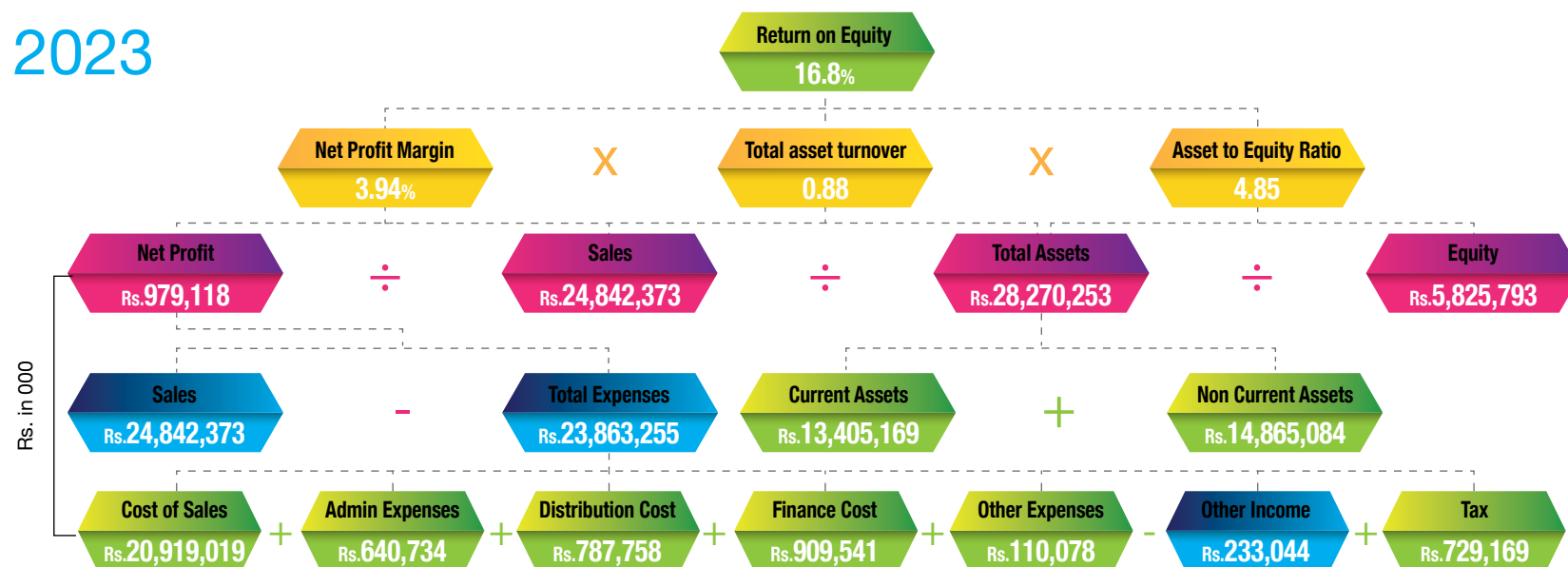
The share price of the company and the ratios are in effect a reflection of the market's confidence in the Company and its healthy performance.

Capital Structure Ratio

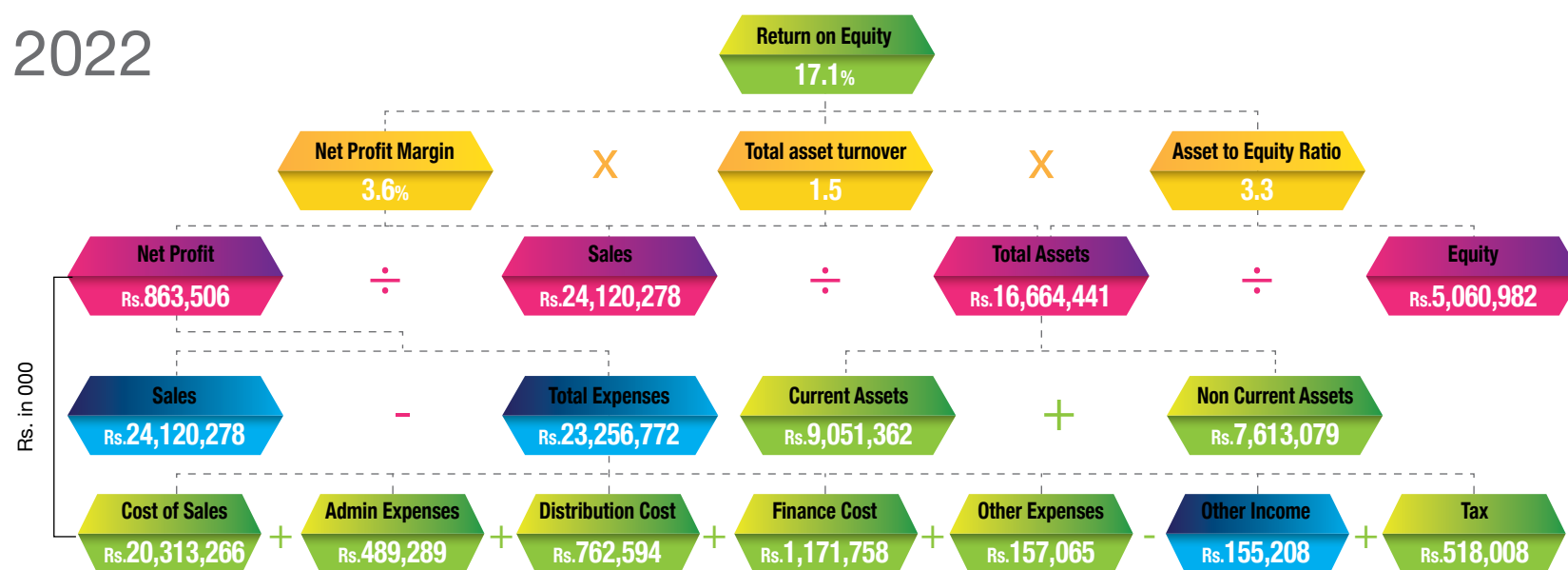
In 2023, the Company sustained positive momentum with higher net assets per share and increased financial leverage. During the year, total debt to equity ratio increased majorly due to debt received for project line 5 which is to be commissioned in year 2024. Its related borrowing cost was capitalized as per IFRS. The positive interest coverage ratio shows efficiency in working capital management.

DuPont Analysis

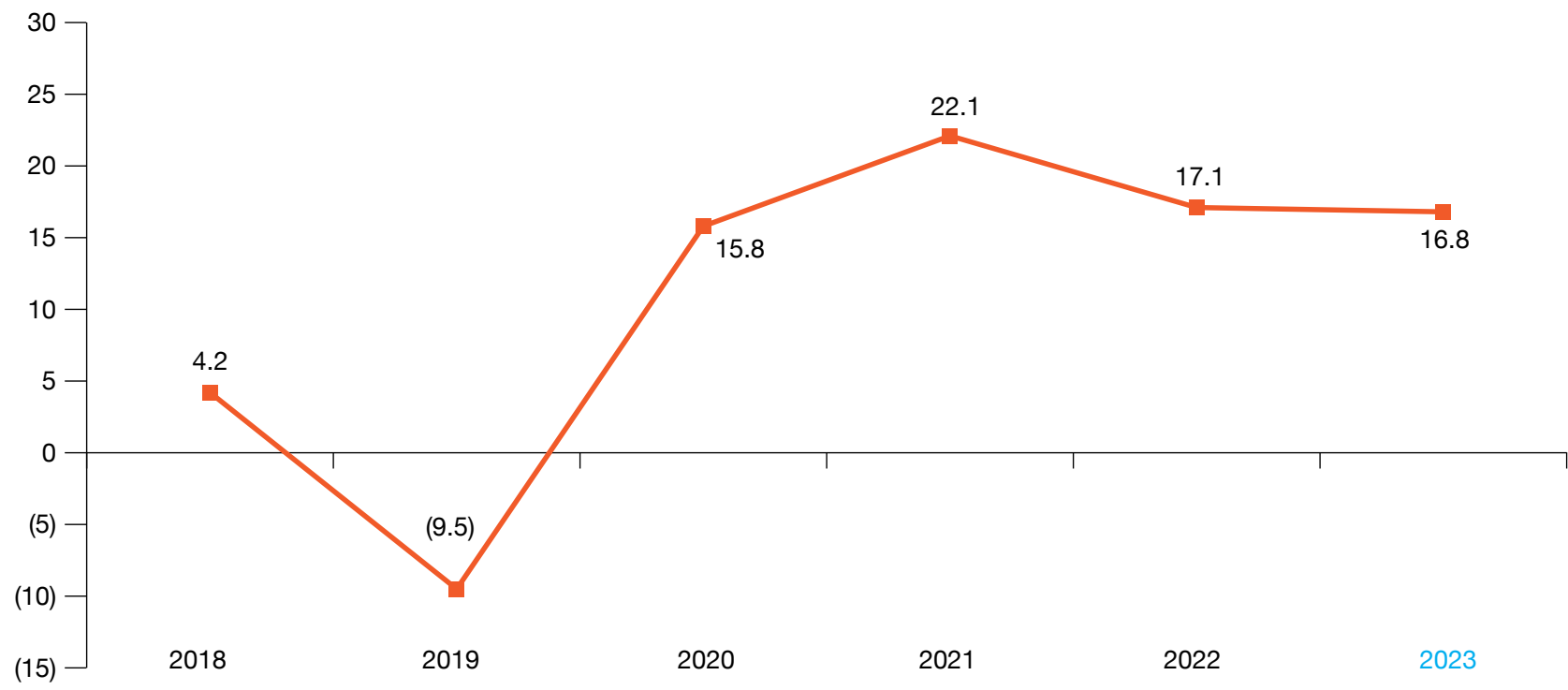
2023



2022



Graphical Presentation of DuPont Analysis



Comment / Analysis

In 2023, the company encountered numerous challenges, including significant increases in inflation, interest rates, currency devaluation, import curtailment strategies, and tightening of monetary policy. Despite a slight decrease in Return on Equity (ROE) from 17.10% in 2022 to 16.80%, the company sustained a solid performance in profit generation relative to shareholder equity. This was complemented by continuous efforts in cost reduction, working capital management, achieving operational efficiencies, and timely decision-making, resulting in a net profit margin of 3.94%.

Horizontal Analysis

	2023		2022		2021		2020		2019		2018	
	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %
Statement of Financial Position												
Equity and Reserves	5,825,793	15.1	5,060,982	7.5	4,707,491	21.5	3,875,925	18.9	3,259,360	(12.7)	3,731,479	(5.6)
Long term financing facilities	8,040,687	222.8	2,491,228	(4.3)	2,603,142	22.6	2,123,085	144.0	870,002	(18.7)	1,070,001	(24.9)
Non Current Liability	966,846	(0.4)	970,594	46.2	663,679	(25.4)	889,329	135.7	377,377	38.6	272,307	(36.6)
Current Liabilities	13,436,927	65.0	8,141,638	(7.0)	8,757,112	39.8	6,264,771	(19.9)	7,822,735	3.9	7,531,001	39.8
	<u>28,270,253</u>	<u>69.6</u>	<u>16,664,441</u>	<u>(0.4)</u>	<u>16,731,424</u>	<u>27.2</u>	<u>13,153,110</u>	<u>6.7</u>	<u>12,329,474</u>	<u>(2.2)</u>	<u>12,604,788</u>	<u>12.6</u>
Property Plant and Equipment	14,828,915	95.9	7,571,398	9.7	6,900,023	(1.7)	7,022,510	16.3	6,038,793	(0.6)	6,073,755	(1.6)
Other Non-Current Assets	36,169	(13.2)	41,681	216.3	13,176	(23.5)	17,234	(25.6)	23,155	204.7	7,599	(11.9)
Current Assets	13,405,169	48.1	9,051,362	(7.8)	9,818,225	60.6	6,113,366	(2.5)	6,267,526	(3.9)	6,523,434	30.2
Inventories	4,446,312	20.1	3,701,040	(18.3)	4,527,514	83.7	2,464,747	11.7	2,206,552	(14.3)	2,575,128	38.9
Trade receivables	2,874,497	25.9	2,283,807	(21.5)	2,910,764	71.6	1,696,150	(26.0)	2,292,142	(1.4)	2,324,698	40.6
Advances and prepayments	319,010	198.4	106,922	(20.1)	133,819	45.6	91,901	19.7	76,804	(26.4)	104,392	6.4
Refunds due from												
government - sales tax	1,905,338	6,275.4	29,886	(91.3)	344,828	43.6	240,160	88.8	127,209	(16.3)	151,956	363.8
Other receivables	1,095,250	53.8	712,034	178.0	256,106	9.4	234,054	121.4	105,715	(22.2)	135,853	20.9
Income Tax refundable	1,205,006	(8.3)	1,313,483	(8.7)	1,438,326	15.2	1,248,996	0.2	1,246,809	5.0	1,187,537	12.5
Cash and bank balances	1,559,756	72.5	904,190	337.1	206,868	50.6	137,358	(35.3)	212,295	383.9	43,870	(78.6)
	<u>28,270,253</u>	<u>69.6</u>	<u>16,664,441</u>	<u>(0.4)</u>	<u>16,731,424</u>	<u>27.2</u>	<u>13,153,110</u>	<u>6.7</u>	<u>12,329,474</u>	<u>(2.2)</u>	<u>12,604,788</u>	<u>12.6</u>
Profit & Loss												
Revenue from Contract with Customers	24,842,373	3.0	24,120,278	26.6	19,054,464	26.3	15,089,802	2.8	14,683,267	11.0	13,224,068	7.9
Cost of sales	20,919,019	3.0	20,313,266	28.2	15,848,306	25.3	12,649,012	(4.1)	13,193,443	11.4	11,847,875	13.0
Gross profit	3,923,354	3.1	3,807,012	18.7	3,206,158	31.4	2,440,790	63.8	1,489,824	8.3	1,376,193	(22.1)
Administration and selling expenses	1,428,492	14.1	1,251,883	30.3	960,883	8.2	887,688	12.6	788,218	14.8	686,823	16.5
Operating profit	2,494,862	(2.4)	2,555,129	13.8	2,245,275	44.6	1,553,122	121.4	701,606	1.8	689,370	(41.4)
Other income	233,044	50.1	155,208	48.6	104,416	(36.6)	164,710	65.1	99,781	75.8	56,770	21.4
Finance Cost	909,541	(22.4)	1,171,758	41.8	826,343	2.1	808,992	(1.3)	819,480	61.5	507,524	42.9
Other charges	110,078	(29.9)	157,065	45.1	108,242	(20.0)	135,328	13,102.7	1,025	(94.5)	18,547	(67.3)
Profit/(loss) before taxation	1,708,287	23.7	1,381,514	(2.4)	1,415,106	82.9	773,512	(4,146.0)	(19,118)	(108.7)	220,069	(72.9)
Provision for taxation	729,169	40.8	518,008	38.8	373,246	134.2	159,401	(45.2)	290,696	363.5	62,712	(73.7)
Profit/(loss) after taxation	<u>979,118</u>	<u>13.4</u>	<u>863,506</u>	<u>(17.1)</u>	<u>1,041,860</u>	<u>69.7</u>	<u>614,111</u>	<u>298.2</u>	<u>(309,814)</u>	<u>(296.9)</u>	<u>157,357</u>	<u>(72.5)</u>

Vertical Analysis

	2023		2022		2021		2020		2019		2018	
	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %
Statement of Financial Position												
Equity and Reserves	5,825,793	20.6	5,060,982	30.4	4,707,491	28.1	3,875,925	29.5	3,259,360	26.4	3,731,479	29.60
Long term financing facilities	8,040,687	28.4	2,491,228	14.9	2,603,142	15.6	2,123,085	16.1	870,002	7.1	1,070,001	8.49
Non Current Liability	966,846	3.4	970,594	5.8	663,679	4.0	889,329	6.8	377,377	3.1	272,307	2.16
Current Liabilities	13,436,927	47.5	8,141,638	48.9	8,757,112	52.3	6,264,771	47.6	7,822,735	63.4	7,531,001	59.75
	<u>28,270,253</u>	<u>100.0</u>	<u>16,664,441</u>	<u>100.0</u>	<u>16,731,424</u>	<u>100.0</u>	<u>13,153,110</u>	<u>100.0</u>	<u>12,329,474</u>	<u>100.0</u>	<u>12,604,788</u>	<u>100.0</u>
Property Plant and Equipment	14,828,915	52.5	7,571,398	45.4	6,900,023	41.2	7,022,510	53.4	6,038,793	49.0	6,073,755	48.2
Other Non Current Assets	36,169	0.1	41,681	0.3	13,176	0.1	17,234	0.1	23,155	0.2	7,599	0.1
Current Assets	13,405,169	47.4	9,051,362	54.3	9,818,225	58.7	6,113,366	46.5	6,267,526	50.8	6,523,434	51.8
Inventories	4,446,312	15.7	3,701,040	22.2	4,527,514	27.1	2,464,747	18.7	2,206,552	17.9	2,575,128	20.4
Trade debts	2,874,497	10.2	2,283,807	13.7	2,910,764	17.4	1,696,150	12.9	2,292,142	18.6	2,324,698	18.4
Advances and prepayments	319,010	1.1	106,922	0.6	133,819	0.8	91,901	0.7	76,804	0.6	104,392	0.8
Refunds due from												
government - sales tax	1,905,338	6.7	29,886	0.2	344,828	2.1	240,160	1.8	127,209	1.0	151,956	1.2
Other receivables	1,095,250	3.9	712,034	4.3	256,106	1.5	234,054	1.8	105,715	0.9	135,853	1.1
Income Tax refundable	1,205,006	4.3	1,313,483	7.9	1,438,326	8.6	1,248,996	9.5	1,246,809	10.1	1,187,537	9.4
Cash and bank balances	1,559,756	5.5	904,190	5.4	206,868	1.2	137,358	1.0	212,295	1.7	43,870	0.3
	<u>28,270,253</u>	<u>100.0</u>	<u>16,664,441</u>	<u>100.0</u>	<u>16,731,424</u>	<u>100.0</u>	<u>13,153,110</u>	<u>100.0</u>	<u>12,329,474</u>	<u>100.0</u>	<u>12,604,788</u>	<u>100.0</u>
Profit & Loss												
Revenue from Contract with Customers	24,842,373	100.0	24,120,278	100.0	19,054,464	100.0	15,089,802	100.0	14,683,267	100.0	13,224,068	100.0
Cost of sales	20,919,019	84.2	20,313,266	84.2	15,848,306	83.2	12,649,012	83.8	13,193,443	89.9	11,847,875	89.6
Gross profit	3,923,354	15.8	3,807,012	15.8	3,206,158	16.8	2,440,790	16.2	1,489,824	10.1	1,376,193	10.4
Administration and selling expenses	1,428,492	5.8	1,251,883	5.2	960,883	5.0	887,688	5.9	788,218	5.4	686,823	5.2
Operating profit	2,494,862	10.0	2,555,129	10.6	2,245,275	11.8	1,553,122	10.3	701,606	4.8	689,370	5.2
Other income	233,044	0.9	155,208	0.6	104,416	0.5	164,710	1.1	99,781	0.7	56,770	0.4
Finance Cost	909,541	3.7	1,171,758	4.9	826,343	4.3	808,992	5.4	819,480	5.6	507,524	3.8
Other charges	110,078	0.4	157,065	0.7	108,242	0.6	135,328	0.9	1,025	0.0	18,547	0.1
Profit/(loss) before taxation	1,708,287	6.9	1,381,514	5.7	1,415,106	7.4	773,512	5.1	(19,118)	(0.1)	220,069	1.7
Provision for taxation	729,169	2.9	518,008	2.1	373,246	2.0	159,401	1.1	290,696	2.0	62,712	0.5
Profit/(loss) after taxation	<u>979,118</u>	<u>3.9</u>	<u>863,506</u>	<u>3.6</u>	<u>1,041,860</u>	<u>5.5</u>	<u>614,111</u>	<u>4.1</u>	<u>(309,814)</u>	<u>(2.1)</u>	<u>157,357</u>	<u>1.2</u>

Combined Analysis of Horizontal and Vertical Analysis

Statement of Financial Position

Equity and Reserves

In 2022 and 2023, significant growth can be seen on the back of record profitability.

Long Term Borrowings

The Company observed an increase in long-term financing, primarily attributed to utilizing funds for payments to suppliers for the new BOPP line project. This underscores the Company's strategic investment in expanding its operations while maintaining financial flexibility.

Current Liability

The rise in current liabilities is mainly due to increase in trade and other payables, indicating strengthened vendor relationships and extended credit terms. This underscores the dedication to efficient working capital management, enhancing financial stability amidst changing market dynamics.

Property, Plant and Equipment

Significant change was witnessed in property, plant and equipment, being the highest in last six years. Major capital expenditures were incurred for BOPP Line project.

Current Assets

Current assets mainly comprise of trade receivables and inventories. Inventories increased from last year as the company has taken proactive measures to stock up on additional raw materials to address supply chain disruptions. Furthermore, trade receivables have risen alongside the surge in sales prices due to heightened raw material costs.

Statement of Profit and Loss

Revenue from Contracts with Customers

The Company managed to secure the highest ever sales revenue in the last 6 years. This was mainly due to hike in raw material prices and exchange fluctuation which was effectively passed on to the customers. Further, increase in sales was also due to timely pricing decisions and reorganization of product portfolio.

Gross Profit

The Company made the highest Gross Profit over the last six years. This is mainly due to effective margin management.

Finance Cost

The Company utilizes debt obtained from banks for its working capital requirements as well as to finance capital expenditure.

Profit Before Tax

In 2023, the Company achieved its highest-ever profit of Rs 1,708 million, driven by operational efficiencies, stringent cost control measures, and timely pricing strategies.

Taxation

The increase in taxation is in line with the increased profitability.



Sources and Application of Funds

	2023	2022	2021	2020	2019	2018
	(Rupees in thousand)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash (used in) / generated from operations	3,673,671	5,414,154	(2,149,485)	2,689,190	3,908,112	60,171
Payment on account of accumulated compensated absences	(8,688)	(7,987)	(4,854)	(4,087)	(7,191)	(7,741)
(Increase) / decrease in long term deposits	2,250	(21,650)	(95)	3,958	(4,999)	(948)
Staff retirement benefits paid	(58,677)	(46,643)	(70,076)	(69,273)	(64,477)	(145,752)
Income taxes (paid)/received	(613,164)	(390,698)	(403,970)	(201,151)	(255,018)	(266,141)
Net cash inflow/(outflow) from operating activities	2,995,392	4,947,176	(2,628,480)	2,418,637	3,576,427	(360,411)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of property, plant and equipment	(7,173,330)	(1,424,574)	(681,048)	(1,673,645)	(562,228)	(544,461)
Purchase of intangibles	(4,661)	(12,144)	(3,866)	(4,365)	(16,217)	(348)
Investment in Term Deposit Receipt	(106,000)	(50,000)				
Profit received on bank balances	24,430	5,412	1,188	2,335	384	708
Sale proceeds on disposal of PPE	5,014	1,046	505	2,135	8,219	6,475
Net cash outflow from investing activities	(7,254,547)	(1,480,260)	(683,221)	(1,673,540)	(569,842)	(537,626)
CASH FLOWS FROM FINANCING ACTIVITIES						
Long-term borrowings paid	(717,068)	(419,897)	(170,000)	(400,000)	(854,021)	(1,224,249)
Long-term borrowings acquired	6,710,338	829,874	1,145,438	1,296,012	200,000	500,000
Payments against Gas Infrastructure Development Cess	-	(45,508)	(263,187)	-	-	-
Short term borrowings - net	(2,900,500)	(399,500)	3,630,000	(628,000)	(1,414,000)	420,000
(Repayment) / proceeds from salary refinancing scheme	-	(135,043)	(134,426)	268,852	-	-
Finance cost, bank charges & Transaction charges paid	(1,604,169)	(1,110,996)	(585,621)	(597,714)	(735,757)	(444,738)
Dividends paid	(192,227)	(500,897)	(192,573)	(243)	(154,765)	(385,232)
Net cash inflow/(out flow) from financing activities	1,296,374	(1,781,967)	3,429,631	(61,093)	(2,958,543)	(1,134,219)
Net cash (outflow)/inflow	(2,962,781)	1,684,949	117,930	684,004	48,042	(2,032,256)

Comments / Analysis

Cash Flows from Operating Activities

The Company was able to generate cash of Rs. 3.6 billion due to improvement in working capital management as a result of recoveries from customers and efficient inventory management.

Cash Flows from Investing Activities

The capital expenditure increased in 2023 due to progression in new BOPP line as payment of machinery are being made to supplier.

Cash Flows from Financing Activities

In 2023, long term loans have been acquired for expansion of project, offset by higher short term debt and interest payments.

	2023	2022
	(Rupees in millions)	
Cash and Cash Equivalents - Opening	281	(1,404)
Loan Acquired/(Paid) - net	5,993	410
Short term financing - net	(2,901)	(399)
Finance Cost	(1,604)	(1,111)
Dividends	(192)	(501)
Proceeds from salary refinancing	-	(135)
Payment against GIDC	-	(46)
Capital Expenditure	(7,255)	(1,480)
Investment in Term Deposit Receipt (TDR)	(106)	(50)
Cash inflow from Operations	2,995	4,947
Cash and Cash Equivalents - Closing	(2,682)	281

Cash Flow - Direct Method

Cash Flows from Operating Activities

Cash received from customers	
Cash paid to vendors	
Net income tax paid	
Net cash generated from operating activities	

Cash flows from investing activities

Purchase of property, plant and equipment	
Purchase of intangibles	
Profit received on bank balances	
Investment in Term Deposit Receipt	
Sale proceeds on disposal of Property, Plant and Equipment	
Net cash used in investing activities	

Cash flows from financing activities

Dividend paid	
Long term borrowings paid	
Long term borrowings acquired	
Proceeds from salary refinancing	
Payments against Gas Infrastructure Development Cess	
Short term borrowings - net	
Finance Cost Paid	
Transaction cost paid	
Bank Charges Paid	
Net cash (used in) financing activities	

Net Increase in cash and cash equivalents

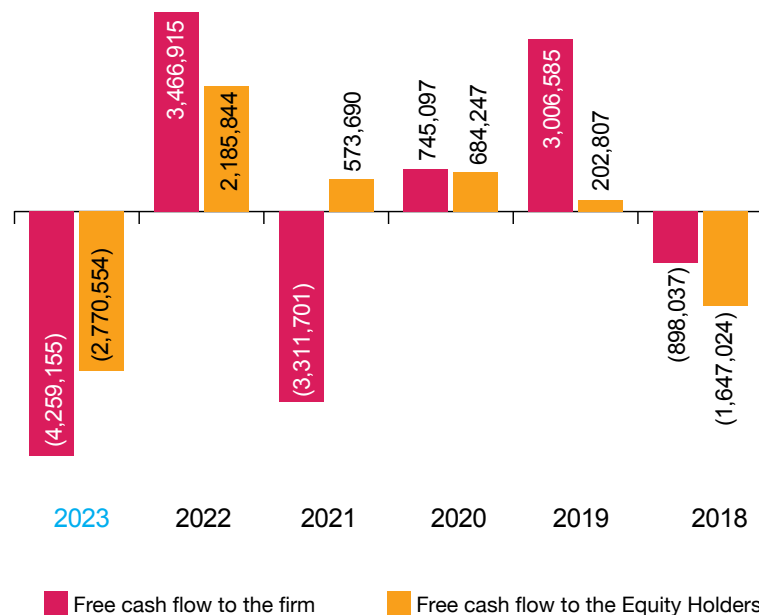
Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year

2023	2022
Rupees in thousand	
28,488	28,987
(24,880)	(23,650)
(613)	(391)
2,995	4,947
(7,173)	(1,425)
(5)	(12)
24	5
(106)	(50)
5	1
(7,254)	(1,480)
(192)	(501)
(717)	(420)
6,710	830
-	(135)
-	(46)
(2,901)	(399)
(1,495)	(1,028)
(3)	(4)
(106)	(79)
1,296	(1,782)
(2,963)	1,685
281	(1,404)
(2,682)	281

Free Cash Flows

	2023	2022	2021	2020	2019	2018
	(Rupees in thousand)					
Cash generated from / (used in) operations	3,673,671	5,414,154	(2,149,485)	2,689,190	3,908,112	60,171
Payment on account of accumulated compensated absences	(8,688)	(7,987)	(4,854)	(4,087)	(7,191)	(7,741)
Increase in long term deposits	2,250	(21,650)	(95)	3,958	(4,999)	(948)
Staff retirement benefits paid	(58,677)	(46,643)	(70,076)	(69,273)	(64,477)	(145,752)
Income taxes paid	(613,164)	(390,698)	(403,970)	(201,151)	(255,018)	(266,141)
	<u>2,995,392</u>	<u>4,947,175</u>	<u>(2,628,480)</u>	<u>2,418,637</u>	<u>3,576,427</u>	<u>(360,411)</u>
Capital expenditure	(7,177,991)	(1,436,718)	(684,914)	(1,678,010)	(578,445)	(544,809)
Other investing cash flows	(76,556)	(43,542)	1,693	4,470	8,603	7,183
Free cash flow to the firm	<u>(4,259,155)</u>	<u>3,466,915</u>	<u>(3,311,701)</u>	<u>745,097</u>	<u>3,006,585</u>	<u>(898,037)</u>
Debt Cash Flows	1,488,601	(1,281,071)	3,885,391	(60,850)	(2,803,778)	(748,987)
Free cash flow to the Equity Holders	<u>(2,770,554)</u>	<u>2,185,844</u>	<u>573,690</u>	<u>684,247</u>	<u>202,807</u>	<u>(1,647,024)</u>



Comments

FCFF:

Free cash flows to the firm is the cash flow available for distribution among all the funding providers in the business. The Company generated Rs. 3.6 billion from operations mainly due to effective working capital management as a result of recoveries from customers and effective inventory management. Capital expenditure amounted to Rs. 7,177 million which majorly include machinery imported in respect of new BOPP line. Further, income tax payments of Rs. 613 million were made on account of higher feedstock prices.

As a result, free cash outflow to the firm amounted to Rs. 4.2 billion.

FCFE:

Free cash flows to the equity holder is the cash flow available for distribution to the equity holders.

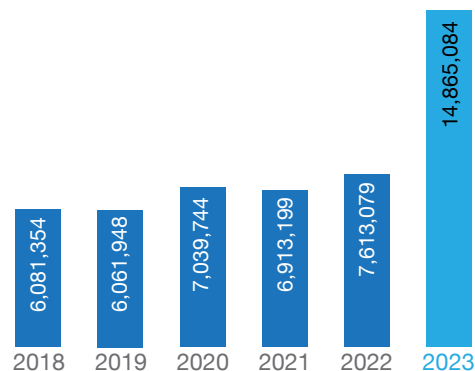
The Company has used its free cash flows to finance New BOPP Line project.

Graphical Presentation

Statement of Financial Position

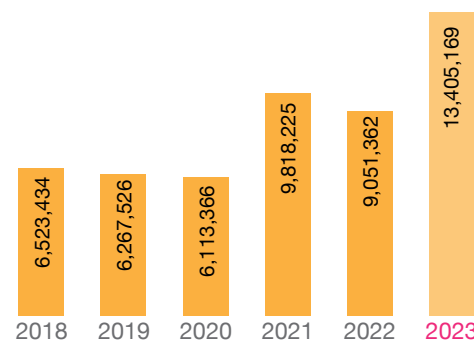
Non-Current Assets

(Rs. in thousand)



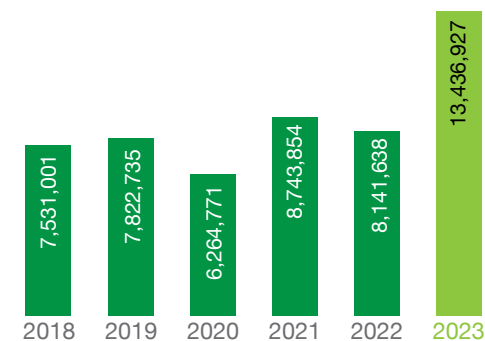
Current Assets

(Rs. in thousand)



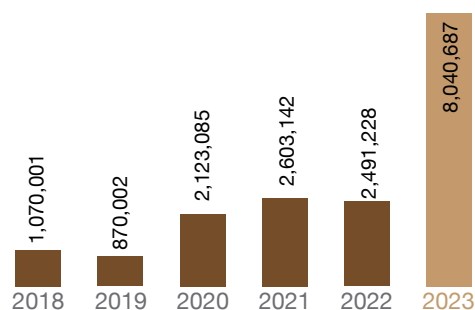
Current Liabilities

(Rs. in thousand)



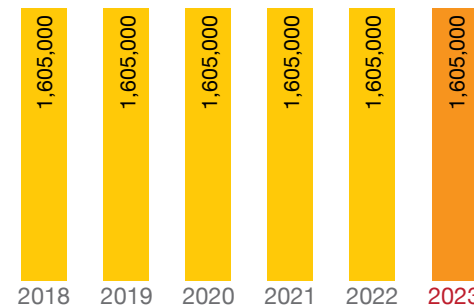
Long Term Borrowing

(Rs. in thousand)



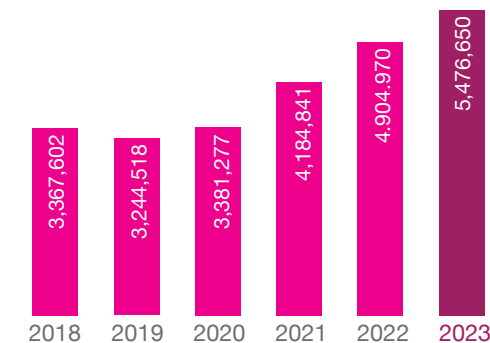
Equity & Reserves

(Rs. in thousand)



Contribution to National Exchequer

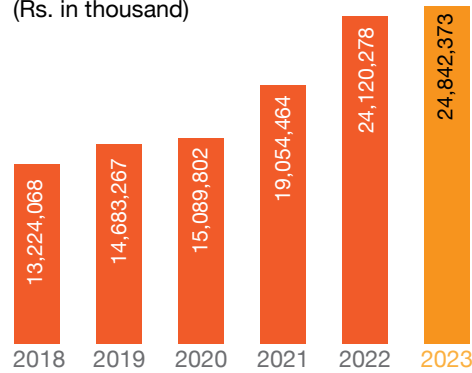
(Rs. in thousand)



Statement of Profit or Loss and Other Comprehensive Income

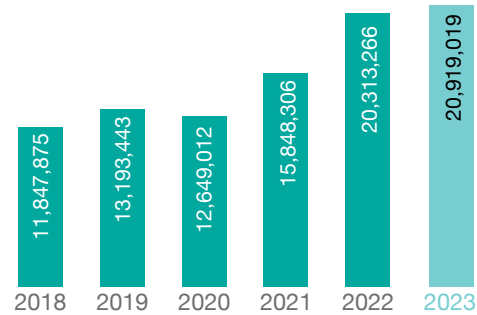
Revenue from contracts with customers

(Rs. in thousand)



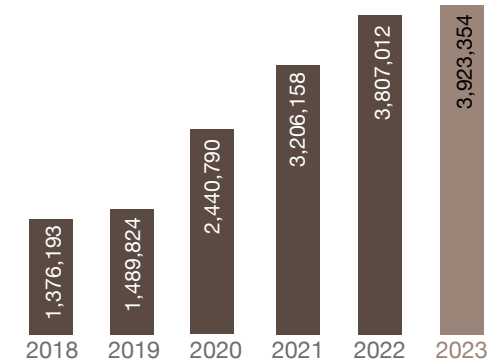
Cost of Sales

(Rs. in thousand)



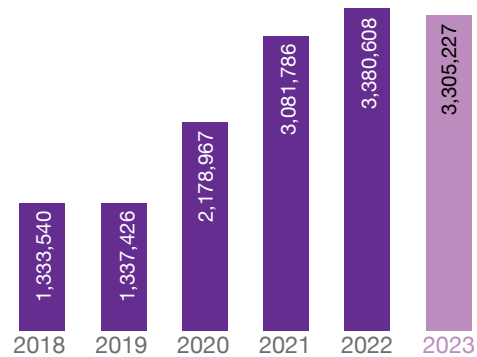
Gross Profit

(Rs. in thousand)



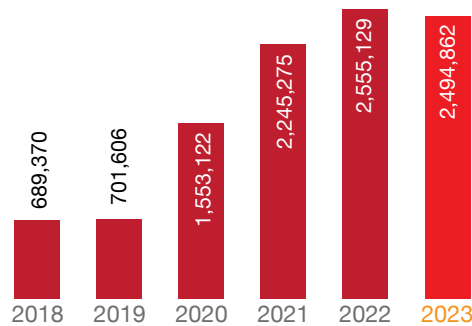
EBITDA

(Rs. in thousand)



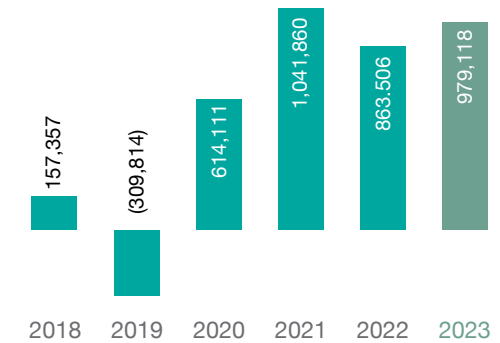
Operating Profit

(Rs. in thousand)



Net Profit / (Loss) after tax

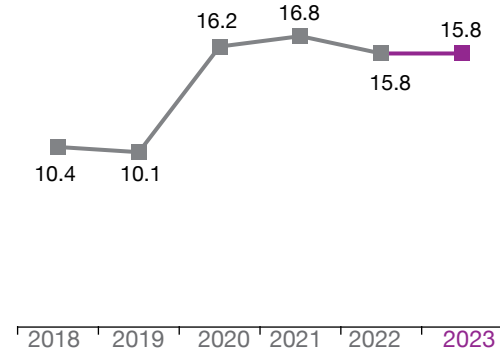
(Rs. in thousand)



Ratio Analysis

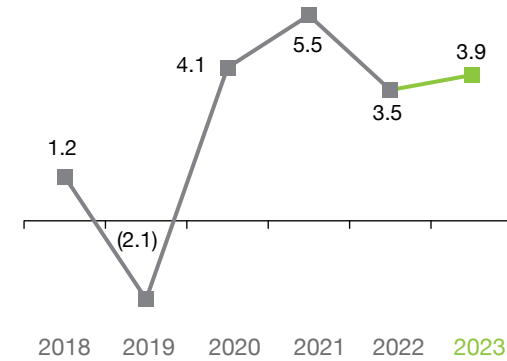
Gross Profit Margin

(In percentage)



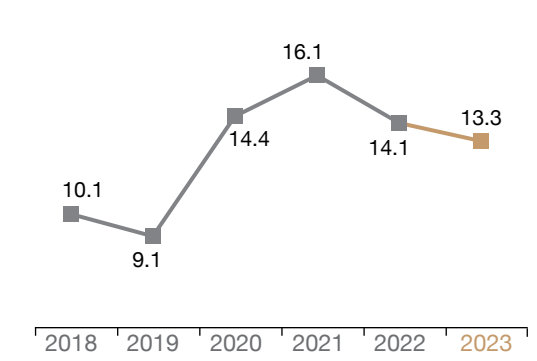
Net Profit / (Loss) Margin

(In percentage)



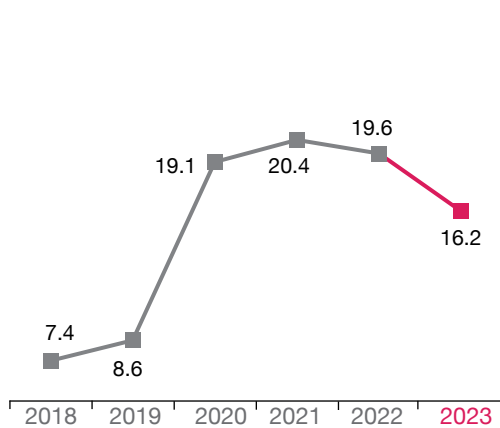
EBITDA Margin to Sales

(In percentage)



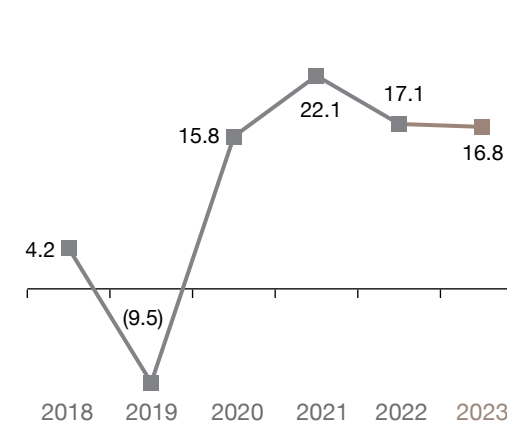
Return on Capital Employed

(In percentage)



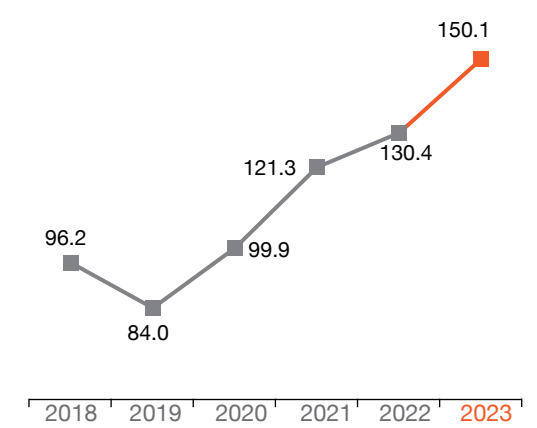
Return on Equity

(In percentage)

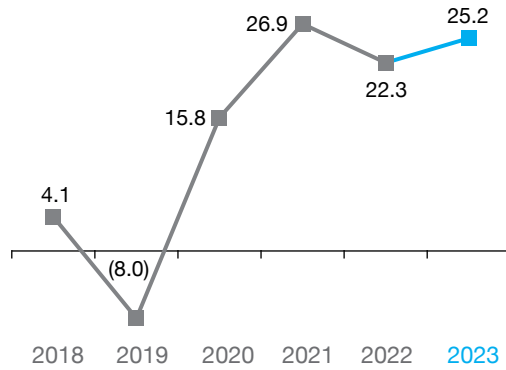


Breakup Value Per Share

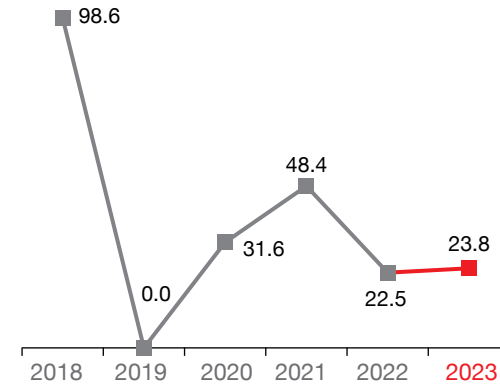
(Rupees)



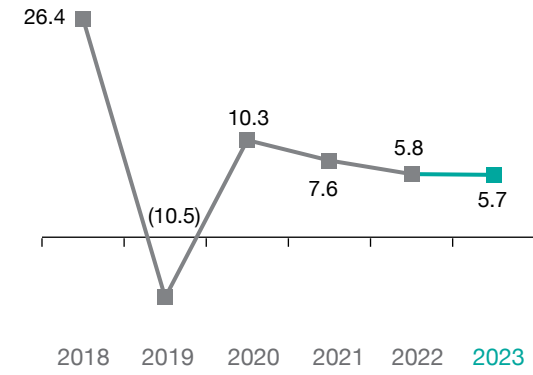
Earning Per Share (Rupees)



Dividend Payout (In percentage)

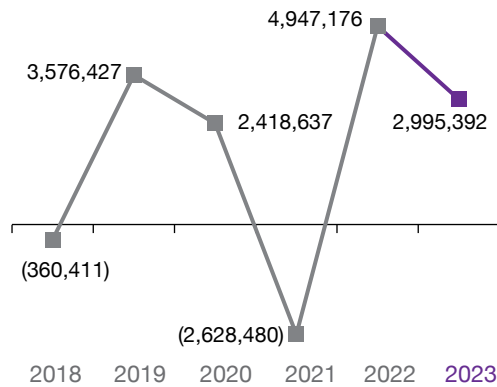


Price Earning Ratio (In times)

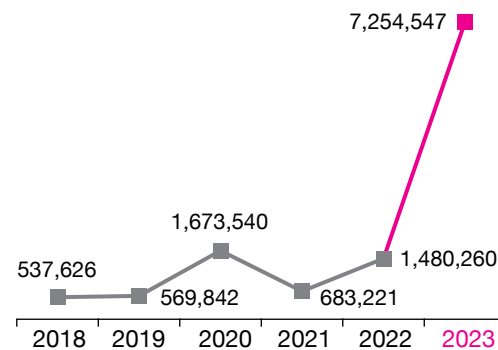


Statement of Cash Flows

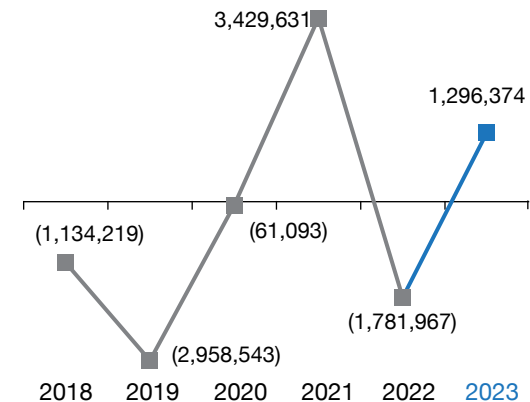
Cash Inflows / (Outflows) from Operating Activities (Rs in thousands)



Cash Outflows from Investing Activities (Rs in thousands)

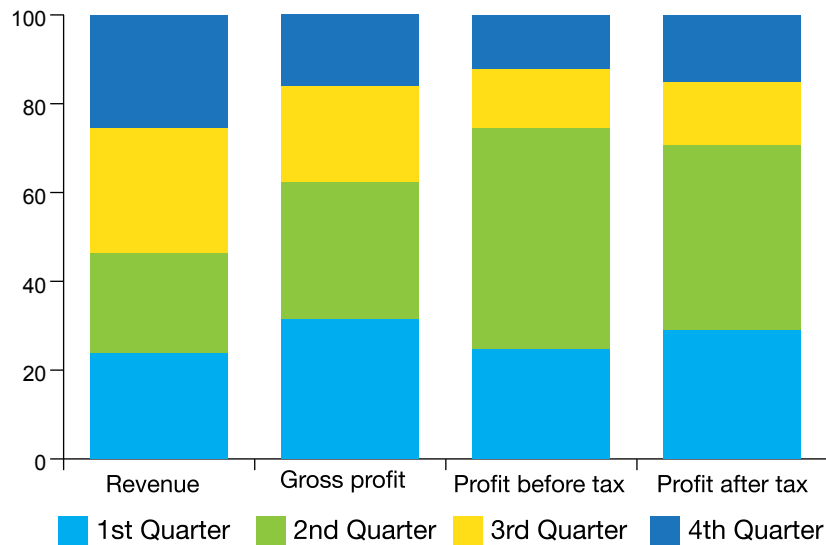


Cash Inflows / (Outflows) from Financing Activities (Rs in thousands)



Quarterly Analysis

Particulars	2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
	Rupees in thousand				
Revenue from Contract with Customers	5,885,758	5,640,884	6,945,667	6,370,064	24,842,373
Cost of sales	(4,654,696)	(4,428,951)	(6,093,539)	(5,741,833)	(20,919,019)
COS to Sales Ratio	79%	79%	88%	90%	84%
Gross profit	1,231,062	1,211,933	852,128	628,231	3,923,354
Gross Profit Margin	21%	21%	12%	10%	16%
Distribution costs	(197,569)	(210,623)	(201,974)	(177,592)	(787,758)
Administrative expenses	(183,258)	(139,489)	(118,397)	(199,590)	(640,734)
Operating Profit	850,235	861,821	531,757	251,049	2,494,862
Operating Profit to Sales %	14%	15%	8%	4%	10%
Other income	18,721	109,789	(40,569)	145,103	233,044
Finance costs	(409,577)	(48,198)	(245,621)	(206,145)	(909,541)
Other expenses	(37,246)	(74,884)	(16,804)	18,856	(110,078)
Profit before income tax	422,133	848,528	228,763	208,863	1,708,287
Income Tax - Net	(139,304)	(439,533)	(90,578)	(59,754)	(729,169)
Profit for the year	282,829	408,995	138,185	149,109	979,118
Net profit / (loss) to sales ratio	5%	7%	2%	2%	4%



Comments / Analysis

Quarter 1:

Pakistan's economy faced challenges due to volatile exchange rates and commodity prices, exerting pressure on businesses. High inflation prompted the State Bank of Pakistan to initiate monetary tightening, leading to increased policy rates. Additionally, there was an initial spike in raw material and oil prices.

The quarter witnessed an increase in sales by 6% compared to SPLY owing to higher selling prices. Despite a 23% decrease in sales volumes, the company significantly improved its profitability metrics in Q1 2023. Operating margin rose to 14%, while NP Margin increased to 5% from 4% SPLY, attributed to effective cost management and pricing strategies.

Quarter 2:

The challenging situation was witnessed in terms of political instability, highly volatile exchange rates and immense pressure on foreign exchange reserves. This led further increase in monetary tightening and further increase in policy rates.

Despite sales revenue decline and significant volume reductions driven by market dynamics and economic conditions, the company maintained profitability with a 21% Gross Profit margin. This underscores effective cost management amid challenges like inflation and exchange rate fluctuations.

Quarter 3:

Political instability, highly volatile exchange rates and immense pressure on the foreign exchange reserves remained a major challenge for all businesses.

The quarter witnessed an increase in sales revenue by 6% compared to SPLY owing to an increase in sales volumes (mainly exports) coupled with timely selling price adjustments. There was a decline in gross profit margin, primarily due to a corresponding increase in the cost of sales during the period. Interest costs were 30% lower compared to the previous year so the Company managed to post a profit before tax of Rs. 229 million for the quarter.

Quarter 4:

Q4 witnessed a various challenge like depleting foreign reserves, increasing cost of energy and spiking inflation coupled with political unrest contributed to the ever deteriorating situation of the country's economic dynamics. The global slowdown due to supply chain disruptions, higher inflation, and monetary tightening has tone down the overall demand at international level which have its implications on the performance of manufacturing industries in Pakistan.

Despite myriad challenges surrounding the local economy, the Company was able to turn the odds in its favor and register a remarkable 12% increase in sales revenue compared to SPLY. The Company enhanced its focus on export sales throughout the year to remain competitive. Furthermore, we managed to provide a natural hedge against foreign currency volatility by building up and expanding our export footprint.

Consequently, the profit before tax for the last quarter stood at Rs. 209 million.

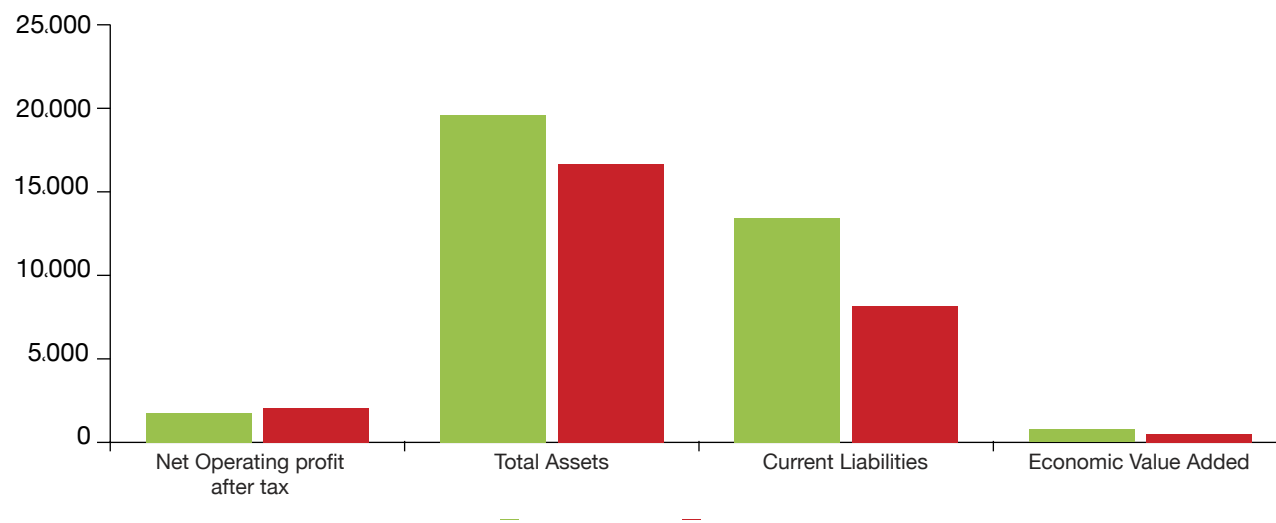
Economic Value Added

	2023	2022
	Rupees in thousand	
Operating profit	2,492,862	2,555,129
Income tax - net	(729,169)	(518,008)
Net Operating profit after tax	1,763,693	2,037,121
Cost of Capital	(1,069,591)	(1,525,723)
Economic value added	694,102	511,398
Total Assets excluding CWIP	19,610,116	16,664,441
Current liabilities	(13,436,927)	(8,141,638)
Invested Capital	6,173,189	8,522,803
WACC	17.3%	17.9%
Cost of capital	1,069,591	1,525,723

Comments

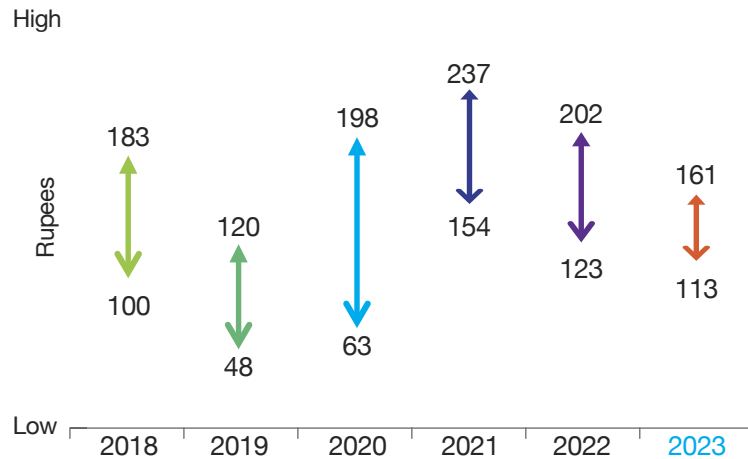
Economic Value Added (EVA) is a performance measure based on the Residual Income that serves as an indicator of the profitability of the business. Its underlying premise consists of the idea that real profitability occurs when additional wealth is created for shareholders and it measures whether the operating profit is sufficient enough to cover cost of capital.

The Company generated a positive Economic Value of Rs. 694 million. EVA has increased compared to last year, primarily due to increase in current liabilities as company change its payment terms from sight to usance to manage its working capital requirement.



Share Price Sensitivity Analysis

Market Value per Share



The share price of the Company is based on the financial position which may be affected by various internal and external factors. Following are some of the factor that influenced the performance of the Company as well as the share price.

Currency exchange rate

Being an import oriented company, fluctuation in exchange rate has a direct impact on the cost of production. During the current year the Company faced with the challenge of depreciation of Pak Rupee against major currencies. However, the Company was successful in passing on this impact to the customers.

Economic State of Affairs

Uncertainty in economic conditions has an adverse impact on the economy and the industries within. Political instability, global economic issues, deteriorating situation of country's economic dynamics has majorly affected the business and economic environment.

Fiscal Policy

The higher tax charge is on account of super tax under the Finance Act, 2022. However due the collective effort of the relative industry players, the company has obtained stay order from the Sindh High Court against its retrospective imposition.

Monetary Policy

The Company is exposed to interest rate risk. Any change in interest rates directly affects the bottom line of the Company.

Inflation

Rising prices in the country adversely impacts the purchasing power of individuals thus affecting the demand of films and in turn the share price. Owing to resumption of markets and increased demand, there was constant inflationary pressure. Towards the end of the year inflation was around 30.9%.

Selling price and raw material cost

Feedstock prices directly affect our cost of production. A hike was witnessed in raw material prices during the year, which was passed on to consumers in the form of increased selling prices.

Stock Market Performance

The unexpected macro adjustment such as depreciation of exchange rate, increased interest rates, and political and economic instability continued to influence the stock market throughout 2023.

Business Rationale of Major Capital Expenditure/Projects

Tri-Pack Films Limited has announced to invest in a new state of the art Biaxially Oriented Poly Propylene (BOPP) Film manufacturing line to cater increased demand of BOPP Films in Pakistan and offer faster delivery, better quality, greater convenience and increase flexibility.

In 2021, the Company was given approval by the Board to acquire a tape machine which will help the Company to earn better margins. It will develop import substitution opportunities and eagerness of imports to switch to local market.



SWOT Analysis



STRENGTHS

- Market Leader in both BOPP and CPP markets in Pakistan.
- Fully equipped R&D function responsible for product innovation and improvement.
- Strong Brand reputation
- Increasing production capacity – new BOPP line
- State of the art technology
- Diversity & Inclusion
- Best in class management and governance practices
- Eco-friendly and sustainable product range and projects
- Competent, sound and skilled workforce
- Increasing international footprint

WEAKNESSES

- High dependency on imported raw material
- Energy shortage may affect cost of production.
- Higher debt levels

OPPORTUNITIES

- Growth of local demand
- Potential to explore and expand in international market.
- Portfolio diversification in line with increasing emphasis on packages products
- Adopting latest technology solutions.
- Explore new niche markets.
- Explore new sources of energy for consumption.

THREATS

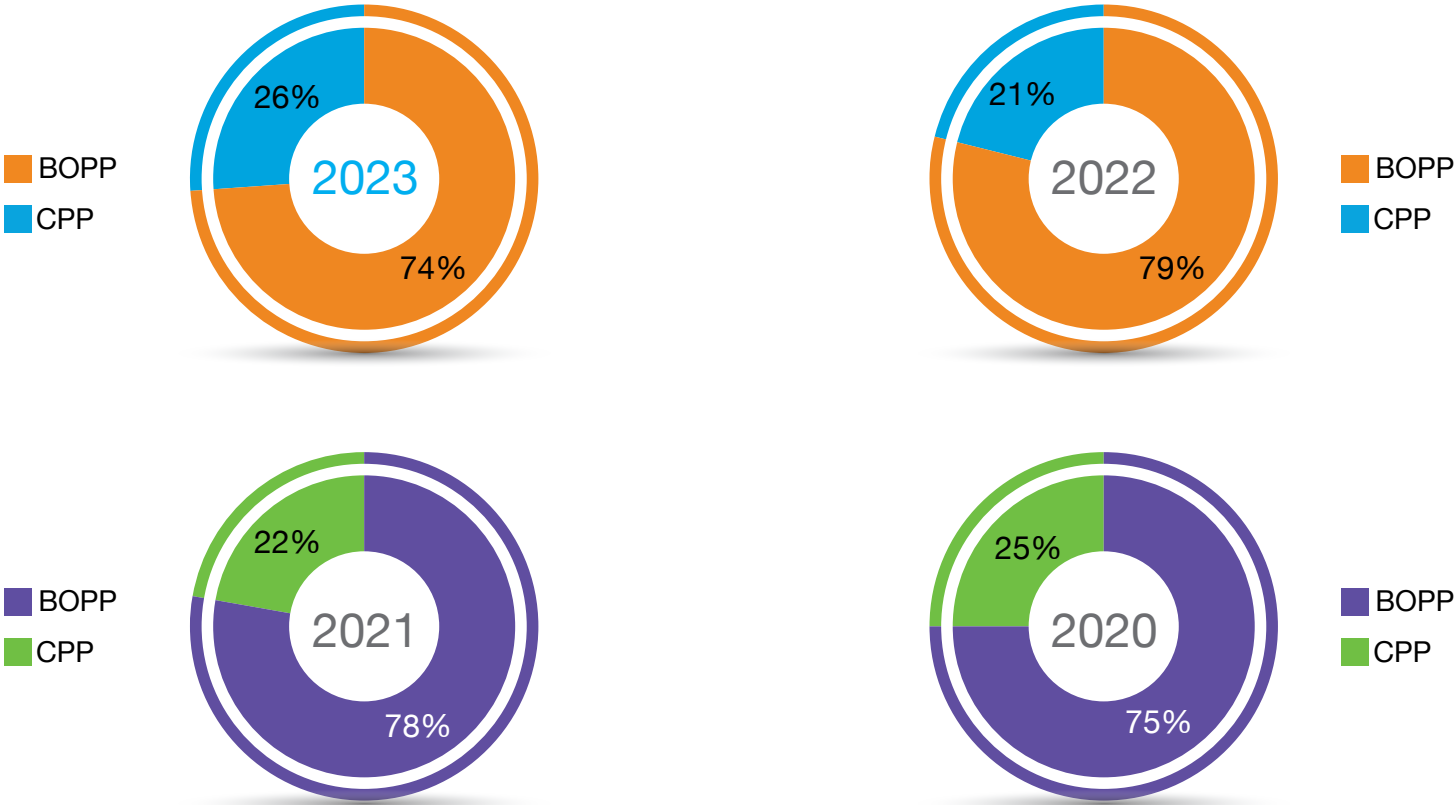
- Currency exchange volatility
- Interest rate fluctuation due to economic instability
- Rising Prices of Raw materials.
- New entrants in the market.
- Unfavorable law and order situation
- Restriction on import of raw materials

Divisional Review of Business Performance

Tri-Pack Films Limited is the leading manufacturer of Biaxially Oriented and Cast Poly Propylene (BOPP & CPP) packaging films. Product innovation and catering to customer needs has been our hallmark. Our success lies in our continuous focus on providing the best quality products. We aim to remain steadfast in our belief and corporate mission strategy. It is our aim to spread our footprint in the global market with the same enthusiasm.

2023 was a year plagued by significant economic and business challenges. High inflation, increased policy rates, rising raw material costs, and energy supply disruptions gripped the local market. However, despite experiencing a decrease in sales volume due to the local decline in BOPP and CPP film demand, strategic price adjustments led to increased sales revenue, highlighting our ability to adapt to market fluctuations.

Percentage in terms of volumes



Debt Repayment

The total debt to equity ratio of the Company in 2023 is 71:29. The Company ensures that debt servicing is done on timely basis as per the respective repayment schedules.

Explanation of Negative Changes in Performance Over the Period

The performance of the Company has been extensively discussed in different sections of the annual report. Various analysis has been shared in this section to give our stakeholders valuable insight in terms of our performance.

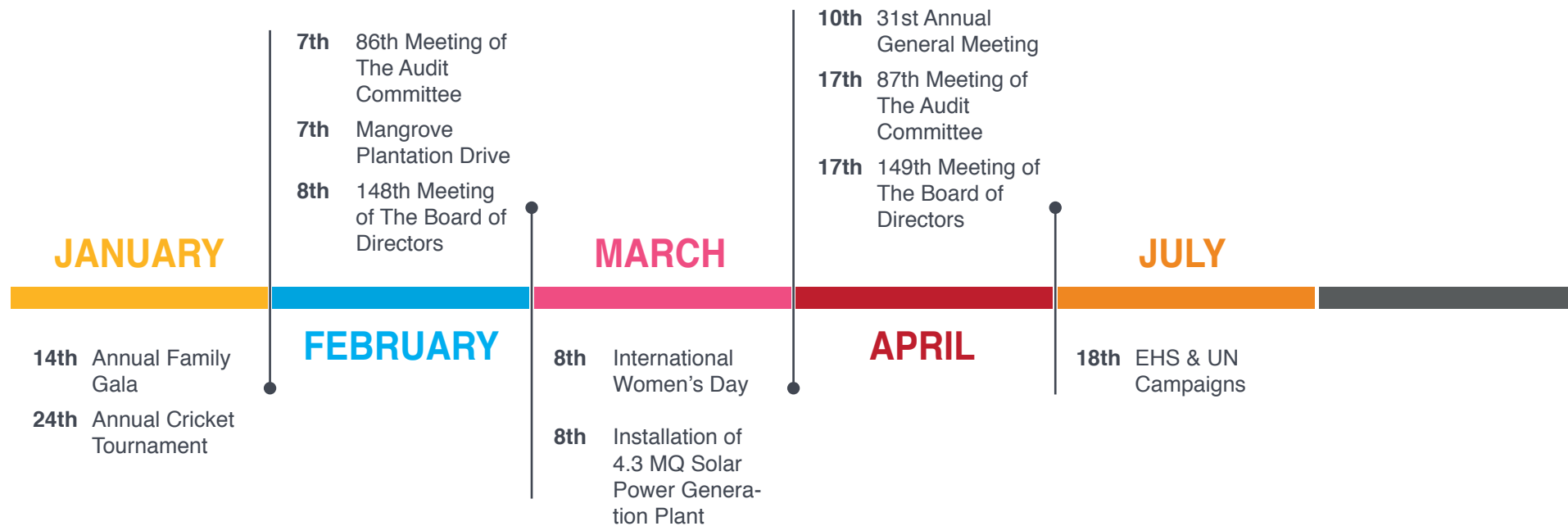
Dividend Declaration & Payment of Levies

As stated in Director's report, the directors have recommended a cash dividend of 60% i.e. Rs 6/- per share (2022: Rs 5/- per share).

Further, the Company has ensured that no payment on account of tax, duties, levies etc. is overdue or outstanding.



History of Major Events 2023













**Best Corporate Report 2017
Award-4th position**



**Best Corporate Report 2018
Award-3rd position**



**Best Corporate Report 2019
Award-Certificate of Merit**



**Best Corporate Report 2020
Award-2nd position**



**19th Annual Environment
Excellence Award 2022**



**Best Corporate Report 2021
Award-3rd position**







Outlook

- 150 Forward Looking Statement
- 152 Performance of the Entity as Compared to Last Year's Disclosures
- 152 Status of the Projects
- 152 Sources of Information/ Assumption







Forward Looking Statement

In the year 2024, the projected economic recovery is not expected in the near future. Over the next two years, the country's economy is anticipated to encounter significant challenges. Furthermore, the commissioning of three new BOPP lines, effectively doubling the country's capacity, is poised to present obstacles concerning both volume and pricing dynamics.

The Company is exerting considerable effort to ensure the project's commissioning by early 2024. However, it is anticipated that the project cost will rise due to uncontrollable factors such as Rupee devaluation and high interest rates.

UNCERTAINTIES	DESCRIPTION OF UNCERTAINTY AND ORGANIZATION'S RESPONSE	TERM CATEGORISATION
Increase in interest rates	<p>Description: Currently the SBP benchmark policy rate stands at 22%. Any increase in policy rate by the Central Bank will directly affect the profitability of the Company.</p> <p>Financial impact of this risk is covered in detail in note 35 to the annexed financial statements.</p> <p>Company's response: The Company continually monitors its debt levels and raw material import terms to ensure the impact of increase in interest rate is reduced.</p>	<ul style="list-style-type: none"> - Short term - Medium term
Exchange rate fluctuation	<p>Description: USD closed at Rs 281.8 in 2023. Any further unfavorable movement of exchange rate will result in exchange loss to the Company on its foreign currency import liabilities.</p> <p>Financial impact of this risk is covered in detail in note 35 of the annexed financial statements.</p> <p>Company's response: The Company keeps the exchange risks under check and maintains an optimal mix. Further, timely price increases are taken to ensure unfavorable exchange impact is passed on to the consumers. This was successfully done in 2023.</p>	<ul style="list-style-type: none"> - Short term - Medium term
Increase in raw material prices	<p>Description: Increase in granule prices would increase the cost of production of the Company and would reduce the margins.</p> <p>Company's response: Timely price increases are taken to ensure raw material price increased are passed on to the consumers. This was successfully done in 2023.</p>	<ul style="list-style-type: none"> - Short term - Medium term
Operational breakdowns	<p>Description: Any major breakdown would result in production and profitability loss to the Company. However, the Company continuously monitors the performance of the machines and takes appropriate measures.</p> <p>Company's response: The Company has proper preventive maintenance schedules in place which are strictly followed. Further, the Company also remains in touch with the OEMs to ensure there is no additional down time.</p>	<ul style="list-style-type: none"> - Short term - Medium term - Long term

Impact of external environment that could be faced by the Company:

EXTERNAL FACTORS	DESCRIPTION AND IMPACT OF THE FACTORS	TERM CATEGORISATION	CAPITAL
 <p>Political</p>	The political uncertainty at local and global level affects stability and may disrupt the overall business and operational environment.	<ul style="list-style-type: none"> - Medium term - Long term 	<ul style="list-style-type: none"> - Social and Relationship
 <p>Economic</p>	Economic policies always play a vital part in the growth of industries. Any further increase in the current policy rates by the government would affect the Company's profitability.	<ul style="list-style-type: none"> - Short term - Medium term 	<ul style="list-style-type: none"> - Financial
 <p>Social</p>	Companies are becoming more and more aware of the social aspects of the society (such as population demographics, cultural aspects, health consciousness etc.) and how they impact the organizations. Not considering and adapting with these social aspects would negatively impact the Company as well as the society. It is the responsibility of the organizations to give back to the society they operate in. Our Company is also committed to do the same.	<ul style="list-style-type: none"> - Medium term - Long term 	<ul style="list-style-type: none"> - Social and Relationship
 <p>Technological</p>	Technological advancement is a key factor that companies are focusing on to achieve operation efficiency and better quality. Tri-Pack has also remained committed to it and as result regular capital expenditure will be done to ensure technological advancements are done timely. In line with this commitment, the Company has also announced new state-of-the-art BOPP manufacturing line which is expected to commission in 2024.	<ul style="list-style-type: none"> - Short term - Medium term - Long term 	<ul style="list-style-type: none"> - Intellectual - Manufactured
 <p>Environmental</p>	There is a global drive to explore environmentally friendly packaging solutions. This means that a global shift is expected to be seen from other plastic packaging to BOPP film packaging since BOPP film can be easily recycled and at the same time meet the packaging needs of the customers.	<ul style="list-style-type: none"> - Medium term - Long term 	<ul style="list-style-type: none"> - Social and Relationship
 <p>Legal</p>	The Government is taking measures for documentation of the economy and the Company will continue to remain steadfast in compliance with existing and new regulatory requirements.	<ul style="list-style-type: none"> - Short term - Medium term - Long term 	<ul style="list-style-type: none"> - Social and Relationship

Performance of the entity as compared to last year's disclosures

2023 presented a year of significant economic and operational challenges. An exchange crisis hampered imports, exchange rates became highly volatile, inflation reached unprecedented levels, and energy prices surged. Alongside these, policy rates rose. These factors collectively stifled industrial growth, disrupted both demand and supply dynamics, and ultimately impacted overall business operations and economic confidence.

Despite these headwinds, our Company demonstrated resilience and adaptability. We successfully entered four new international markets, improving our export margins. Proactive cost-saving measures were implemented to mitigate the impact of rising interest rates. As a result, we were able to report desirable results for the year.

Further, the Company changed raw material import terms at usance.

Status of the projects

The Company installed solar panels in 2023, reducing environmental footprint and energy costs.

New BOPP Line update:

- Major machinery has imported and project is in installation phase.
- Looking at all potential avenues to maintain the project cost within the original estimates, it is anticipated that the project cost will rise due to uncontrollable factors such as Rupee devaluation and high interest rates.
- Expected date of commencement of operations is 2024

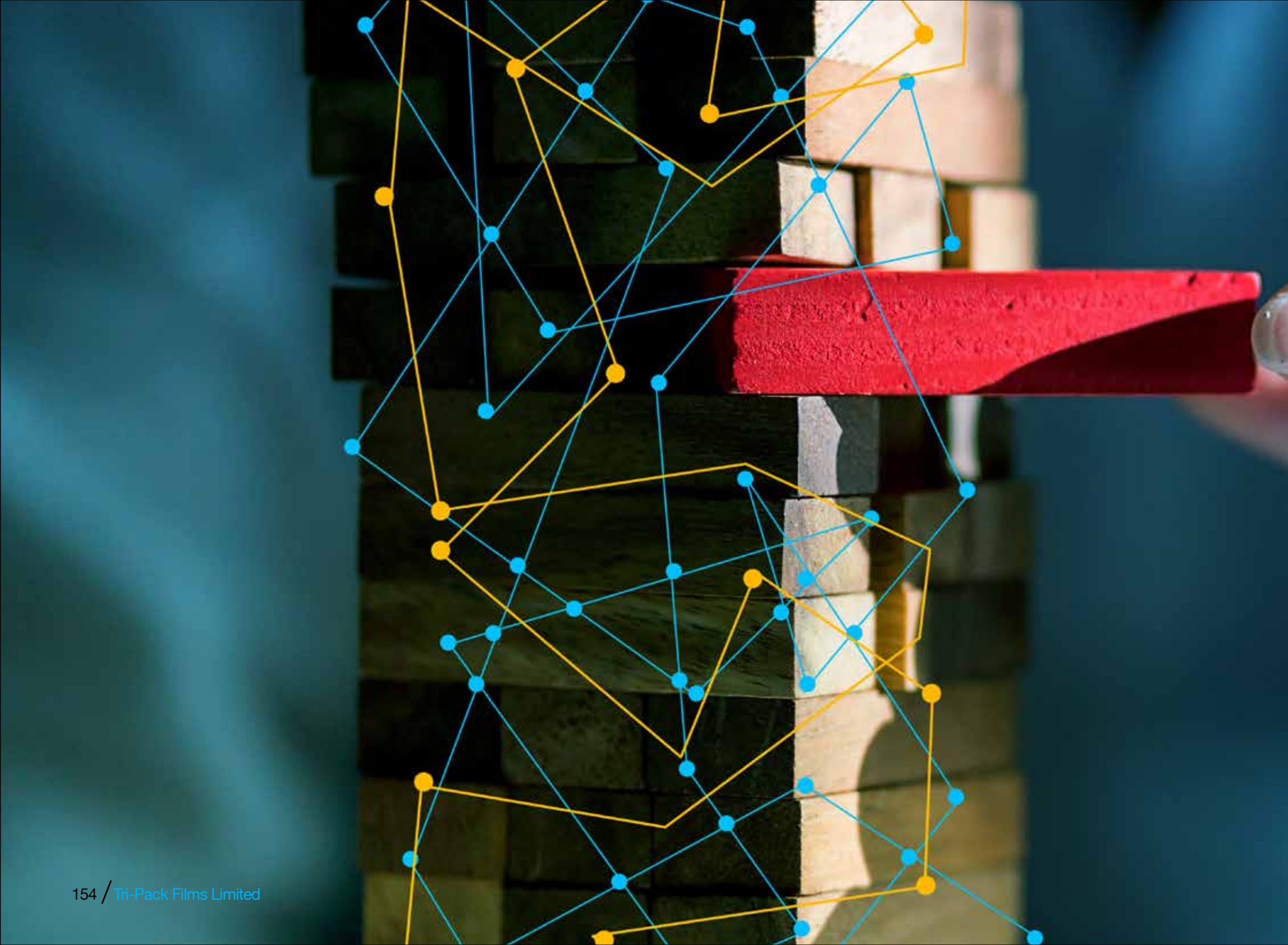
Sources of information/assumption

Information/assumptions are based on the current economic and business environment surrounding the Company and internal risk assessment of the Company. Information is obtained from internal as well as external sources which is obtained and reviewed regularly and acted upon thereon. Internal sources include various departments of the Company such as manufacturing, technical, supply chain etc. External sources include legal consultants, technical consultants, financial consultants etc.

Various projections and feasibility were produced along with different options at the time of evaluation of new BOPP Line. A 10-year feasibility was prepared based on certain assumptions, market, macro-economic factors and internal SWOT analysis. Further, these assumptions are continually updated keeping in view the changing circumstances and environment.

Banks were also engaged on various levels to evaluate our assumptions regarding interest rate and exchange rate fluctuation.







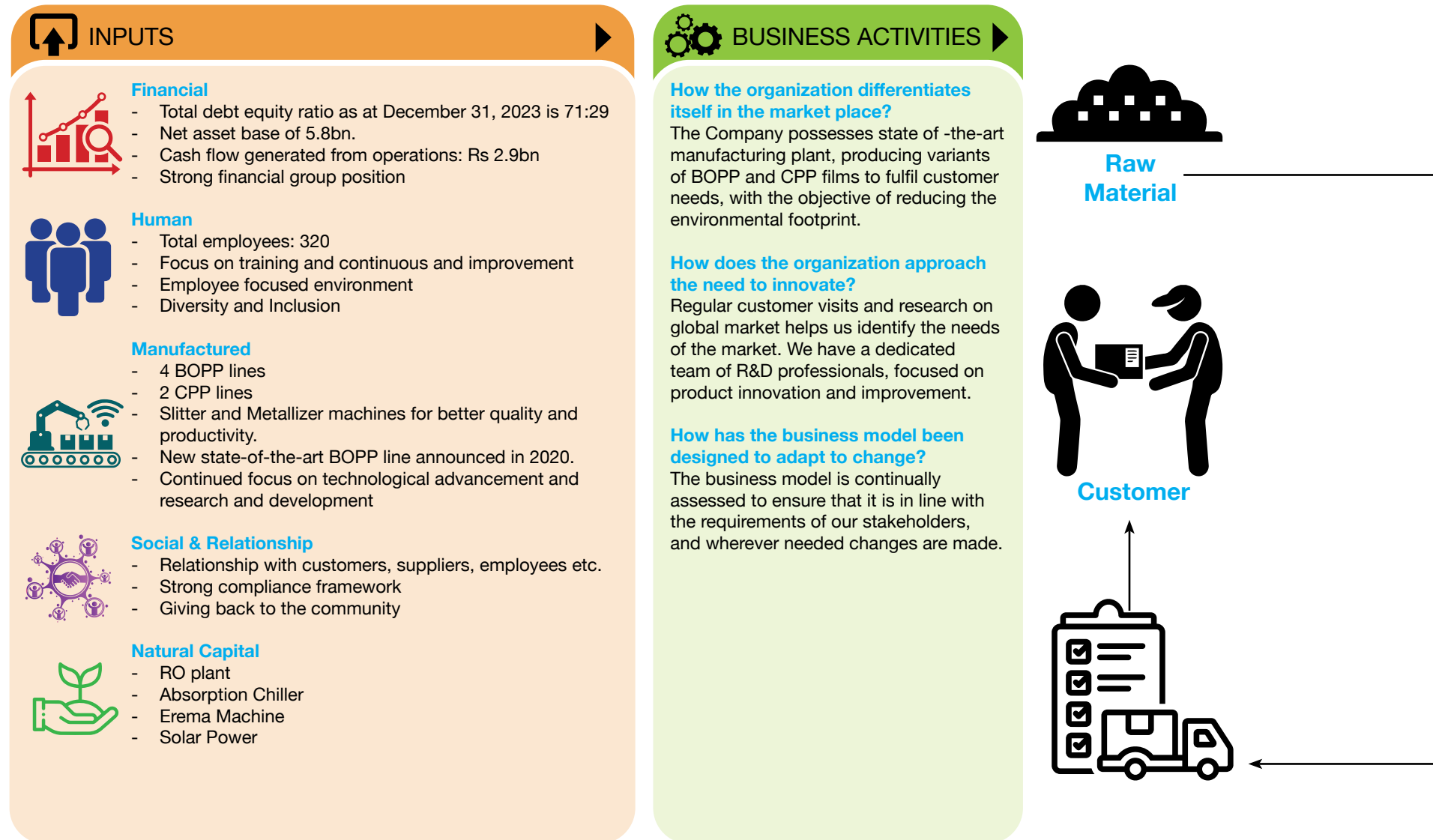
Business Model

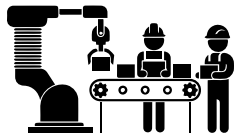
156 Business Model

Basis of our Business Model

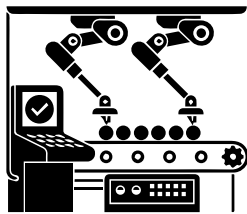
At the core of our business model lies a commitment to customer-centricity, propelling our efforts to deliver cost-effective and premium-quality films to our valued end-users. Our product portfolio comprises a wide array of tailored Biaxially Oriented and Cast Polypropylene (BOPP & CPP) packaging films, thoughtfully designed to meet the distinct requirements of our customers.

We strive to surpass expectations, operate responsibly, leverage innovative technology, execute with excellence, and seize new opportunities to foster a brighter world today and for future generations.





Manufacturing Line



Slitting



Packing



OUTPUTS



Financial

- Profit after tax: **Rs 979 million**
- Proposed dividend per share: **Rs 6/-**
- Operating profit: **Rs 2,494 million**
- Earnings per share: **Rs. 25.24**



Human

- Improved culture of the organization
- Increase diversity and inclusion
- Employee satisfaction



Manufactured

- New products range developed through research and development
- Operational efficiencies



Social & Relationship

- Increased customer base and customer satisfaction
- Contribution to national exchequer: **Rs 5.4 billion**
- Donation being made as part of corporate social responsibility
- Increased global footprints in the form of increased export sales by **13%**.



Intellectual

- Diverse range of films as per customer requirements.



Natural

- Recycled more than 70% of BOPP waste
- ISO Certification
- 20th Annual Environmental Excellence Award
- Energy Efficient
- 17th Best Practices Award in Occupational Health, Safety & Environmental by EFP
- EcoVadis Medal



OUTCOME

Financial

- Long-term value for shareholders by catering to growing demands.
- Compliant business conduct keeping in view all the rules and regulations applicable to the Company.
- Sustainable growth in business value and volumes to create value for the stakeholders.

Human

- Shareholders and other stakeholders' trust and confidence.
- Successful in being an employer of choice.
- Maintains cordial and coordinated relations with all stakeholders.

Manufactured

- Expansion of manufacturing capacity to cater to local and international demand.
- Efficient and smooth production operations.

Social & Relationship

- A responsible corporate citizen of the country.
- Front runners in delivering to our customers, shareholders and community.
- Satisfy our customers' needs through timely supply of goods and ensuring there is no compromise on quality.

Intellectual

- Retention of skilled and competent workforce.
- Upgrading in line with latest software.
- Strong network security.
- Diversified range of product portfolio.

Natural

- Conserving natural resources for a sustainable future.



STAKEHOLDERS



Stakeholders' Relationship and Engagement

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Stakeholders' Relationship and Engagement

Stakeholder Engagement

Our stakeholders extend valuable contributions towards growth and existence. Our strategy aims to identify emerging trends, possible threats and best available value propositions for all our stakeholders including our shareholders, employees, customers, suppliers, society and regulators. We want our stakeholders to be advocates of Tri-Pack, which is why we have always encouraged an open culture that focuses on trust, integrity, respect, mutuality, commitment and satisfaction.

1. Shareholders

We believe that regular communications with shareholders is an important part of creating an open and constructive dialogue. We respond to our shareholders' expectations through improvements in business operations, effective governance and corporate reporting framework. The Company encourages shareholders' participation at Annual General Meetings and endeavors to provide sound disclosures through its quarterly and annual reports. For inclusion of financial and non-financial information we maintain a website (www.tripack.com.pk) which is updated on frequent basis to ensure all developments are communicated to our stakeholders on timely basis.

2. Customers

Constant engagement with customers is the essence of our customer service, which has always helped us in keeping ourselves ahead of the market. Tri-Pack has invested significantly over the years in customer relationship management going beyond extending credit facilities and trade discounts. It is for this reason that we have a team of dedicated individuals working in close coordination with customers, visiting them on a regular basis to ensure provision of impeccable goods and services that are aimed at improving their productivity and profitability.

3. Suppliers

Our continuous and sustainable growth is also attributable in engaging reputed and dependable suppliers as business partners. Tri-Pack has partnered with vendors from around the world to ensure consistent quality of our products. Therefore, the relationships with our suppliers are an increasingly important

factor in allowing us both to maintain high standards of product supply and to respond to anticipated future customer needs. We have a dedicated department which is constantly engaged with suppliers to maintain a healthy business relationship.

4. Banks

Our business relationship with our banks has been phenomenal. This is evident by the belief shown by banks in our commitments by providing significant finances to fund our projects. We maintain this relationship by actively engaging with our banks through frequent briefing sessions on Company's performance and site visits to keep them on board with our strategies and latest developments.



5. Regulators

Our commitment to compliance with laws and regulations is evident from our corporate and legal teams' continued efforts for efficient and effective legal and regulatory obedience. The engagement includes submission of periodic reports, responding to enquiries and meetings as and when required. Active engagement with regulators improves level of compliance.

6. Community

At Tri-Pack we genuinely care about giving back to our community. We actively participate in various social initiatives as part of our corporate social responsibility. Being a conscientious member of the corporate community, the Company contributes to various social and charitable causes including health, education and social sectors.

7. Employees

We believe that the way to grow as a business is to grow our people, enabling personal development and ambitious business results. We take pride in our engagement initiatives including development through a detailed training needs analysis, annual get-togethers, conferences and other engagement activities. For our strategy to work we need our employees to believe in us and therefore we assess ourselves through employee engagement survey which measures their overall satisfaction levels of being part of the Company. This helps us in comparing ourselves with other large companies and in identifying ways to improve how we do things.

Number of Employees

The total number of employees at the end of 2023 was 320 (2022: 303). The average number employees during the year was 308 (2022: 305) The total number of factory employees at the end of 2023 was 372 (2022: 351) average number of factory employees during the year was 352.

Corporate Briefing session

This year the Company conducted a corporate briefing session at ICAP for the shareholders and investors. The session covered market & financial overview, project update and future outlook. It was attended by the shareholders and analyst from various companies and institutions. The link to our Corporate Briefing Presentation is available on Company website, under the link: <https://www.tripack.com.pk/>

Minority Shareholders

Tri-Pack Films Limited ensures equal treatment of all its shareholders including minority shareholders to attend, speak and vote at the general meetings, and in its corporate briefing session where we see active participation by minority shareholders. The Company also has a 'Shareholder communication and Investors Relationship Policy' in place to provide shareholders and other investors with information about itself and its governance.

Investor Relations

In order to provide all the information to our shareholders and investor and ensure transparency of the utmost level, we have a separate 'Investor relation' section on our Company website www.tripack.com.pk.

AGM Proceeding

The 31st Annual General Meeting (AGM) of Tri-Pack Films Limited was held on 10th April 2023 at 10:30 A.M. The meeting was well attended by the Shareholders.

Detailed discussions were conducted on the financial statements of the Company in respect to current financials, future outlook and economic situation impacting the operations of the Company. The questions were answered by the management to the satisfaction of shareholders.

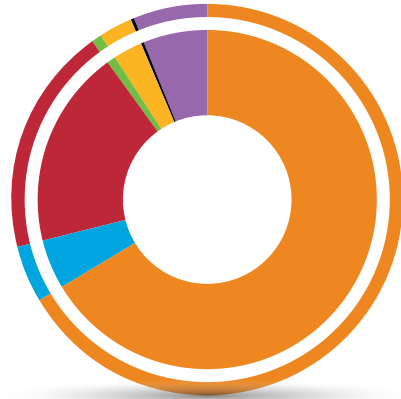
Further, final cash dividend of Rs. 6.00 per share for the year ended December 31, 2023 amounting to Rs. 233 million was approved by the shareholders. Shareholders also gave approval for re-appointment of M/s. A. F. Ferguson & Co., Chartered Accountants as External Auditors.



Wealth Generated & Distributed

The statement below shows value added by the operations of the company and its distribution to the stakeholders.

	2023		2022	
	(Rs in thousand)	%	(Rs in thousand)	%
Wealth Generated				
Sales	28,838,403	99.2	27,810,438	99.5
Other Income	233,044	0.8	155,208	0.6
	<u>29,071,447</u>	<u>100.0</u>	<u>27,965,646</u>	<u>100.0</u>
Wealth Distributed				
Bought-in-material & services	19,307,187	66.4	18,800,469	67.2
To Employees				
Remuneration, benefits and facilities	1,410,639	4.9	1,215,262	4.3
To Government				
Income Tax, Sales Tax, Custom & Excise Duties, WPPF, WWF, EOBI, Social Security, Professional & Local Taxes	5,476,650	18.8	4,904,970	17.5
To Providers of Capital				
Cash dividend proposed	232,800	0.8	194,000	0.7
To Lenders				
Mark up & finance cost	855,792	2.9	1,147,834	4.1
To Society				
Donations	19,203	0.1	19,740	0.1
Retained for Reinvestment & Future Growth				
Unappropriated Profit, Depreciation & Amortization	1,769,176	6.1	1,683,370	6.0
	<u>29,071,447</u>	<u>100.0</u>	<u>27,965,646</u>	<u>100.0</u>

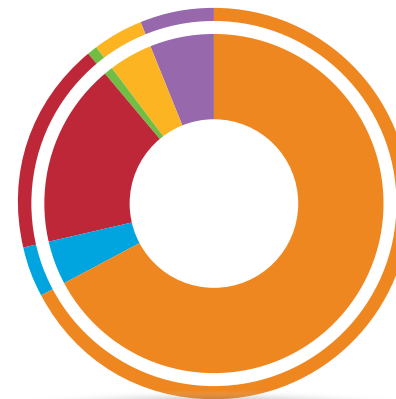


2022

	Amount (Rs in thousand)	%
Bought-in-material & services	18,800,469	67.2%
To Employees	1,215,262	4.4%
To Government	4,904,970	17.5%
To Shareholder	194,000	0.7%
To Lenders	1,147,834	4.1%
To Society	19,740	0.1%
Retained for Reinvestment & Future Growth	1,683,370	6.0%
Total	27,965,646	100.00%

2023

	Amount (Rs in thousand)	%
Bought-in-material & services	19,307,187	66.4%
To Employees	1,410,639	4.9%
To Government	5,476,650	18.8%
To Shareholder	232,800	0.8%
To Lenders	855,792	2.9%
To Society	19,203	0.1%
Retained for Reinvestment & Future Growth	1,769,176	6.1%
Total	29,071,447	100.00%





Striving for Excellence in Corporate Reporting

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Unreserved Statement of Compliance



Tri-Pack Films Limited has prepared its Annual Report 2023 including Financial Statement as annexed in section 12 in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Act;
- Regulations of the listed companies code of Corporate governance (2019) and the Rule Book of Pakistan Stock Exchange (PSX);
- Best practices on companies reporting as promoted by Joint Committee of Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost and Management Accounting (ICMA); and
- Integrated Reporting (IR) framework issued by International Integrated Reporting Council (IIRC).

Where provisions of and directives issued under the Act differ from the IFRS, the provisions of and directives issued under the Act have been followed.

Reporting Period

This Annual Report covers reporting period from January 01, 2023 till December 31, 2023. Any subsequent events till the Board Approval date i.e. February 07, 2024 have also been mentioned in line with relevant reporting standards.

Shariah Advisor Report

The Company is not required to have a Shariah Advisory Board hence there is no Sharia Advisory report during the Financial Year Ended 2023.



Integrated Reporting Framework

Integrated Reporting:

Tri-Pack Films limited always ensures that its annual report covers the contents of the integrated reporting as much as possible. This financial and non-financial information will enable stakeholders to better understand the position of the Company and in turn will lead to better and more informed decision-making by them.

Fundamental concepts of integrated reporting are:

- **Value creation, preservation or erosion for the organization and for others.** This includes value for Tri-Pack itself (in the form of financial returns for providers of financial capital) and for external stakeholders (for society at large).
- **Capitals.** Every organization depends on various forms of capital for their success. Capitals could be categorized under the heading of financial, manufactured, intellectual, human etc.
- **Process through which value is created preserved or eroded.** This relates to the process by which different types of capitals are used to create value for the stakeholders. Primarily, Tri-Pack's Board is responsible for oversight of the organization's ability to create value in the short, medium and long term.

Detail in relation to different types of capital and how they are used to create value for the organization is explained under the section 'Resource Allocation Plan' and 'Business Model'.

It has been ensured that our annual report is based on the following guidelines as prescribed in the integrated reporting framework:

- Strategic focus and future orientation
- Connectivity of information
- Stakeholder relationships
- Materiality
- Conciseness
- Reliability and completeness
- Consistency and comparability

Disclosure Beyond BCR Criteria

Tri-Pack Films Limited has designed its annual report with disclosures of United Nations Sustainable Development Goals which are beyond the criteria of BCR by ICAP and ICMAP to ensure transparency, consistency, comparability and presentation of information for its stakeholders.

All the below mentioned contents of the integrated reporting framework are covered in the annual report:



Financial Statements

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177	Statement of Changes in Equity
178	Statement of Cash Flows
179	Notes to and Forming Part of Financial Statements

Independent Auditors' Report



A·F·FERGUSON & CO.

INDEPENDENT AUDITOR'S REPORT

To the members of Tri-Pack Films Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Tri-Pack Films Limited (the Company), which comprise the statement of financial position as at December 31, 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2023 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following is the Key audit matter:

S.No.	Key audit matters	How the matter was addressed in our audit
i.	<p>Trade Receivables <i>(Refer note 7 to the Financial Statements)</i></p> <p>The Company's trade receivables as at December 31, 2023 amount to Rs. 2,874.49 million. Customers of the Company comprise of registered entities under the Sales tax Act, 1990 and other unregistered parties. There are predefined system-based credit limits and credit periods for various customer groups based on the credit evaluation. Credit limits are also extended on a case-to-case basis. Further, customers are given credit as agreed with them.</p> <p>Moreover, as at December 31, 2023 trade receivables of Rs. 854.06 million were past due but not impaired. The Company considers this amount to be fully recoverable as they are in regular contact with customers. However, due to current market conditions there is a delay in customer payment.</p> <p>We have considered trade receivables area as a key audit matter due to the significance of amount and estimates involved.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">- Obtain an understanding and evaluated management controls over receivables and checked their validation;- Checked accuracy of the ageing report by ensuring that due invoices are classified within the appropriate ageing brackets and ensure accuracy of expected credit losses;- Sent confirmations to customers on sample basis and performed alternate testing (i.e., subsequent receipt testing and invoice-wise testing) on those balances against which direct responses have not been received;- Checked the history of past payments trends and credit defaults of customers and ensured compliance to receivables provisioning policy; and- Checked the adequacy of the disclosures made by the Company in this area with regard to applicable accounting and reporting standards. <p>Our audit procedures included the following:</p> <ul style="list-style-type: none">- Obtain an understanding and evaluated management controls over revenue and checked their validation;- Performed verification of sales with underlying documentation including gate pass, delivery order and invoice on sample basis;- Performed cut-off procedures on sample basis to ensure sales has been recorded in the correct period;- Verified that sales prices are approved by appropriate authority; and- Ensured that presentation and disclosures related to revenue are being addressed appropriately.
ii.	<p>Revenue from Contracts with Customers <i>(Refer note 22 to the Financial Statements)</i></p> <p>The Company recognizes revenue from domestic as well as export customers when the performance obligation is satisfied by transferring control of a promised good to the customer. During the year, net sales to the domestic and export customers have increased by 1.7% and 13.3 % respectively.</p> <p>We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company and there is an inherent risk that revenue may be misstated to meet expectations or targets. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.</p>	



Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Syed Muhammad Hasnain.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
March 6, 2024
UDIN: AR202310073UAQ6dqCMh

Statement of Financial Position

As at December 31, 2023

ASSETS

NON CURRENT ASSETS

Property, plant and equipment

Intangibles

Long-term deposits

CURRENT ASSETS

Inventories

Trade receivables

Advances and prepayments

Other receivables

Refunds due from government - sales tax

Income tax refundable

Cash and bank balances

TOTAL ASSETS

Note	2023	2022
	(Rupees in thousand)	
4	14,828,915	7,571,398
5	10,386	13,648
	25,783	28,033
	<u>14,865,084</u>	<u>7,613,079</u>
6	4,446,312	3,701,040
7	2,874,497	2,283,807
8	319,010	106,922
9	1,095,250	712,034
10	1,905,338	29,886
	1,205,006	1,313,483
11	1,559,756	904,190
	<u>13,405,169</u>	<u>9,051,362</u>
	<u><u>28,270,253</u></u>	<u><u>16,664,441</u></u>

EQUITY AND LIABILITIES
SHARE CAPITAL AND RESERVES

Share capital
Share premium
General reserve
Unappropriated profit

LIABILITIES

NON-CURRENT LIABILITIES

Long-term borrowings
Deferred income - government grant
Lease liability
Deferred taxation
Staff retirement benefits
Accumulated compensated absences

CURRENT LIABILITIES

Trade and other payables
Unclaimed dividend
Accrued mark-up
Short-term borrowings
Current portion of long-term borrowings
Current portion of long-term lease liability

TOTAL LIABILITIES

CONTINGENCIES AND COMMITMENTS

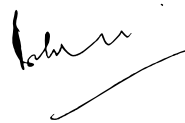
TOTAL EQUITY AND LIABILITIES

Note	2023	2022
	(Rupees in thousand)	
12	388,000	388,000
	999,107	999,107
	1,605,000	1,605,000
	2,833,686	2,068,875
	<u>5,825,793</u>	<u>5,060,982</u>
13	8,040,687	2,491,228
14	373,175	425,445
	36,044	34,655
15	387,902	380,374
16	127,613	95,347
17	42,112	34,772
	<u>9,007,533</u>	<u>3,461,821</u>
18	7,069,066	3,024,007
	23,435	21,662
19	418,262	159,896
20	4,985,856	4,324,009
13	936,631	608,946
	3,677	3,118
	<u>13,436,927</u>	<u>8,141,638</u>
	<u>22,444,460</u>	<u>11,603,459</u>
21	<u>28,270,253</u>	<u>16,664,441</u>

The annexed notes 1 to 42 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Syed Babar Ali
Chairman



Muhammad Zuhair Damani
Chief Financial Officer

Statement of Profit or Loss and Other Comprehensive Income

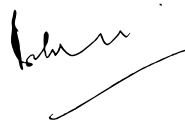
For the year ended December 31, 2023

	Note	2023	2022
(Rupees in thousand)			
Revenue from contracts with customers	22	24,842,373	24,120,278
Cost of sales	23	(20,919,019)	(20,313,266)
Gross profit		3,923,354	3,807,012
Distribution costs	24	(787,758)	(762,594)
Administrative expenses	25	(640,734)	(489,289)
		(1,428,492)	(1,251,883)
		2,494,862	2,555,129
Reversal / (loss) allowance on trade receivable		37,145	(33,073)
Other income	26	233,044	155,208
		2,765,051	2,677,264
Other expenses	27	(147,223)	(123,992)
Finance cost - net	28	(909,541)	(1,171,758)
		(1,056,764)	(1,295,750)
Profit before income tax		1,708,287	1,381,514
Income tax	29	(729,169)	(518,008)
Profit for the year		979,118	863,506
Other comprehensive loss for the year:			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of staff retirement benefits	16.4.6	(20,307)	(5,615)
Total comprehensive income for the year		958,811	857,891
Earnings per share - basic and diluted (Rupees)	30	25.24	22.26

The annexed notes 1 to 42 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Syed Babar Ali
Chairman



Muhammad Zuhair Damani
Chief Financial Officer

Statement of Changes in Equity

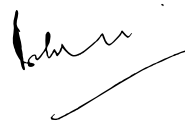
For the year ended December 31, 2023

	Issued, subscribed and paid-up share capital	Reserves			Total	
		Capital	Revenue			
		Share premium	General reserve	Unappropriated profit		Total Reserves
(Rupees in thousand)						
Balance as at January 1, 2022	388,000	999,107	1,605,000	1,715,384	4,319,491	4,707,491
Transactions with owners recorded directly in equity - distribution						
Final cash dividend for the year ended December 31, 2021 @ Rs. 13.00 per share	-	-	-	(504,400)	(504,400)	(504,400)
Total comprehensive income for the year ended December 31, 2022						
Profit for the year ended December 31, 2022	-	-	-	863,506	863,506	863,506
Other comprehensive loss	-	-	-	(5,615)	(5,615)	(5,615)
	-	-	-	857,891	857,891	857,891
Balance as at December 31, 2022	388,000	999,107	1,605,000	2,068,875	4,672,982	5,060,982
Transactions with owners recorded directly in equity - distribution						
Final cash dividend for the year ended December 31, 2022 @ Rs. 5.00 per share	-	-	-	(194,000)	(194,000)	(194,000)
Total comprehensive income for the year ended December 31, 2023						
Profit for the year ended December 31, 2023	-	-	-	979,118	979,118	979,118
Other comprehensive loss	-	-	-	(20,307)	(20,307)	(20,307)
	-	-	-	958,811	958,811	958,811
Balance as at December 31, 2023	388,000	999,107	1,605,000	2,833,686	5,437,793	5,825,793

The annexed notes 1 to 42 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Syed Babar Ali
Chairman



Muhammad Zuhair Damani
Chief Financial Officer

Statement of Cash Flows

For the year ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations	32	3,673,671	5,414,154
Payment on account of accumulated compensated absences	17	(8,688)	(7,987)
Decrease / (increase) in long-term deposits		2,250	(21,650)
Staff retirement benefits paid		(58,677)	(46,643)
Income taxes paid - net		(613,164)	(390,698)
Net cash generated from operating activities		2,995,392	4,947,176

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment		(7,173,330)	(1,424,574)
Sale proceeds on disposal of property, plant and equipment		5,014	1,046
Purchase of intangibles	5	(4,661)	(12,144)
Profit received on bank balances	26	24,430	5,412
Investment in Term Deposit Receipt	11	(106,000)	(50,000)
Net cash used in investing activities		(7,254,547)	(1,480,260)

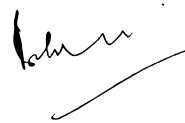
CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid		(192,227)	(500,897)
Long-term borrowings paid		(717,068)	(419,897)
Long-term borrowings acquired		6,710,338	829,874
Repayments of salary refinancing scheme		-	(135,043)
Payments against Gas Infrastructure Development Cess	18.5	-	(45,508)
Short term borrowings - net		(2,900,500)	(399,500)
Finance cost paid - conventional		(1,058,216)	(768,495)
Finance cost paid - islamic		(433,311)	(256,165)
Lease rentals paid		(3,607)	(3,551)
Transaction cost - net		(3,196)	(3,795)
Bank charges paid	28	(105,839)	(78,990)
Net cash generated from / (used in) financing activities		1,296,374	(1,781,967)
Net (decrease) / increase in cash and cash equivalents		(2,962,781)	1,684,949
Cash and cash equivalents at beginning of the year		280,681	(1,404,268)
Cash and cash equivalents at end of the year	33	(2,682,100)	280,681

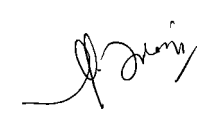
The annexed notes 1 to 42 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Syed Babar Ali
Chairman



Muhammad Zuhair Damani
Chief Financial Officer

Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2023

1. THE COMPANY AND ITS OPERATIONS

Tri-Pack Films Limited (the Company) was incorporated in Pakistan on April 29, 1993 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange (PSX). It is principally engaged in the manufacturing and sale of Biaxially Oriented Polypropylene (BOPP) film and Cast Polypropylene (CPP) film.

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

- The registered office of the Company is situated at 4th floor, The Forum, Suite No. 416 to 422, G-20, Block-9, Khayaban-e-Jami, Clifton, Karachi.
- Manufacturing plants are situated as under:
 - Plot No. G-1 to G-4, D-9 to D-14, North Western Industrial Zone, Port Qasim Authority, Karachi; and
 - Plot No. 68, 69, 78/1, Phase IV, Hattar Industrial Estate, Hattar, Khyber Pakhtunkhwa.
- Regional offices are situated as under:
 - House No. 18-B, Sir Abdullah Haroon Road, Near Marriott Hotel, Karachi; and
 - Unit No 4, 17 Aziz Avenue, Canal Bank, Lahore.

1.1. Packages Limited is the Parent Company, holding 69.3% shares of the Company.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRS, the provisions of and directives issued under the Act have been followed.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention or as otherwise stated below in the respective policy notes.

These financial statements have been rounded to nearest thousand except otherwise stated.

2.3 Significant Accounting Estimates and Judgements

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively. Information about judgments made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements and to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that may have a significant risk resulting in a material adjustment in the subsequent year are set forth below:

2.3.1 Current and deferred income taxes

In making the estimates for income taxes payable by the Company, management considers current income tax laws and the decisions of appellate authorities on certain cases issued in the past. Where the final outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such final outcome is determined. Deferred taxes are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date are disclosed in note 3.2.

2.3.2 Provision for retirement and other service benefit obligations

The present value of these obligations depends on a number of factors that are determined on actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of these obligations. The present values of these obligations and the underlying assumptions are disclosed in notes 3.1 and 16.

2.3.3 Property, plant and equipment and intangible assets

Estimates with respect to residual values and useful lives and pattern flow of economic benefit are based on the recommendation of technical teams of the Company. Further, the Company reviews the internal and external indicators for possible impairment of assets on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment (note 4) and intangible assets (note 5) with a corresponding effect on the depreciation charge, amortisation charge and impairment.

2.3.4 Provisions

Provisions are based on management's best estimate. Any change in the estimates in future years might affect the carrying amounts of the provision with a corresponding affect on the profit or loss of the Company.

2.3.5 Expected credit losses on trade receivables

Estimates related to expected credit losses on trade receivables are disclosed in note 3.19.1.

2.3.6 Inventories

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines as disclosed in note 3.11.

2.4 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for Company's annual accounting period which began on January 1, 2023. However, these do not have any significant impact on the Company's financial reporting.

b) Standards and amendments to approved accounting standards that are not yet effective

There are standards and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after January 1, 2024. However these are considered either not to be relevant or not to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented.

3.1 Staff retirement benefits

The Company operates various post-employment benefit schemes, including both defined benefit and defined contribution plans.

3.1.1 Defined contribution plan

The Company operates a recognised provident fund for all its permanent employees who have completed prescribed qualifying period of service. Equal monthly contributions are made, both by the Company and the employees, to the provident fund at the rate of ten percent of basic salary.

3.1.2 Defined benefit plan

Gratuity plan

There is an approved funded defined benefit gratuity plan for all permanent employees. Monthly contributions are made to this fund on the basis of actuarial recommendations at the rate of 8.33% per annum of basic salaries. The latest actuarial valuation for the gratuity scheme was carried out as at December 31, 2023. The actual return on plan assets represent the difference between the fair value of plan assets at the beginning and end of the year and adjusted for contributions and benefits paid.

The future contribution rates of these plans include allowances for deficit and surplus. Projected Unit Credit Method, using the following significant assumptions, is used for valuation of this scheme:

- Discount rate used for year end obligation - 15.5% (2022: 14.5%) per annum;
- Expected rate of increase in salary levels - 15% (2022: 12.5%) per annum; and
- Expected mortality rate SLIC (2001 - 2005) mortality table with 1 year setback.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Past service costs are recognized immediately in the statement of profit or loss and other comprehensive income.

Termination benefits

Termination benefits are payable when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

Pension plan

The defined benefit pension fund plan is managed by Packages Limited (Parent Company) and it currently operates two different plans for its employees:

- Defined contribution plan for all permanent management employees whose date of employment is before March 15, 2018; and
- Defined benefit plan for pensioners who have retired before December 31, 2012.

Projected unit credit method, using the following significant assumptions, is used for valuation of this scheme:

- Discount rate used for year end obligation - 15.5% (2022: 14.5%) per annum;
- Expected rate of increase in pension level - 11% for first year and at 8.75% thenceforth (2022:0% for first year and at 7.75% thenceforth) per annum; and
- Expected mortality rate SLIC (2001 - 2005) mortality table with 1 year setback.

In respect of the defined benefit plan, the Company contributes 20% of members' monthly basic salary to the scheme; whereas, an employee may or may not opt to contribute 6% of his/her monthly basic salary to the scheme.

The liability recognized in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefit will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments, changes in demographic assumptions and changes in actuarial assumptions for the defined benefit plan are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognized immediately in the statement of profit or loss and other comprehensive income.

3.1.3 Employee compensated absences

The Company also provides for compensated absences for all eligible employees in accordance with the rules of the Company. The provision is recognised on the basis of actuarial valuation. The valuation is based on the following significant assumptions:

- Discount rate used for year end obligation - 15.5% (2022: 14.5%) per annum; and
- Expected rate of increase in salary levels - 15% (2022: 12.5%) per annum.

The Company accounts for the liability in respect of employees' compensated absences in the year in which these are earned. The unrecognised actuarial gains or losses at each valuation date are recognised in profit or loss immediately.

3.2 Taxation

Income tax expense comprises of current, deferred tax and adjustment where necessary relating to prior years which arise from assesment framed / finalized during the year. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in other comprehensive income.

Current

The charge for current taxation is determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

Deferred

Deferred tax is accounted for using the balance sheet liability method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are offset where the Company has a legally enforceable right offset and intend, either to settle on a net basis, or to realise the asset and settle the liability.

Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged to or credited in the statement of profit or loss and other comprehensive income.

Deferred income tax asset is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Investment tax credits are viewed as increase of the related asset's tax base. Accordingly, in such situation the deductible temporary difference that arises qualifies for the initial recognition exception as per IAS 12, 'Income taxes'. Therefore, no deferred tax asset is recognised instead the recognition of the total investment tax occurs as a reduction of current tax.

3.3 Provisions and contingent liabilities

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

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

3.4 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.5 Share premium

This reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act.

3.6 General reserve

General reserve is created by keeping aside a part of profit earned by the business during the course of an accounting period for fulfilling various business needs like meeting contingencies, offsetting future losses, enhancing the working capital, paying dividends to the shareholders.

3.7 Dividend

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders / directors, as appropriate.

3.8 Property, plant and equipment

Operating fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Operating fixed assets having cost exceeding the minimum threshold as determined by the management are capitalised. All other assets are charged to profit or loss in the year when acquired. Depreciation is charged to profit or loss on straight line method at the following rates:

Nature of property, plant and equipment	Annual rate of depreciation (%)
- Buildings on leasehold land	5 to 33.33
- Plant and machinery and electrical installations	5 to 50
- Furniture and fittings	10 to 20
- Office and other equipment	10 to 50
- Vehicles	16.67 to 20
- Leasehold land	1 to 2.22

Depreciation on additions and deletions during the year is charged from the month when asset is available for use or up to the month immediately before the month in which the asset is disposed off, respectively.

No depreciation is charged if the asset's residual value exceeds its carrying amount.

Residual values and the useful lives are reviewed at each statement of financial position date and adjusted if expectations differ significantly from previous estimates.

Residual values are determined by the management as the amount it expects it would receive currently for an item of property, plant and equipment if it was already of the age and in the condition expected at the end of its useful life based on the prevailing market prices of similar assets already at the end of their useful lives.

Useful lives are determined by the management based on the expected usage of assets, physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Maintenance and repairs are charged to profit or loss as and when incurred. Major renewals and improvements are capitalised in accordance with IAS 16, 'Property, plant and equipment' and depreciated in a manner that represents the consumption pattern and useful lives.

Profit or loss on disposal of operating fixed assets are included in profit or loss in the year in which it is realised.

Capital work-in-progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during the construction and installation including applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

Major spare parts and stand-by equipment qualify as property, plant and equipment when the Company expects to use them during more than one year. Transfers are made to relevant operating assets category as and when such items are available for use.

3.9 Intangible assets

Intangible assets are recognised when it is probable that the expected future economic benefits will flow to the Company and the cost of the asset can be measured reliably. Cost of the intangible asset includes purchase cost and directly attributable expenses incidental to bring the asset to its intended use.

Costs associated with maintaining intangible assets are recognised as an expense as and when incurred.

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is charged over the estimated useful life of the asset on a systematic basis applying the straight line method at the rate of 33.33%.

Useful lives of intangible assets are reviewed, at each statement of financial position date and adjusted if the impact of amortisation is significant.

3.10 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amount of property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the Company estimates the recoverable amount of the asset and when the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit or loss and other comprehensive income.

At the end of each reporting period, the Company also assesses whether there is an indication that an impairment loss recognized in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the Company estimates the recoverable

amount of the asset and reverses the impairment loss recognized in previous period such that the increased carrying amount of the asset does not exceed the carrying amount that would have been determined (net of amortization and depreciation) had no impairment loss been recognized for the asset in prior years. Reversal of impairment loss is recognized in the statement of profit or loss and other comprehensive income. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs and accordingly recognizes impairment loss or reverses the impairment loss recognized in prior periods.

Recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost of disposal and its value in use.

Value in use is estimated as the present value of estimated future cash flows from the continuing use of an asset / cash generating unit and from its disposal at the end of its useful life. A pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3.11 Inventories

Stock-in-trade is valued at the lower of cost and estimated net realisable value. Cost is determined under weighted average cost.

Cost of work-in-process and finished goods comprises cost of direct materials, labour and appropriate manufacturing overheads.

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

Raw material and stores and spares are valued at weighted average cost less allowance for obsolete and slow moving items.

Raw materials and stores and spares in transit are valued at cost comprising invoice value plus other charges incurred thereon.

The management continuously reviews its inventory for existence of any item which may be obsolete. Provision is made for slow moving inventory based on management's estimation. These are based on historical experience and are continuously reviewed.

3.12 Government grants

Government grants relating to costs are deferred and recognised in the statement of profit or loss and other comprehensive income over the period necessary to match these with the costs that they are intended to compensate.

3.13 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, demand deposits and other short term highly liquid investments with a maturity of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and

cash equivalents also include bank overdrafts / short term borrowings that are repayable on demand. Further, contractual borrowings are not part of cash and cash equivalents and are part of financing activities.

3.14 Revenue recognition

Revenue is recognised when control of the goods has been transferred and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Revenue is recognised as follows:

- revenue from local sales is recognised on the delivery of goods to customers.
- revenue from export is recognised on the basis of the terms of sale with the customer.

No element of financing is deemed present as the sales are made with a credit term of up to 120 days, which is consistent with the market practice.

3.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

3.16 Leases

Lease liability and right-of-use asset

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments over lease term and that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

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

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient not to recognise right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

The lessee's incremental borrowing rate that applies to lease is 13.88%.

3.17 Foreign currency transactions and translation

Foreign currency transactions are recognised or accounted for into Pakistani Rupees using the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted into Pakistani Rupees at the rates of exchange prevailing on the statement of financial position date. Exchange gain / loss on foreign currency translations are included in income / equity along with any related hedge effects.

3.18 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

3.19 Financial Instruments - Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.19.1 Financial assets

Initial Recognition

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL). The measurement basis is determined by reference to both the business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

- a) Amortised cost - A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as a FVTPL;
 - it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;
- b) Fair value through other comprehensive income (FVTOCI) - A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as a FVTPL;
 - the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
 - the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;
- c) Fair value through profit or loss (FVTPL) - Financial assets, that are not measured at amortised cost or at fair value through other comprehensive income on initial recognition, are classified as FVTPL.

All financial assets are recognised at the time when the Company becomes a party to the contractual provisions of the instrument.

Financial assets at amortised cost are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment losses are recognised in profit or loss.

Financial assets carried at FVTOCI are initially and subsequently measured at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive income / (loss).

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss and other comprehensive income.

Impairment of financial asset

The Company recognises loss allowances for Expected Credit Loss (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition (although in this case the measurement is at 12 month ECLs).

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

The Company considers a financial asset in default when it is more than 365 days past due.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-months ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for the recovery of amounts due.

3.19.2 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are recognised initially at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortised cost using the effective interest rate method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in profit or loss and other comprehensive income.

3.19.3 Offsetting

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amounts and intends either, to settle on a net basis or, to realise the asset and settle the liability simultaneously.

3.19.4 Transaction costs

When a financial asset or financial liability is not measured at FVTPL, transaction costs that are directly attributable to the acquisition or issue are added to or deducted from the initial fair value. For financial assets, such costs are added to the amount originally recognised. For financial liabilities, such costs are deducted from the amount originally recognised. This applies to all financial instruments not carried at FVTPL, including instruments carried at FVTOCI. For debt instruments, the transaction costs are recognised as part of interest income using the effective interest method.

For financial instruments that are measured at FVTPL, transaction costs are not added to or deducted from the initial fair value, but they are immediately recognised in profit or loss on initial recognition.

Transaction costs expected to be incurred on a financial instrument's transfer or disposal, are not included in the financial instrument's measurement.

4. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets
Capital work-in-progress
Major spare parts and stand-by equipments

Note	2023	2022
	(Rupees in thousand)	
4.1	5,405,000	5,565,423
4.2	9,277,984	1,859,418
4.3	145,931	146,557
	<u>14,828,915</u>	<u>7,571,398</u>

4.1 Operating fixed assets

4.1.1 The following is the statement of operating fixed assets.

	Owned						Right -of- use asset	Total	
	Buildings on leasehold land	Plant and machinery	Electrical installations	Furniture and fittings	Office and other equipment	Vehicles	Sub total		Leasehold land
(Rupees in thousand)									
Year ended December 31, 2023									
Opening net book value	618,214	4,532,755	109,674	41,672	49,950	14,206	5,366,471	198,952	5,565,423
Additions / Transfers	18,096	596,600	3,020	10,696	12,810	3,368	644,590	-	644,590
Disposals - note 4.1.5	-	-	-	(195)	(800)	(1,576)	(2,571)	-	(2,571)
Depreciation charge note 4.1.2	(76,825)	(670,475)	(12,942)	(11,754)	(23,189)	(1,343)	(796,528)	(5,914)	(802,442)
Closing net book value	559,485	4,458,880	99,752	40,419	38,771	14,655	5,211,962	193,038	5,405,000
At December 31, 2023									
Cost	1,457,812	13,518,620	317,724	145,171	203,915	29,853	15,673,095	267,921	15,941,016
Accumulated depreciation	(898,327)	(9,059,740)	(217,972)	(104,752)	(165,144)	(15,198)	(10,461,133)	(74,883)	(10,536,016)
Net book value	559,485	4,458,880	99,752	40,419	38,771	14,655	5,211,962	193,038	5,405,000
Year ended December 31, 2022									
Opening net book value	656,714	4,993,163	122,752	34,942	61,462	6,809	5,875,842	205,120	6,080,962
Additions / Transfers	33,634	231,776	-	18,099	13,589	8,181	305,279	-	305,279
Disposals	-	(56)	-	(177)	(312)	(83)	(628)	-	(628)
Depreciation charge	(72,134)	(692,128)	(13,078)	(11,192)	(24,789)	(701)	(814,022)	(6,168)	(820,190)
Closing net book value	618,214	4,532,755	109,674	41,672	49,950	14,206	5,366,471	198,952	5,565,423
At December 31, 2022									
Cost	1,439,716	12,922,020	314,704	134,748	192,669	31,296	15,035,153	267,921	15,303,074
Accumulated depreciation	(821,502)	(8,389,265)	(205,030)	(93,076)	(142,719)	(17,090)	(9,668,682)	(68,969)	(9,737,651)
Net book value	618,214	4,532,755	109,674	41,672	49,950	14,206	5,366,471	198,952	5,565,423

	Note	2023	2022
(Rupees in thousand)			
4.1.2 Depreciation charge for the year has been allocated as follows:			
Cost of goods manufactured	23.1	782,985	800,654
Distribution costs	24	920	961
Administrative expenses	25	18,537	18,575
		<u>802,442</u>	<u>820,190</u>

4.1.3 Operating fixed assets include assets having cost of Rs. 5,450 million (2022: Rs. 4,540 million) which were fully depreciated as at the year end.

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

Location	Usage of immovable property	Total area (In acres)
Plot No. G-1 to G-4, D-9 to D-14, North Western Industrial Zone, Port Qasim Authority, Karachi	Production & operational facility	39
Plot No. 68, 69, 78/1, Phase IV, Hattar Industrial Estate, Hattar, Khyber Pakhtunkhwa	Production & operational facility	11.5

4.1.5 The aggregate book value of assets disposed off does not exceed rupees five million.

4.2 Capital Work in Progress

	2023				2022			
	Balance as at January 1, 2023	Additions during the year - note 4.2.1	Transfers / Adjustment	Balance as at December 31, 2023	Balance as at January 1, 2022	Additions during the year	Transfers / Adjustment	Balance as at December 31, 2022
(Rupees in thousand)								
Plant and machinery	116,989	7,742,607	(29,390)	7,830,206	185,071	52,088	(120,170)	116,989
Building and civil works	264,103	566,146	(318)	829,931	31,664	255,976	(23,537)	264,103
Advances to suppliers and contractors"	1,478,326	233,585	(1,094,064)	617,847	485,486	992,840	-	1,478,326
Total	<u>1,859,418</u>	<u>8,542,338</u>	<u>(1,123,772)</u>	<u>9,277,984</u>	<u>702,221</u>	<u>1,300,904</u>	<u>(143,707)</u>	<u>1,859,418</u>

4.2.1 These include borrowing cost, net of government grant, capitalised amounting to Rs. 889.08 million (2022: Rs. 60.4 million) during the year. The borrowing cost is capitalised at an internal rate of returns ranging between 1.3% to 11.66% (2022: 3.6% to 103.4%). This is mainly on account of entire transaction cost of the respective facility being adjusted against its drawdown.

4.3 Major spare parts and stand-by equipments

	2023	2022
	(Rupees in thousand)	
Balance as at January 1	146,557	116,840
Additions during the year	18,712	45,963
Transfers made during the year	(19,338)	(16,246)
Balance as at December 31	145,931	146,557

5. INTANGIBLES

Computer software

	2023	2022
	(Rupees in thousand)	
At January 1		
Cost	90,011	77,867
Accumulated amortisation	(76,363)	(71,074)
Net book value	13,648	6,793
Additions during the year	4,661	12,144
Amortisation for the year	(7,923)	(5,289)
Net book value as at December 31	10,386	13,648
At December 31		
Cost	94,672	90,011
Accumulated amortisation	(84,286)	(76,363)
Net book value	10,386	13,648

5.1 Amortisation charge for the year has been allocated to administrative expenses.

6. INVENTORIES

	Note	2023	2022
		(Rupees in thousand)	
Stores		172,377	117,908
Spares		596,580	584,296
Stores and spares in transit		53,489	15,343
		822,446	717,547
Less: provision for obsolescence	6.1	(131,520)	(91,520)
		690,926	626,027
Raw materials			
- In hand		2,293,434	1,908,965
- In transit		547,357	100,544
		2,840,791	2,009,509
Less: provision for obsolescence	6.2	(124,755)	(84,631)
		3,406,962	2,550,905
Packing material		43,569	37,816
Work-in-process		574,466	476,251
Finished goods		421,315	636,068
		4,446,312	3,701,040
		4,446,312	3,701,040
6.1 Provision for obsolescence of stores and spares			
Balance as at January 1		91,520	89,020
Provision during the year - note 6.1.1		40,000	2,500
Balance as at December 31		131,520	91,520
		131,520	91,520
6.1.1	The cost of such stores and spares amounts to Rs. 53.3 million (2022: Rs. 5.19 million).		
6.2 Provision for obsolescence of raw materials			
Balance as at January 1		84,631	72,665
Provision during the year - note 6.2.1		40,124	11,966
Balance as at December 31		124,755	84,631
		124,755	84,631
6.2.1	The cost of such raw material amounts to Rs. 63.64 million (2022: Rs. 46.65 million).		

7. TRADE RECEIVABLES

	Note	2023	2022
		(Rupees in thousand)	
Due from related parties	7.1	160,761	308,441
Other parties - unsecured	7.2	1,582,401	1,483,659
Less: Allowance for expected credit losses		(48,892)	(93,142)
		<u>1,533,509</u>	<u>1,390,517</u>
		<u>1,694,270</u>	<u>1,698,958</u>
Other parties - secured	7.3	<u>1,180,227</u>	<u>584,849</u>
		<u>2,874,497</u>	<u>2,283,807</u>

7.1 This represent amounts due from following related parties in the normal course of business and are interest free:

	2023	2022
	(Rupees in thousand)	
Packages Converters Limited	160,094	296,916
Packages Lanka (Private) Limited	-	11,525
Chantler Packages Inc.	403	-
Tetra Pak Pakistan Limited	264	-
	<u>160,761</u>	<u>308,441</u>

7.1.1 The maximum aggregate amount receivable from any related party at the end of any month during the year was Rs. 513.87 million (2022: Rs. 863.89 million).

7.2 Allowance for expected credit losses

	Note	2023	2022
		(Rupees in thousand)	
Balance as at January 1	7.4	93,142	117,752
Provision for the year		20,765	58,933
Reversals during the year		(57,910)	(25,860)
Write offs during the year		(7,105)	(57,683)
Balance as at December 31		<u>48,892</u>	<u>93,142</u>

7.3 These include trade receivable balances secured against letter of credit and credit insurance policy.

7.4 These reversal were made in the ordinary course of business.

7.5 The age analysis of trade receivables past due but not impaired is as follows:

Up to 2 months
Over 2 - 4 months
Over 4 - 6 months
More than 6 months

2023	2022
(Rupees in thousand)	
732,845	553,589
98,127	77,527
6,313	19,405
16,774	29,730
<u>854,059</u>	<u>680,251</u>

7.6 The age analysis of trade receivables past due but not impaired from related parties is as follows:

Up to 2 months
Over 2 - 4 months
Over 4 - 6 months
More than 6 months

2023	2022
(Rupees in thousand)	
54,192	36,834
14,630	46,045
3,987	-
-	8,349
<u>72,809</u>	<u>91,228</u>

8. ADVANCES AND PREPAYMENTS

Secured

Due from employees
Advances to suppliers
Advances to clearing agents
Deferred transaction cost
Other prepayments

Note	2023	2022
	(Rupees in thousand)	
8.2	10,732	10,033
	137,827	14,494
	148,429	21,611
	2,100	40,500
	19,922	20,284
	<u>319,010</u>	<u>106,922</u>

8.1 Advances are non-interest bearing.

8.2 These advances primarily include advance against travelling and house rent given to executives as per terms of employment. The maximum amount due at the end of any month during the year from executives was Rs. 3.35 million (2022: Rs. 1.85 million).

9. OTHER RECEIVABLES

	Note	2023	2022
(Rupees in thousand)			
Rebate receivable from supplier		202,998	155,932
Advances to employees	9.1	116,693	74,310
Margin against Letter of Credit	9.2	372,287	314,172
Margin against bank guarantee	9.3	352,500	160,392
Rebate receivable against export		24,754	-
Others		26,018	7,228
		<u>1,095,250</u>	<u>712,034</u>

9.1 These represent advances to employees against purchase of vehicles for a period of six years. During this tenure, one third of amount of the loan is recovered from the employee in equal monthly installments. In case an employee leaves earlier, the outstanding amount is recovered.

9.2 This represents LC margin kept with scheduled banks in relation to import of specified items.

9.3 This includes amounts held by bank under lien against bank guarantees issued on behalf of the Company in respect of Sindh Development and Maintenance of Infrastructure Cess, 2017 as mentioned in the note 18.2 of these financial statements. This also includes amount kept in bank against security submitted to Nazir of the High Court of Sindh in relation to petition filed by the Company in Court against chargeability of Super Tax.

10. REFUNDS DUE FROM GOVERNMENT - SALES TAX

This includes sales tax amounting to Rs. 1,468.13 million (2022: Rs. 63 million) relating to sales tax on the import of plant and machinery.

11. CASH AND BANK BALANCES

Conventional

Current accounts

	Note	2023	2022
(Rupees in thousand)			
Local currency	11.1	499,858	41,887
Foreign currency	11.1	120,984	96,440
Mark-up bearing savings accounts	11.2	54,095	541,339
		<u>674,937</u>	<u>679,666</u>

Islamic

Current accounts

Local currency		775,069	174,010
Foreign currency		267	214
		<u>775,336</u>	<u>174,224</u>

	Note	2023	2022
		(Rupees in thousand)	
Term Deposit Receipt (TDR)			
Conventional	11.3	50,000	50,000
Islamic		56,000	-
		<u>106,000</u>	<u>50,000</u>
Cash in hand		3,483	300
		<u>1,559,756</u>	<u>904,190</u>
11.1	These bank balances are maintained under current accounts and do not carry any interest.		
11.2	The rates of mark-up on local currency savings accounts ranged from 14.50% to 20.50% per annum (2022: 8.25% to 14.50% per annum).		
11.3	This represents 100% cash margin against bank guarantee booked under TDR carrying profit at 14.75% to 18% per annum (2022: 14.5% per annum).		

12. SHARE CAPITAL

Authorised

2023	2022		2023	2022
(Number of Shares)			(Rupees in thousand)	
<u>100,000,000</u>	<u>100,000,000</u>	Ordinary shares of Rs. 10 each	<u>1,000,000</u>	<u>1,000,000</u>

Issued, subscribed and paid-up

2023	2022		2023	2022
(Number of Shares)			(Number of Shares)	
<u>38,800,000</u>	<u>38,800,000</u>	Ordinary shares of Rs. 10 each fully paid in cash	<u>388,000</u>	<u>388,000</u>

- 12.1** Packages Limited and IGI Insurance Limited held 26,871,931 (2022: 26,871,931) and 3,750,417 (2022: 3,750,417) ordinary shares of the Company respectively, as at December 31, 2023. (note 1.1)

13. LONG TERM BORROWINGS

Secured

Borrowing - 1
Borrowing - 2
Borrowing - 3
Borrowing - 4
Borrowing - 5
Borrowing - 6
Borrowing - 7
Borrowing - 8

Less: deferred income - government grant

Less: current portion of long-term borrowings

Note	2023	2022
	(Rupees in thousand)	
	333,333	666,667
	-	493,920
	940,000	1,000,000
	150,403	160,775
13.4	2,493,666	1,189,672
13.5	3,393,390	32,168
	1,099,094	-
13.6	994,000	-
	<u>9,403,886</u>	<u>3,543,202</u>
	<u>(426,568)</u>	<u>(443,028)</u>
	<u>8,977,318</u>	<u>3,100,174</u>
	<u>(936,631)</u>	<u>(608,946)</u>
	<u>8,040,687</u>	<u>2,491,228</u>

13.1 Following are the changes in the long-term borrowings (i.e. for which cash flows have been classified as financing activities in the statement of cash flows):

Balance as at January 1
During the year:
Acquisition
Repayment
Amortisation
Government grant adjusted
Transaction cost adjusted

Balance as at December 31

Note	2023	2022
	(Rupees in thousand)	
	3,100,174	3,059,966
	6,710,338	829,875
	(1,167,396)	(554,941)
	410,427	88,989
	(36,325)	(322,020)
	(39,900)	(1,695)
	<u>8,977,318</u>	<u>3,100,174</u>

13.2

Facility	Loan Type	Repayment terms - Principal	Mark-up		Effective Rate (%)		Facility Amount (Rs In 000)	Date of drawdown	Last repayment date
			Payable basis	Rate (per annum)	2023	2022			
Borrowing 1	Term-loan	12 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.10%	20.18%	13.07%	1,000,000	November 2018	November 2024
Borrowing 2	Term-loan	12 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.15%	18.24%	13.48%	696,011	July 2020	May 2023
Borrowing 3	Term-loan	12 Semi - Annual (2 years grace period)	Quarterly	3 month Kibor + 0.75%	21.77%	13.88%	1,000,000	December 2020	December 2028
Borrowing 4	TERF	32 Quarterly (2 years grace period)	Quarterly	1.75%	1.75%	1.75%	157,190	April 2021	April 2031
Borrowing 5	TERF	32 Quarterly (2 years grace period)	Quarterly	SBP rate + 1.40%	16.11%	4.89%	2,500,000	May 2021	July 2032
Borrowing 6	Term-loan	32 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 0.45%	25.04%	10.30%	4,000,000	September 2021	September 2032
Borrowing 7	LTFE	32 Quarterly (2 years grace period)	Quarterly	3 month Kibor + 1%	21.64%	-	4,000,000	November 2021	June 2032
Borrowing 8	Term-loan	10 Semi - Annual (2 years grace period)	Quarterly	3 month Kibor + 0.75%	22.21%	-	1,000,000	December 2023	September 2030

13.3 The above facilities have been obtained from commercial and Islamic banks and are secured against first pari passu hypothecation / mortgage charges on the Company's present and future fixed assets including but not limited to land, building, plant and machinery, equipment, furniture and fixtures etc.

13.4 This represents a syndicate long-term loan agreement under the Temporary Economic Refinance Facility by the State Bank of Pakistan. The loan has been obtained to finance the acquisition of new BOPP Line. The Company has paid Rs. 3.67 million on account of transaction cost, which has been adjusted against the present value of financial liability calculated by discounting the future cashflows at market interest rate. The loan has been discounted using market interest rate and the difference between the respective fair values and proceeds received has been recorded as deferred government grant (as disclosed in note 14).

13.5 This represents a bilateral long term loan agreement with a commercial bank having a limit of Rs. 4,000 million under the Long Term Finance Facility. The loan has been obtained to finance the acquisition of new BOPP Line. The loan has been discounted using market interest rate and the difference between the respective fair values and proceeds received has been recorded as deferred government grant (as disclosed in note 14).

13.6 This represents long term loan obtained by the Company from a commercial bank having a limit of Rs. 1,000 million. The loan has been obtained to finance the acquisition of new BOPP Line.

13.7 Shariah disclosure - long term borrowings

Coventional borrowings
Islamic borrowing

Note	2023	2022
	(Rupees in thousand)	
	6,924,524	1,976,569
	2,052,794	1,123,605
	<u>8,977,318</u>	<u>3,100,174</u>

14. DEFERRED INCOME - GOVERNMENT GRANT

	Note	2023	2022
(Rupees in thousand)			
Balance as at January 1		443,028	153,628
Government grant received during the year		36,325	322,020
Government grant deducted from borrowing cost		(48,325)	(19,150)
Government grant recognised in other income	26	(4,460)	(13,470)
		<u>426,568</u>	<u>443,028</u>
Less: current portion of deferred income - government grant	18	(53,393)	(17,583)
		<u>373,175</u>	<u>425,445</u>

14.1 This represents the value of benefit of below-market interest rate which has been accounted for as government grant under IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

15. DEFERRED TAXATION - NET

	Accelerated tax depreciation	Amortisation allowance	Provision for Obsolescence	Provision against Gas Infrastructure Development Cess	Provision for accumulated compensated absences	Allowance for expected credit losses	Total
(Rupees in thousand)							
January 1, 2023	646,570	48	(51,938)	(175,643)	(10,253)	(28,410)	380,374
Charge / (credit) to profit or loss for the year	68,869	(719)	(36,323)	(29,150)	(4,250)	9,101	7,528
December 31, 2023	<u>715,439</u>	<u>(671)</u>	<u>(88,261)</u>	<u>(204,793)</u>	<u>(14,503)</u>	<u>(19,309)</u>	<u>387,902</u>
January 1, 2022	635,110	(5,007)	(43,633)	(172,753)	(9,215)	(26,595)	377,907
Charge / (credit) to profit or loss for the year	11,460	5,055	(8,305)	(2,890)	(1,038)	(1,815)	2,467
December 31, 2022	<u>646,570</u>	<u>48</u>	<u>(51,938)</u>	<u>(175,643)</u>	<u>(10,253)</u>	<u>(28,410)</u>	<u>380,374</u>

15.1 Deferred tax liability is restricted to 88.31% (2022: 89.37%) of the total deferred tax liability based on the assumptions that export sales will continue to fall under Final Tax Regime and the current trend of export and local sales ratio will continue to be the same in the future.

15.2 Under the Finance Act, 2020, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. As per Finance Act, 2023, companies are liable to pay super tax at specified rates. Accordingly, deferred tax assets and liabilities have been recognised accordingly using the expected applicable rate of 39%.

15.3 The deferred tax assets and deferred tax liabilities relate to income tax in the same jurisdiction and the law allows net settlement. Therefore, they have been offset in the statement of financial position.

16. STAFF RETIREMENT BENEFITS

16.1 As stated in note 3.1.2 the company operates approved funded defined benefit gratuity plan for all permanent employees, defined contribution plan for all active employees and defined benefit plan for pensioners who have retired before December 31, 2012 subject to minimum service of prescribed period as per the respective trust deeds. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at December 31, 2023.

16.2 Plan assets held in trust are governed by local regulations which mainly include Trust Act, 1882; the Companies Act, 2017; Income Tax Rules, 2002 and the Rules under the respective trust deeds. Responsibility for governance of the Plans, including investment decisions and contribution schedules, lies with the respective Board of Trustees. The Company appoints the trustees among its employees.

16.3 Risks on account of defined benefit plan

The Company faces the following risks on account of defined benefit plan:

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

Demographic Risks

- Mortality Risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
- Withdrawal Risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

Investment risks - the risk of the investment underperforming and being not sufficient to meet the liabilities.

16.4 The latest actuarial valuations of the Plans as at December 31, 2023 were carried out using the Projected Unit Credit Method. Details of the Funds as per the actuarial valuations are as follows:

Note	2023	2022	2023	2022		
	Pension Fund		Gratuity Fund			
	(Rupees in thousand)					
16.4.1	The amounts recognised in the statement of financial position are as follows:					
	Present value of defined benefit obligation	16.4.3	71,847	66,406	261,240	216,333
	Fair value of plan assets	16.4.4	(17,556)	(21,493)	(189,679)	(169,532)
	Payables to employees		-	-	1,761	3,633
	Net liability as at December 31		<u>54,291</u>	<u>44,913</u>	<u>73,322</u>	<u>50,434</u>
16.4.2	Net liability as at January 1					
	Charge to profit or loss		44,913	36,800	50,434	44,088
	Loss / (gain) charged to other comprehensive income		6,512	4,324	29,625	23,092
	Contribution by the Company		2,866	3,789	17,441	1,826
	Net liability as at December 31		<u>54,291</u>	<u>44,913</u>	<u>73,322</u>	<u>50,434</u>
16.4.3	The movement in the present value of defined benefit obligation is as follows:					
	Present value of defined benefit obligation as at January 1		66,406	64,050	216,333	186,556
	Current service cost		-	-	21,815	19,221
	Past service cost		-	-	2,685	-
	Interest cost on defined benefit obligation		9,108	7,135	29,795	22,084
	Benefits due but not paid (payables)		-	-	(489)	(2,361)
	Adjustment for last year's payables		-	-	-	160
	Benefits paid		(7,178)	(6,655)	(21,210)	(10,197)
	Actuarial losses / (gains) from changes in financial assumptions		2,097	1,703	4,066	4,649
	Experience adjustments		1,414	173	8,245	(3,779)
	Present value of defined benefit obligation as at December 31		<u>71,847</u>	<u>66,406</u>	<u>261,240</u>	<u>216,333</u>

16.4.4 The movement in fair value of plan assets is as follows:

Fair value as at January 1	
Contribution by the Company	
Income on plan assets	
Return on plan assets excluding interest income	
Benefits paid	
Fair value as at December 31	

	2023	2022	2023	2022
	Pension Fund		Gratuity Fund	
	(Rupees in thousand)			
	21,493	27,250	169,532	144,490
	-	-	24,178	18,573
	2,596	2,811	24,670	18,213
	645	(1,913)	(5,130)	(957)
	(7,178)	(6,655)	(23,571)	(10,787)
	<u>17,556</u>	<u>21,493</u>	<u>189,679</u>	<u>169,532</u>

16.4.5 The amounts recognized in the profit or loss are as follows:

Current service cost	
Past service cost	
Interest cost on defined benefit obligation	
Interest income on plan assets	

	-	-	21,815	19,221
	-	-	2,685	-
	9,108	7,135	29,795	22,084
	(2,596)	(2,811)	(24,670)	(18,213)
	<u>6,512</u>	<u>4,324</u>	<u>29,625</u>	<u>23,092</u>

16.4.6 The amounts recognized in the other comprehensive income are as follows:

Experience adjustments	
Return on plan assets excluding interest income	

	3,511	1,876	12,311	869
	(645)	1,913	5,130	957
	<u>2,866</u>	<u>3,789</u>	<u>17,441</u>	<u>1,826</u>

16.4.7 Plan assets are comprised of as follows:

Debt	
Equity - listed companies	
- Government securities	
Cash	

	13,588	15,432	-	25,210
	-	-	603	427
	3,810	6,018	181,432	133,998
	158	43	7,644	9,897
	<u>17,556</u>	<u>21,493</u>	<u>189,679</u>	<u>169,532</u>

16.5 The Company ensures asset / liability matching by investing in government securities, bank deposits, mutual funds and does not use derivatives to manage its risk.

16.6 The expected return on respective plan assets has been determined by considering the expected returns available on the assets underlying the current investment policy.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption	Impact on defined benefit obligation	
		Pension	Gratuity
(Rupees in thousand)			
Discount rate	+ 100 bps	67,513	240,230
Discount rate	- 100 bps	76,716	285,091
Salary increase	+ 100 bps	77,366	285,587
Salary increase	- 100 bps	64,384	239,456

- Average expected remaining working life time of gratuity management employees is 9 years.
- Average expected remaining life time of pension management employees is 6 years.

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied.

17. ACCUMULATED COMPENSATED ABSENCES

	Note	2023	2022
		(Rupees in thousand)	
Balance as at January 01		34,772	31,511
Expense recognised during the year		16,028	11,248
Payments made during the year		(8,688)	(7,987)
Balance as at December 31		<u>42,112</u>	<u>34,772</u>

18. TRADE AND OTHER PAYABLES

	Note	2023	2022
(Rupees in thousand)			
Creditors	18.1	93,453	66,117
Accrued liabilities	18.2	2,948,241	1,969,684
Advances from customers	18.3	48,589	114,452
Liability for imported goods		3,164,982	106,347
Retention money		19,943	13,133
Development Cess	18.5	594,636	594,636
Rebate payable against export		-	27,712
Deferred income - government grant	14	53,393	17,583
Payable to provident fund		4,384	3,955
Workers' profits participation fund	18.6	723	4,919
Workers' welfare fund	18.7	140,722	105,469
		<u>7,069,066</u>	<u>3,024,007</u>

18.1 Creditors include Rs. 2.92 million (2022: Nil) payable to associated undertakings.

18.2 These include Rs. 762.44 million (2022: Rs. 566.34 million) levied through The Sindh Development and Maintenance of Infrastructure Cess, 2017, which superseded the previous levy under Sindh Finance Act, 1994. As per order dated September 1, 2021, the Honourable Supreme Court of Pakistan has directed the petitioners to provide 100% bank guarantees towards the Cess liability.

18.3 During the year, the Company has shipped 100% goods against last year's advances and have no liability against them.

18.4 The maximum aggregate amount due to any related party at the end of any month during the year was Rs. 67.31 million (2022: Rs. 20.84 million).

18.5 Provision for Gas Infrastructure Development Cess

	2023	2022
(Rupees in thousand)		
Balance as at January 1	594,636	640,144
Repayment	-	(45,508)
Balance as at December 31	<u>594,636</u>	<u>594,636</u>

18.5.1 During the previous year, the Company stopped making payments of installments as stay order has been obtained by the Company from the Honourable High Court of Sindh.

18.6 Workers' profits participation fund

	2023	2022
	(Rupees in thousand)	
Balance as at January 1	4,919	3,803
Allocation for the year	92,768	75,545
	97,687	79,348
Payments during the year	(96,964)	(74,429)
Balance as at December 31	723	4,919

18.7 Workers' welfare fund

Balance as at January 1	105,469	76,762
Allocation for the year	35,252	28,707
Balance as at December 31	140,721	105,469

19. ACCRUED MARK-UP

On long-term borrowings	50,079	30,368
On short-term borrowings	368,183	129,528
	418,262	159,896

20. SHORT-TERM BORROWINGS

	Note	2023	2022
		(Rupees in thousand)	
Secured conventional financing			
Short-term money market loans	20.1 & 20.2	350,000	3,250,500
Short-term running finance	20.3	3,436,728	219,929
Secured islamic financing			
Short-term istisna cum wakala	20.1 & 20.4	500,000	500,000
Short-term running musharaka	20.4	699,128	353,580
		4,985,856	4,324,009

- 20.1** Following are the changes in the short-term money market loans and istisna cum wakala (i.e. for which cash flows have been classified as financing activities in the statement of cash flows):

	2023	2022
	(Rupees in thousand)	
Balance as at January 1	3,750,500	4,150,000
Utilisation during the year	850,000	5,450,000
Repayment	(3,750,500)	(5,849,500)
Balance as at December 31	850,000	3,750,500

- 20.2** Short-term money market loans have been arranged as a sub-limit of the running finance facility. Rate of mark-up applicable to these facility is 21.56% (2022: 8.22% to 17.07%) per annum. The facilities are available for the maximum period of one year from the date of agreement with the latest facility expiring on August 31, 2024.
- 20.3** Short-term running finances have been obtained under mark-up arrangements from commercial banks payable on various maturity dates up to August 31, 2024. These facilities are secured by joint hypothecation by way of first floating charge over current assets including but not limited to inventories and trade receivables. Rate of mark-up applicable to these facilities ranges between 22.61% to 24.06% (2022: 15.91% to 18.33%) per annum.
- 20.4** This represents Istisna facilities aggregating to Rs. 500 million (2022: Rs. 500 million) and Musharakah facilities aggregating to Rs. 1,000 million (2022: Rs. 1,000 million) repayable with a maximum tenure of 180 days and 1 year from the date of disbursement respectively. Rate of profit applicable to these facility is 23.24% (2022: 15.06%) per annum. As at reporting date, unavailed amount under these facilities amounts to Rs. 300.87 million (2022: Rs. 1,146.42 million).
- 20.5** Total short-term facilities available under mark-up arrangements aggregated Rs. 9,210 million (2022: Rs 9,600 million) out of which the amount unavailed at the year end was Rs. 4,224.14 million (2022: Rs. 5,276 million).

21. CONTINGENCIES AND COMMITMENTS

Contingencies

Guarantees issued by banks on behalf of the Company

Commitments

- for purchase of raw materials and spares
- capital expenditure

	2023	2022
	(Rupees in thousand)	
Guarantees issued by banks on behalf of the Company	1,101,415	851,415
Commitments		
- for purchase of raw materials and spares	1,578,698	1,196,879
- capital expenditure	3,476,652	3,132,404

- 21.1** Aggregate commitments in respect of ijarah arrangements of motor vehicles amount to Rs. 27.81 million (2022: Rs. 41.57 million) and are payable as follows:

	Note	2023	2022
		(Rupees in thousand)	
Not later than 1 year		10,477	12,411
Later than 1 year but not later than 5 years		17,335	29,159
		27,812	41,570

- 21.2** The facilities for opening letter of credits and for guarantees as at December 31, 2023 amounting to Rs. 15,954 million (2022: Rs. 21,250 million) and Rs. 1,842 million (2022: Rs. 1,674 million) respectively, of which the amount remaining unutilised is of Rs. 7,856 million (2022: Rs. 17,041 million) and Rs. 740.09 million (2022: Rs. 822.09 million) respectively.
- 21.3** In respect of tax years 2008, 2010 and 2011, the Commissioner Inland Revenue (Appeals) through appeals order dated May 19, 2015 disposed off the appeals of the Company maintaining disallowances on account of the taxation of tenderable gains amounting Rs. 6.74 million. The Appellate Tribunal Inland Revenue (ATIR) disposed off the appeal in favor of the Company through order date October 29, 2021 allowing the provisions of post retirement benefits amounting Rs. 6.81 million, Rs. 17.62 million and Rs. 22.11 million for tax years 2008, 2010 and 2011 respectively. During the year, the ATIR through order dated January 20, 2023 has annulled the Amended Order dated March 20, 2014 for tax years 2008 and 2011 as being time barred i.e the position as per return has been restored and the decision has been made in favour of the Company.
- 21.4** In respect of tax year 2009, the Commissioner Inland Revenue (Appeals) through appellate order dated May 19, 2015 disposed off the appeal in favour of the Company except on maintaining the action of taxation officer on disallowance of finance cost capitalized as part of the cost of Plant and Machinery amounting to Rs. 8.47 million and interest on advance to executives and employees as loan amounting to Rs. 0.27 million. The Company filed an appeal before Appellate Tribunal Inland Revenue in respect of the issue maintained by the Commissioner (Appeals). The management of the Company, based on the advise of its tax consultants', is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.
- 21.5** In respect of tax years 2015, 2018 and 2019, the Commissioner Inland Revenue (Appeals) through order dated August 31, 2020, levied super tax u/s 4B on exparte basis. The Company filed an appeal before CIRA against which a rectified order was issued dated October 23, 2020 reducing the levy of Super tax for 2015 to nil. Subsequently, the Company received a combined Appellate order dated December 31, 2021 for tax years 2018 and 2019 demanding a levy of super tax u/s 4B of Rs. 17.7 million and Rs. 35.13 million respectively. During

the previous year, the Company filed an appeal on the basis of the rectified order which is pending before ATIR. Based on the advise of its tax consultants', the Company is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.

- 21.6** In respect of tax year 2016, the Commissioner Inland Revenue (Appeals) through appellate order dated February 13, 2020 has disposed off the appeal of the Company maintaining the taxation of Rs. 5.58 million as gain on disposal of vehicles and disallowance of provision for Gas Infrastructure Development Cess (GIDC) amounting to Rs. 157 million out of which Rs. 19.73 million has already been offered in tax year 2018. Further, disallowance of exchange loss amounting to Rs. 29.28 million has been directed to be allowed on accrual basis whereas the addition of Rs. 150.48 million of various provisions has been remanded back.
- 21.7** The matters of adjustments of tax credits for tax years 2014 and 2015 amounting to Rs. 119.62 and Rs. 68.86 million respectively, adjustment of brought forward losses of Rs. 1,683 million and calculation of levy of Workers' Welfare Fund have been directed to be rectified. The Company has filed an appeal before the Appellate Tribunal Inland Revenue in respect of the matters maintained. During the previous year, an order dated June 29, 2022 was received on the basis of which a demand of Rs. 9.64 million was raised. In relation to this, the Company has filed an appeal before CIRA which is still pending. The management of the Company, based on the advise of its tax consultants, is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.
- 21.8** In respect of tax year 2022, the Commissioner Inland Revenue (Appeals) through appeals order (under section 170(4)) dated July 13, 2023 short allowed the credit of taxes claimed by Rs. 37.451 million pertaining to tax credit under section 61, taxes deducted under various sections and casting errors amounting to Rs. 6.04 million, Rs. 31.42 million and (Rs. 9.2 million) respectively. Consistent with the previous refund orders issued at the time of seeking exemption certificates, refund has been restricted to the extend of the adjustments required for issuance. Accordingly, during the year on August 10, 2023, the Company filed rectification order. The Company based on the advise of its tax consultant did not file the appeal as they consider that consistent with the previous years, matter can be resolved by way of rectification.
- 21.9** During the year on October 26, 2023, notices for Sindh Workers' Welfare Fund for the tax years 2018, 2019, 2021, 2022 and 2023 respectively were received by the Company. No further correspondence has been received till year end for the notices pertaining to tax year 2018 & 2019. However, for the notices for the tax year 2021, 2022 and 2023 demands amounting to Rs. 23.8 million, Rs. 38.2 million and Rs. 34.4 million respectively were raised through Order-in-Original. The Company is trans-provisional and is laible to pay workers' welfare fund to Federal Board of Revenue. Therefore, an appeal has been filed by the Company before CIR(SRB). The Company, based on the advise of its tax consultants, is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favor.

21.10 In respect of tax year 2020, the Commissioner Inland Revenue (Appeals) through appeals order (under section 170(4)) dated March 31, 2021 short allowed the credit of taxes claimed by Rs. 235.42 million pertaining to tax credit under section 61, taxes deducted under various sections and adjustments from tax year 2015 amounting to Rs. 17.98 million, Rs. 3.23 million and Rs. 214 million respectively. Company filed an appeal before CIR(A) against the order dated March 31, 2023. During the year on August 29, 2023, appellate order was passed on 'ex-parte' basis which disposed off the appeal filed by the Company in CIR(A) against the order dated March 31, 2021. On August 30, 2023, rectification was filed before CIR(A) against the appellate order dated August 29, 2023. Subsequent to the year end on January 20, 2024, CIR(A) through appellate order has rectified the appellate order dated August 29, 2023 and remanded back the matter to the officer.

22. REVENUE FROM CONTRACTS WITH CUSTOMERS"

	Note	2023	2022
(Rupees in thousand)			
Sale of goods less returns:			
- Local		26,407,080	25,523,952
Less: Discounts		(549,526)	(344,446)
Sales tax		(3,996,030)	(3,690,160)
		<u>21,861,524</u>	<u>21,489,346</u>
- Export		2,980,849	2,630,932
		<u>24,842,373</u>	<u>24,120,278</u>

23. COST OF SALES

Opening stock of finished goods		636,068	891,618
Cost of goods manufactured	23.1	20,704,266	20,057,716
Less: closing stock of finished goods		(421,315)	(636,068)
		<u>20,919,019</u>	<u>20,313,266</u>

23.1 Cost of goods manufactured	Note	2023	2022
		(Rupees in thousand)	
Opening stock of work-in-process		476,251	525,222
Raw materials consumed	23.2	15,497,636	15,390,307
Packing materials consumed	23.3	729,808	598,313
Repair and maintenance	23.4	601,760	521,662
Salaries, wages and other benefits	23.5	927,562	823,852
Fuel, power and water		1,985,050	1,671,292
Insurance		95,477	49,183
Vehicle running and maintenance	23.6	93,000	69,542
Travelling		8,408	22,013
Depreciation	4.1.2	782,985	800,654
Staff training and development		1,380	3,073
Legal and professional services		13,911	10,117
Other expenses		65,504	48,737
		<u>21,278,732</u>	<u>20,533,967</u>
Less: closing stock of work-in-process		(574,466)	(476,251)
		<u>20,704,266</u>	<u>20,057,716</u>
23.2 Raw materials consumed			
Opening stock		2,009,509	2,576,366
Purchases		16,328,918	14,823,450
Less: closing stock		(2,840,791)	(2,009,509)
		<u>15,497,636</u>	<u>15,390,307</u>
23.3 Packing materials consumed			
Opening stock		37,816	31,410
Purchases		735,561	604,719
Less: closing stock		(43,569)	(37,816)
		<u>729,808</u>	<u>598,313</u>
23.4	These include stores and spares consumed amounting to Rs. 182.34 million (2022: Rs. 98.96 million).		
23.5	These include Rs. 15.67 million (2022: Rs. 13.57 million) in respect of contribution to provident fund, Rs. 19.41 million (2022: Rs. 16 million) in respect of gratuity fund, Rs. 18.49 million (2022: Rs. 15.24 million) in respect of pension fund, Rs. 10.15 million (2022: Rs. 6.92 million) in respect of compensated absences.		
23.6	This includes Rs. 2.08 million (2022: Rs. 2.09 million) in respect of rentals under ijarah arrangements.		

24. DISTRIBUTION COSTS

	Note	2023	2022
(Rupees in thousand)			
Outward freight		546,627	520,182
Salaries, wages and other benefits	24.1	131,913	97,457
Commission on export sales		51,057	96,698
Travelling		16,646	6,872
Rent, rates and taxes		6,953	5,586
Repairs and maintenance		2,645	1,970
Vehicle running and maintenance	24.2	7,119	4,675
Insurance		13,969	9,310
Depreciation	4.1.2	920	961
Staff training and development		562	1,813
Other expenses		9,347	17,070
		<u>787,758</u>	<u>762,594</u>

24.1 These include Rs. 2.82 million (2022: Rs. 2.22 million) in respect of contribution to provident fund, Rs. 2.73 million (2022: Rs. 1.54 million) in respect of gratuity fund, Rs. 7.37 million (2022: Rs. 5.51 million) in respect of pension fund and Rs. 1.75 million (2022: Rs.1.27 million) in respect of compensated absences.

24.2 This includes Rs. Nil (2022: Rs. 0.04 million) in respect of rentals under ijarah arrangements.

25. ADMINISTRATIVE EXPENSES

	Note	2023	2022
(Rupees in thousand)			
Salaries, wages and other benefits	25.1	351,164	293,952
Rent, rates and taxes		22,712	5,644
Printing, stationery and periodicals		10,418	8,328
Postage and telephone		6,025	5,479
Repairs and maintenance		37,526	10,388
Vehicle running and maintenance	25.2	35,847	27,256
Travelling and entertainment		32,021	23,574
Insurance		8,320	4,080
Staff training and development		2,560	4,103
Auditors' remuneration	25.3	9,540	10,117
Legal and professional expenses		89,463	64,812
Depreciation	4.1.2	18,537	18,575
Amortisation	5.1	7,923	4,403
Electricity, gas and water		7,308	6,301
Advertisement		1,370	2,277
		<u>640,734</u>	<u>489,289</u>

25.1 These include Rs. 7.68 million (2022: Rs. 6.62 million) in respect of contribution to provident fund, Rs. 7.49 million (2022: Rs. 5 million) in respect of gratuity fund, Rs. 15.15 million (2022: Rs. 12.19 million) in respect of pension fund and Rs. 1.68 million (2022: Rs. 1.68 million) in respect of compensated absences.

25.2 This includes Rs. 11.2 million (2022: Rs. 9.9 million) in respect of rentals under ijarah arrangements.

25.3 Auditors' remuneration

Note	2023	2022
	(Rupees in thousand)	
	3,200	2,657
	1,440	1,750
	-	500
	4,000	3,669
	900	1,541
	<u>9,540</u>	<u>10,117</u>

26. OTHER INCOME

Income from financial assets

Income on bank deposit - conventional

Income on bank deposit - islamic

Others

Gain on disposal of property, plant and equipment

Sale of scrap materials

Insurance claim

Government grant

	19,716	5,412
	4,714	-
	<u>24,430</u>	<u>5,412</u>
	2,443	418
	102,374	135,908
26.1	99,337	-
14	4,460	13,470
	<u>208,614</u>	<u>149,796</u>
	<u>233,044</u>	<u>155,208</u>

26.1 On October 03, 2022, a fire incident occurred at one of the Company's film manufacturing line sections at Port Qasim facility. The Company lodged the insurance claim with the insurance Company and received the claimed amounting to Rs. 99.34 million during the year. The damaged items were carried in the Company's books at zero written down value.

27. OTHER EXPENSES

Workers' profits participation fund

Workers' welfare fund

Donations

Note	2023	2022
	(Rupees in thousand)	
18.6	92,768	75,545
18.7	35,252	28,707
27.1	19,203	19,740
	<u>147,223</u>	<u>123,992</u>

27.1 These include Rs. 19.2 million (2022: Rs. 17.22 million) in respect of donation to Packages Foundation. Syed Babar Ali is serving on the board of Tri-Pack Films Limited and Packages Foundation as Director.

28. FINANCE COST - NET

Amortisation of lease liability
Mark-up on long term borrowings
Mark-up on short term borrowings

Bank and other charges
Exchange loss - net

28.1 Shariah disclosure

- Conventional
- Islamic

29. INCOME TAX

Current
Prior - note 29.1
Deferred

29.1 As per Finance Act 2023, the Company has to pay a super tax @ 10% if its income exceeds Rs. 500 million effective for Tax Year 2023. The Company recorded a super tax @ 4% in prior year financial statement and an additional provision of Rs. 73.98 million has been recorded in the current year to fully record the liability related to super tax under section 4C of the Income Tax Ordinance, 2001. The additional provision of Rs. 73.97 is netted off with the prior tax income amounting to Rs. 25.99 million.

29.2 Tax reconciliation

Profit before income tax
Tax @ 29% (2022: 29%)
Effect of
- Final tax regime
- Prior year charge
- Super Tax - current year
- Effect of change of rate
- Others

Effective tax rate

Note	2023	2022
	(Rupees in thousand)	
	5,555	4,987
	402,177	330,484
	347,776	738,360
28.1	749,953	1,068,844
	105,839	78,990
	48,194	18,937
	<u>909,541</u>	<u>1,171,758</u>
	260,119	775,609
	489,834	293,235
	<u>749,953</u>	<u>1,068,844</u>
	673,657	411,106
	47,984	104,411
	7,528	2,491
	<u>729,169</u>	<u>518,008</u>
	1,708,287	1,381,514
	495,403	400,639
	(32,072)	(76,289)
	47,984	104,411
	174,773	50,325
	51,560	47,871
	(8,479)	(8,949)
	<u>729,169</u>	<u>518,008</u>
	<u>42.68%</u>	<u>37.50%</u>

30. EARNINGS PER SHARE - basic and diluted

	2023	2022
	(Rupees in thousand)	
Profit for the year attributable to ordinary shareholders	979,118	863,506
	Number of shares (in thousand)	
Weighted average number of ordinary shares outstanding during the year - note 30.1	38,800	38,800
Basic and diluted earnings per share (Rupee)	25.24	22.26

30.1 There were no convertible dilutive potential ordinary shares outstanding as at December 31, 2023 and 2022.

31. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Note	2023		2022	
		Chief Executive	Executives	Chief Executive	Executives
		(Rupees in thousand)			
Managerial remuneration including bonus		52,172	190,172	40,032	172,079
Staff retirement benefits	31.1	10,176	37,580	8,491	29,813
Housing		13,128	84,342	11,077	68,083
Utilities		2,626	21,127	2,215	17,023
Leave fare assistance		2,219	8,803	1,846	7,093
Medical expenses		445	10,338	192	5,484
Other allowances and benefits		11,040	46,152	8,658	33,970
		<u>91,806</u>	<u>398,514</u>	<u>72,511</u>	<u>333,545</u>
Number of persons		<u>1</u>	<u>47</u>	<u>1</u>	<u>38</u>

31.1 Staff retirement benefits include amount contributed towards various retirement benefit plans.

31.2 The Chief Executive and other executives are also provided with free use of Company's maintained cars, residential telephone reimbursement and other benefits.

31.3 Remuneration to non-executive directors

Aggregate amount charged in these financial statements for meetings fee to Three (2022: Three) non-executive directors was Rs 2.08 million (2022: Rs 2.15 million).

32. CASH GENERATED FROM OPERATIONS

	Note	2023	2022
(Rupees in thousand)			
Profit before income tax		1,708,287	1,381,514
Adjustments for non-cash charges and other items:			
Depreciation	4.1.2	802,442	820,190
Amortisation expense	5	7,923	5,289
Finance cost		861,347	1,152,821
Government grant recognised in income		(4,460)	(13,470)
Unrealised exchange loss / (gain) - net		10,745	(3,146)
Profit on bank balances		(24,430)	(5,412)
Provision for accumulated compensated absences		16,028	11,248
Provision for staff retirement benefits		70,636	55,487
Gain on disposal of property, plant and equipment	26	(2,443)	(418)
Working capital changes	32.1	227,596	2,010,051
		1,965,384	4,032,640
		3,673,671	5,414,154
32.1 Working capital changes			
(Increase) / decrease in current assets:			
Inventories		(745,272)	826,474
Trade receivables		(590,690)	627,989
Advances and prepayments		(212,088)	26,897
Refunds due from government - sales tax		(1,875,452)	314,942
Other receivables		(383,216)	(455,928)
		(3,806,718)	1,340,374
Increase in current liabilities:			
Trade and other payables		4,034,314	669,677
		227,596	2,010,051
33. CASH AND CASH EQUIVALENTS			
Short term running finance and musharika	20	(4,135,856)	(573,509)
Cash and bank balances	11	1,453,756	854,190
		(2,682,100)	280,681

34. FINANCIAL INSTRUMENTS BY CATEGORY

2023							
Interest / Mark-up bearing			Non-interest / mark-up bearing			Total	
Maturity up to one year	Maturity after one year	Total	Maturity up to one year	Maturity after one year	Total		
(Rupees in thousand)							
FINANCIAL ASSETS							
At amortised cost							
Long-term deposits	-	-	-	-	25,783	25,783	25,783
Trade receivables	-	-	-	2,874,497	-	2,874,497	2,874,497
Advances and prepayments	-	-	-	10,732	-	10,732	10,732
Other receivables	-	-	-	1,095,250	-	1,095,250	1,095,250
Cash and bank balances	54,095	-	54,095	1,505,661	-	1,505,661	1,559,756
	<u>54,095</u>	<u>-</u>	<u>54,095</u>	<u>5,486,140</u>	<u>25,783</u>	<u>5,511,923</u>	<u>5,566,018</u>
FINANCIAL LIABILITIES							
At amortised cost							
Long-term borrowings	936,631	8,040,687	8,977,318	-	-	-	8,977,318
Trade and other payables	-	-	-	5,464,175	-	5,464,175	5,464,175
Accrued mark-up	-	-	-	418,262	-	418,262	418,262
Short-term borrowings	4,985,856	-	4,985,856	-	-	-	4,985,856
Lease liability	936,631	36,044	972,675	-	-	-	972,675
Unclaimed dividend	-	-	-	23,435	-	23,435	23,435
	<u>6,859,118</u>	<u>8,076,731</u>	<u>14,935,849</u>	<u>5,905,872</u>	<u>-</u>	<u>5,905,872</u>	<u>20,841,721</u>

FINANCIAL ASSETS

At amortised cost

	2022						Total
	Interest / Mark-up bearing			Non-interest / mark-up bearing			
	Maturity up to one year	Maturity after one year	Total	Maturity up to one year	Maturity after one year	Total	
	(Rupees in thousand)						
Long-term deposits	-	-	-	-	28,033	28,033	28,033
Trade receivables	-	-	-	2,283,807	-	2,283,807	2,283,807
Advances and prepayments	-	-	-	10,033	-	10,033	10,033
Other receivables	-	-	-	712,034	-	712,034	712,034
Cash and bank balances	591,339	-	591,339	312,851	-	312,851	904,190
	<u>591,339</u>	<u>-</u>	<u>591,339</u>	<u>3,318,725</u>	<u>28,033</u>	<u>3,346,758</u>	<u>3,938,097</u>

FINANCIAL LIABILITIES

At amortised cost

Long-term borrowings	608,946	2,491,228	3,100,174	-	-	-	3,100,174
Trade and other payables	-	-	-	1,588,944	-	1,588,944	1,588,944
Accrued mark-up	-	-	-	159,896	-	159,896	159,896
Short-term borrowings	4,324,009	-	4,324,009	-	-	-	4,324,009
Lease liability	3,118	34,655	37,773	-	-	-	37,773
Unclaimed dividend	-	-	-	21,662	-	21,662	21,662
	<u>4,936,073</u>	<u>2,525,883</u>	<u>7,461,956</u>	<u>1,770,502</u>	<u>-</u>	<u>1,770,502</u>	<u>9,232,458</u>

35. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk and price risk), credit risk and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risks managed and measured by the Company are explained below:

35.1 Market risk

35.1.1 Interest rate risk

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

The Company's interest rate risk arises from borrowings which include long-term borrowings (note 13), short term borrowings (note 20) and cash with bank in mark-up bearing savings account (note 11).

At December 31, 2023, if interest rates on borrowings had been 50 basis points higher / lower with all other variables held constant, profit after taxation for the year would have been as follows:

	2023		2022	
	At higher interest rate	At lower interest rate	At higher interest rate	At lower interest rate
	(Rupees in thousand)			
Finance cost	65,953	(65,953)	34,611	(34,611)
Taxation	(19,126)	19,126	(10,037)	10,037
Net impact on profit after taxation	<u>46,827</u>	<u>(46,827)</u>	<u>24,574</u>	<u>(24,574)</u>

35.1.2 Currency risk

Currency risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. The Company primarily has foreign currency exposures in EUR, GBP, USD and JPY cash and cash equivalents, deposits with banks (note 11), trade receivables (note 7) in respect of export sales and trade and other payables (note 18) in respect of import of raw materials, stores and spares and plant and machinery. Since the Company's pricing mechanism is mainly linked to cost of raw materials, therefore, the effects, if

any, of any adverse movement in exchange rates in above currencies can be passed on to the customers to some extent through increase in prices of its finished goods.

At December 31, 2023, if the Company's functional currency had weakened / strengthened by 5% against above currencies with all other variables held constant, profit for the year would have been lower / higher by Rs. 78.71 million (2022: Rs. 11.37 million), mainly as a result of foreign exchange losses / gains on translation of financial assets and liabilities denominated in foreign currencies.

35.1.3 Price risk

Price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company has no investments subject to price risk as at December 31, 2023 (2022: Nil).

35.1.4 Reconciliation of movements of liabilities to cash flows arising from financing activities

	2023				Total
	Long-term borrowing including deferred income and accrued mark-up thereon	Short-term borrowing including accrued mark-up thereon	Lease liability	Unclaimed dividend	
	(Rupees in thousand)				
Balance as at January 1	3,573,570	3,880,028	37,773	21,662	7,513,033
Changes from financing cash flows:					
Proceeds from long-term borrowings	6,710,338	-	-	-	6,710,338
Repayment of long-term borrowings	(717,068)	-	-	-	(717,068)
Changes in short-term borrowings	-	(2,900,500)	-	-	(2,900,500)
Dividend paid	-	-	-	(192,227)	(192,227)
Lease rentals paid	-	-	(3,607)	-	(3,607)
Transaction cost paid	(39,900)	-	-	-	(39,900)
Total changes in financing activities	5,953,370	(2,900,500)	(3,607)	(192,227)	2,857,036
Other changes:					
Government grant recognized	(92,685)	-	-	-	(92,685)
Finance cost	1,299,507	347,776	5,555	-	1,652,838
Finance cost paid	(1,279,796)	(109,121)	-	-	(1,388,917)
Total loan related other changes	(72,974)	238,655	5,555	-	171,236
Total equity related changes	-	-	-	194,000	194,000
Balance as at December 31	9,453,966	1,218,183	39,721	23,435	10,735,305

	2022				
	Long-term borrowing including deferred income and accrued mark-up thereon	Short-term borrowing including accrued mark-up thereon	Lease liability	Unclaimed dividend	Total
	(Rupees in thousand)				
Balance as at January 1	3,256,913	4,247,021	36,337	18,159	7,558,430
Changes from financing cash flows:					
Proceeds from long-term borrowings	829,874	-	-	-	829,874
Repayment of long-term borrowings	(419,897)	-	-	-	(419,897)
Changes in short-term borrowings	-	(399,500)	-	-	(399,500)
Dividend paid	-	-	-	(500,897)	(500,897)
Lease rentals paid	-	-	(3,551)	-	(3,551)
Transaction cost paid	(1,695)	-	-	-	(1,695)
Total changes in financing activities	408,282	(399,500)	(3,551)	(500,897)	(495,666)
Other changes:					
Government grant recognized	(322,020)	-	-	-	(322,020)
Finance cost	330,484	738,360	4,987	-	1,073,831
Finance cost paid	(100,089)	(705,853)	-	-	(805,942)
Total loan related other changes	(91,625)	32,507	4,987	-	(54,131)
Total equity related changes	-	-	-	504,400	504,400
Balance as at December 31	3,573,570	3,880,028	37,773	21,662	7,513,033

35.2 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties failed to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets amounting to Rs. 5,566 million (2022: Rs. 3,938 million).

The carrying amounts of financial assets which are neither past due nor impaired are as under

	2023	2022
		(Rupees in thousand)
Long-term deposits	25,783	28,033
Trade receivables	1,996,521	1,603,556
Advances and prepayments	10,732	10,033
Other receivables	1,095,250	712,034
Cash and bank balances	1,556,273	904,190
	4,684,559	3,257,846

Total bank balance of Rs. 1,450.27 million (2022: Rs. 853.89 million) has been placed with banks which have a short term credit rating of at least A-1.

A significant component of the receivable balances of the Company relates to amounts due from the local customers. Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by those counter parties on their obligations to the Company. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery.

The Company does not hold any collateral against these assets other than receivable from foreign customers which are secured by way of letter of credits.

35.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The management believes that it will be able to fulfill its financial obligations.

Financial liabilities in accordance with their contractual maturities are presented below:

	2023				
	Contractual cash flows	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Later than 5 years
	(Rupees in thousand)				
Long term borrowings	8,977,318	936,631	553,274	3,411,499	4,075,914
Trade and other payables	1,586,354	1,586,354	-	-	-
Accrued mark-up	418,262	418,262	-	-	-
Short term borrowings	4,985,856	4,985,856	-	-	-
Lease Liability	972,675	936,631	2,863	9,294	23,887
Unclaimed dividend	23,435	23,435	-	-	-
	<u>16,963,900</u>	<u>8,887,169</u>	<u>556,137</u>	<u>3,420,793</u>	<u>4,099,801</u>

	2022				
	Contractual cash flows	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Later than 5 years
	(Rupees in thousand)				
Long term borrowings	3,100,174	608,946	801,317	1,047,466	642,445
Trade and other payables	1,588,944	1,588,944	-	-	-
Accrued mark-up	159,896	159,896	-	-	-
Short term borrowings	4,324,009	4,324,009	-	-	-
Lease Liability	37,773	3,118	2,863	9,294	22,498
Unclaimed dividend	21,662	21,662	-	-	-
	<u>9,232,458</u>	<u>6,706,575</u>	<u>804,180</u>	<u>1,056,760</u>	<u>664,943</u>

35.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or obtain / repay long term financing from / to financial institutions.

Consistent with others in the industry, the Company monitors capital on the basis of the debt equity ratio. This ratio is calculated as under:

Debt equity ratio = Net debt divided by total debt and equity.

The debt to equity ratios as at December 31, 2023 and 2022 were as follows:

	2023	2022
	(Rupees in thousand)	
Total debt	14,389,742	7,867,211
Less: Cash and bank balances	(1,559,756)	(904,190)
Net debt	<u>12,829,986</u>	<u>6,963,021</u>
Total equity	<u>5,825,793</u>	<u>5,060,982</u>
Total debt and equity	<u>18,655,779</u>	<u>12,928,193</u>
Debt to equity ratio	69:31	54:46

35.5 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between the carrying value and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Company does not have any financial instrument which requires classification in above hierarchies.

The estimated fair value of other financial assets and liabilities is considered not significantly different from carrying values as the items are either short term in nature or periodically repriced.

36. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise related group companies, staff retirement benefits, directors, key management personnel and close members of the family of directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties.

Transactions with related parties are as follows:

Nature of transaction	Nature of relationship	2023	2022
(Rupees in thousand)			
Group shared cost	Parent company	66,937	43,931
Purchase of goods and services	Associated undertaking	412,273	136,698
Sale of goods	Associated undertaking	2,302,163	3,024,306
Donations	Associated undertaking	18,500	17,223
Dividend paid	Associated undertaking	161,819	420,722
Contributions to staff retirement benefit funds	Retirement benefit funds	85,484	75,000
Salaries and other employee benefits	Key management personnel *	167,634	176,612

* Key management personnel includes CEO, CFO and Head of the departments.

The amounts payable to and receivable from related parties have been disclosed in the relevant notes to these financial statements. These are settled in the ordinary course of business.

36.1 Following are the related parties including associated companies with whom the company had entered into transactions or have arrangement / agreement in place during the year:

S.No	Company Name	Basis of relationship	Aggregate % of Shareholding
1.	Packages Limited	Parent Company	69.30%
2.	Bulleh Shah Packaging (Private) Limited	Common Parent	N/A
3.	Chantler Packaging Inc.	Common Parent	N/A
4.	IGI General Insurance Limited	Common Parent	9.67%
5.	IGI Life Insurance Company Limited	Common Parent	N/A
6.	Packages Lanka (Private) Limited	Common Parent	N/A
7.	Packages Converters Limited	Common Parent	N/A
8.	Packages Trading FZCO	Common Parent	N/A
9.	Packages Foundation	Common Directorship	N/A
10.	Tetra Pak Pakistan Limited	Common Directorship	N/A

36.2 Following are the countries of incorporation of the associated companies incorporated outside Pakistan:

S.No	Company Name	Country of Incorporation
1.	Chantler Packaging Inc.	Canada
2.	Packages Lanka (Private) Limited	Sri Lanka
3.	Packages Trading FZCO	UAE

37. PLANT CAPACITY AND ACTUAL PRODUCTION

	2023	2022
	(Metric tons)	
Operational capacity	83,800	83,800
Production	47,788	47,879

37.1 Production of films during the year is based on market demand.

38. OPERATING SEGMENTS

These financial statements have been prepared on the basis of a single reportable segment.

Revenue from sales of films products represents 100% (2022: 100%) of total revenue.

All non-current assets of the Company as at December 31, 2023 are located in Pakistan.

88.11% (2022: 89.19%) of gross sales of films are local sales whereas 11.89% (2022: 10.81%) pertains to export sales.

39. NUMBER OF EMPLOYEES

The total average number of employees during the year and as at December 31, 2023 and 2022 respectively are as follows:

	2023	2022
Average number of employees during the year	308	305
Number of employees as at December 31	320	303

40. PROVIDENT FUND RELATED DISCLOSURE

All investment in collective investment schemes, listed equity, and listed debt securities out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the conditions specified thereunder.

41. NON-ADJUSTING EVENT AFTER BALANCE SHEET

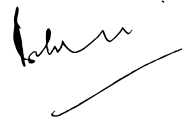
The Board of Directors in its meeting held on February 07, 2024 proposed a final cash dividend for the year ended December 31, 2023 of Rs. 6 per share amounting to Rs. 232.8 million. (2022: Rs. 194 million) subject to the approval of the Company in the forthcoming annual general meeting.

42. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on February 07, 2024 by the Board of Directors of the Company.



Nasir Jamal
Chief Executive Officer



Syed Babar Ali
Chairman



Muhammad Zuhair Damani
Chief Financial Officer



Shareholders' Information

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Shareholders' Information

Registered Office

4th Floor, The Forum, Suite # 416-422, G-20, Block 9,
Khayaban-e-Jami, Clifton, Karachi-75600
Tel. # 92 21 35874047 - 49
Fax # 92 21 35860251

Shares Registrar

FAMCO Share Registration Services (Pvt.) Limited
8-F, Next to Hotel Faran Nursery, Block 6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi-75400
Tel. # 92 21 34380101-2 Fax # 92 21 34380106

OWNERSHIP

On December 31, 2023, there were 1,617 members on the record of the Company's ordinary shares.

DIVIDEND PAYMENT

The Board of Directors of the Company has recommended a 60% (Rs. 6.00/- per share) final dividend for the year ended 31st December 2023. The proposal shall be placed before the shareholders of the Company in the Annual General Meeting for their consideration and approval on Tuesday, April 23, 2024. The dividend, if approved by the shareholders, shall be directly credited to their designated bank accounts available with the Company's share registrar at the close of business on Tuesday, April 16, 2024, and shall be subject to the Zakat and Tax deductions as per law.

FINANCIAL CALENDAR

RESULTS

First quarter ended March 31, 2023	Approved and Announced on	17-04-2023 18-04-2023
Half year ended June 30, 2023	Approved and Announced on	15-08-2023 16-08-2023
Third quarter ended September 30, 2023	Approved and Announced on	17-10-2023 18-10-2023
Year ended December 31, 2023	Approved and Announced on	07-02-2024 09-02-2024

DIVIDEND

Final – Cash (2022)	Approved on	10-04-2023
	Entitlement date	03-04-2023
	Statutory limit up to which payable	21-04-2023
	Paid on	20-04-2023

32nd ANNUAL GENERAL MEETING TO BE HELD ON

23-04-2024

Listing on Stock Exchange

The equity shares of the Company are listed on the Pakistan Stock Exchange Limited (PSX).

Stock Code

The trading symbol for dealing in equity shares of Tri-Pack Films at the PSX is 'TRIPF'.

Share Registrar

The share registrar of the Company is FAMCO Share Registration Services (Pvt.) Limited which serves about 1,617 shareholders. It is managed by a well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and a comprehensive set of systems and procedures for conducting the registration function.

The Share Registrar has online connectivity with Central Depository Company of Pakistan Limited (CDC). It undertakes activities pertaining to the dematerialization of shares, share transfers, transmissions, issue of duplicate/replaced share certificates, change of address, and other related matters.

For assistance, shareholders may contact either the Registered Office or the Share Registrar at the details appearing below:

Contact Persons

Mr. Ubaid Hussain

Tel. # 92 21 35874047-49 Ext.: 237

Fax # 35860251

Email: shares.desk@tripack.com.pk

Mr. Muhammad Taha

Tel. 92 21 34380101-5

Fax. 92 21 34380106

Email: muhammad.taha@famcosrs.com.pk

Service Standards

Tri-Pack has always endeavored to provide investors with prompt services. Listed below are various investor services and the maximum time limits set for their execution, subject to receipt of the complete set of required documents:

Transfer of shares
Transmission of shares (Upon completion of documentation)
Issue of duplicate share certificates
Updating of IBAN
Change of address

For requests received through post

15 days after receipt
15 days after receipt
30 days after receipt
2 working days after receipt
2 days after receipt

Well qualified personnel of Share Registrar have been entrusted with the responsibility of ensuring that services are rendered within the set time limits.

Statutory Compliance

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant and prescribed information.

Dematerialization of Shares

The equity shares of the Company are under the compulsory dematerialization category. As of 31st December 2023 63.29% of the equity shares of the Company have been dematerialized by the shareholders.

Investors' Grievances

To date, none of the investors or shareholders have filed any letter of complaint against any service provided by the Company to its shareholders.

Legal Proceedings

No case has been filed during the year by shareholders against the Company for non-receipt of shares/refund.

Web Presence

Updated information regarding the Company can be accessed at its website, www.tripack.com.pk. The website contains the latest financial results of the Company along with its profile, corporate philosophy, and major products.

Pattern of Shareholding

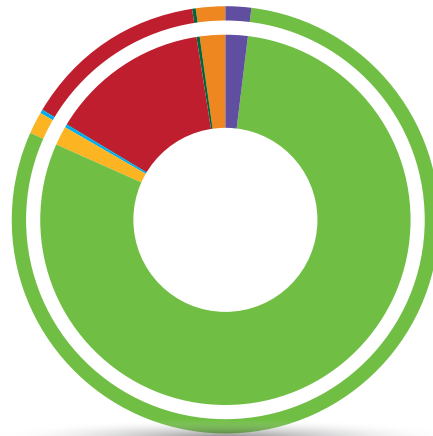
The shareholding pattern of the equity share capital of the Company as of December 31, 2023 is as follows:

Shareholding		Number of Shareholders	Total Shares Held
From	To		
1	100	426	13,982
101	500	591	244,962
501	1,000	163	132,184
1,001	5,000	287	714,186
5,001	10,000	55	418,160
10,001	15,000	26	337,901
15,001	20,000	10	174,195
20,001	25,000	6	135,833
25,001	30,000	3	81,761
30,001	35,000	9	293,946
40,001	45,000	1	42,500
45,001	50,000	8	385,777
50,001	55,000	1	50,522

Shareholding		Number of Shareholders	Total Shares Held
From	To		
55,001	60,000	2	117,000
60,001	65,000	3	188,986
65,001	70,000	1	65,959
70,001	75,000	1	72,426
75,001	80,000	1	76,711
80,001	85,000	1	80,100
85,001	90,000	1	89,300
95,001	100,000	1	100,000
100,001	105,000	1	102,948
105,001	110,000	1	107,000
110,001	115,000	1	111,600
115,001	120,000	1	116,559
140,001	145,000	1	142,136
145,001	150,000	1	146,015
150,001	155,000	1	154,000
170,001	175,000	2	344,731
175,001	180,000	1	177,186
240,001	245,000	1	242,868
265,001	270,000	1	269,297
320,001	325,000	1	320,924
380,001	385,000	1	380,709
420,001	425,000	1	421,228
640,001	645,000	1	641,800
680,001	685,000	1	682,260
3,750,00	3,755,000	1	3,750,417
12,935,001	12,940,000	1	12,936,063
13,935,001	13,940,000	1	13,935,868
		1,617	38,800,000

Categories of Shareholding

S.No.	Name of Shareholders	Number of Shareholders	Number of Shares	%
1	Directors, Chief Executive Officer, and their spouses and minor children	9	821,431	2.12
2	Associated Companies, Undertakings, and Related Parties	5	30,876,245	79.58
3	Banks, Development Financial Institutions, Non-Banking Financial Institutions	2	63	0.00
4	Insurance Companies	1	682,260	1.76
5	Modarabas and Mutual Funds	1	102,948	0.27
6	Foreign Companies	1	5,900	0.02
7	General Public:			
	a. Local	1,500	5,350,264	13.79
	b. Foreign/Non-Resident	67	162,648	0.42
8	Others	31	798,241	2.06
	Total	1,617	38,800,000	100.00



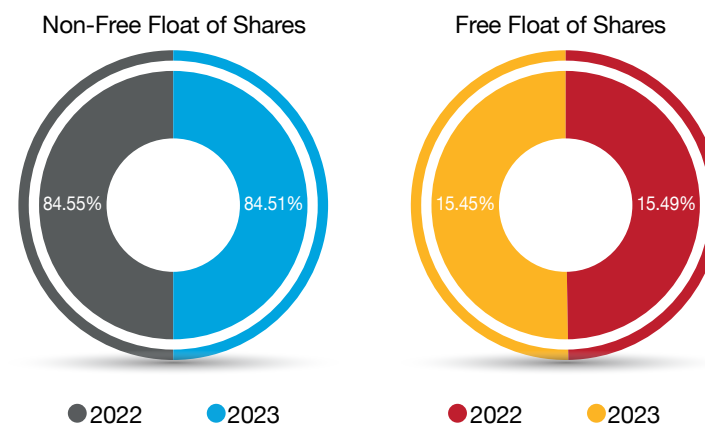
● Directors, Chief Executive Officer, and their spouses and minor children	2.12
● Associated Companies, Undertakings, and Related Parties	79.58
● Banks, Development Financial Institutions, Non-Banking Financial Institutions	0.00
● Insurance Companies	1.76
● Modarabas and Mutual Funds	0.27
● Foreign Companies	0.02
General Public	
● a. local	13.79
● b. Foreign/Non-Resident	0.42
● Others	2.06

Key shareholding

Shareholders' Category	Number of Shareholders	Total Shares Held
i. Directors and their spouse(s) and minor children		
Syed Babar Ali	100	1
Mrs. Perwin Babar Ali	116,559	1
Syed Hyder Ali	702,279	3
Mrs. Amina Hyder Ali	1,293	1
Nermeen Towfiq Chinoy	1,000	1
Asif Qadir	100	1
Saquib Hussain Shirazi	100	1
Total:	821,431	9
ii. Associated Companies, Undertakings and Related Parties		
Packages Limited	26,871,931	2
Babar Ali Foundation	253,897	2
IGI Investments (Pvt.) Limited	3,750,417	1
Total:	30,876,245	5
iii. Executives		
	Nil	Nil
iv. Shareholders holding 10% or more voting rights		
Packages Limited	26,871,931	2

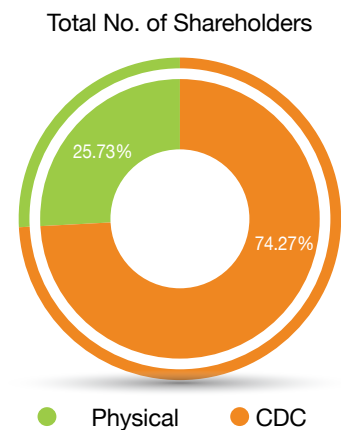
Free Float and Non-Free Float of Shares

CATEGORIES	2023	2022
Free-Float of Shares	5,995,338	6,010,213
Non-Free Float of Shares	32,804,662	32,789,787
Total No. of Shares	38,800,000	38,800,000

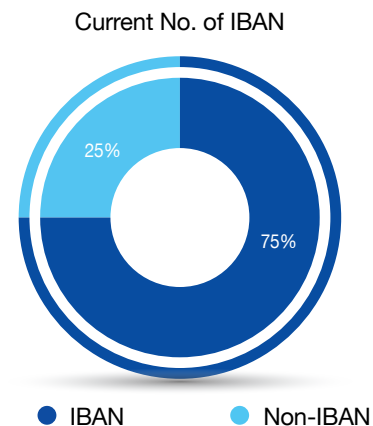


Shareholding Position/IBAN

Total No. of Shareholders as of 31 December 2023	Physical	CDC	Total
	416	1,201	1,617



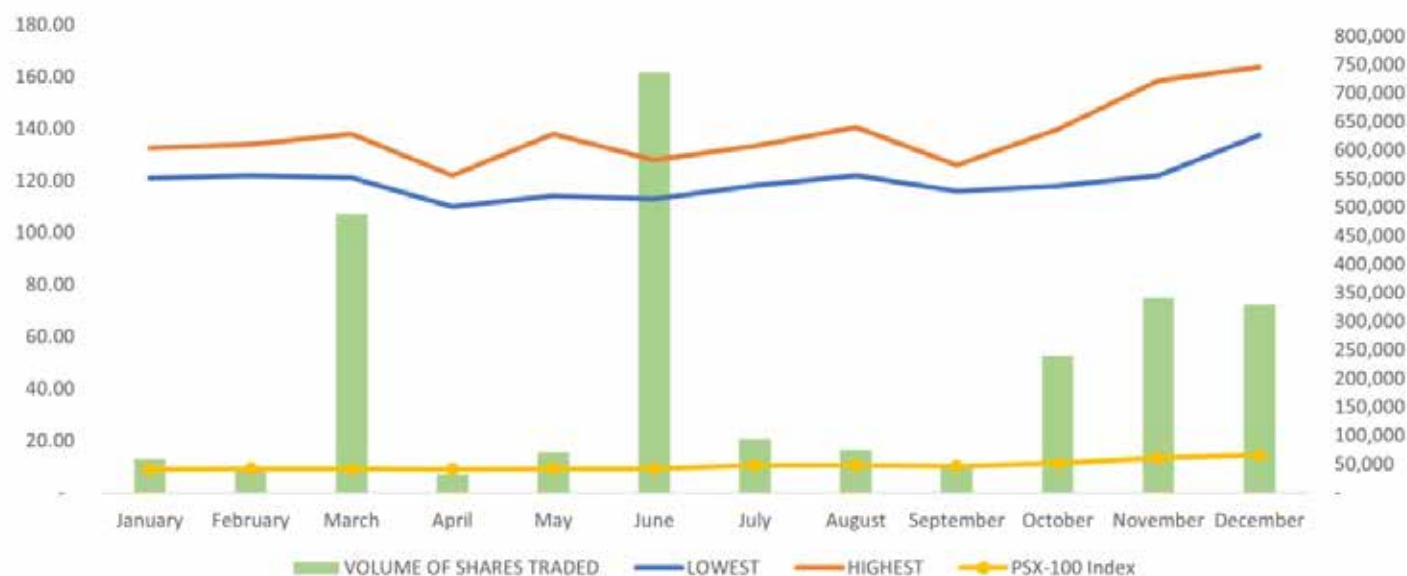
Number of IBAN updated as of 31 December 2023	IBAN	Non-IBAN	Total
	1,212	405	1,617



Share Price / Volume

The monthly high and low prices and the volume of shares traded on the Pakistan Stock Exchange during the financial year 2023 are as under:

Month	Share price on the PSX (Rs.)		Volume of shares traded	PSX-100 Index
	Highest	Lowest		Closing
January	132.49	121.00	59,200	41,007.52
February	134.00	122.00	37,400	42,466.59
March	138.00	121.10	488,400	41,874.04
April	122.00	109.95	32,500	41,580.85
May	138.00	114.15	71,000	42,241.98
June	128.00	113.00	736,600	42,142.71
July	133.30	118.10	94,100	48,034.59
August	140.50	122.00	75,500	48,764.55
September	126.00	116.00	42,600	46,421.15
October	139.75	118.01	240,000	51,920.27
November	158.50	122.00	341,100	60,730.26
December	163.70	137.50	329,200	66,426.78



Notice of 32nd Annual General Meeting

Notice is hereby given that the 32nd Annual General Meeting of the shareholders of Tri-Pack Films Limited will be held at the Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Block 8 Clifton, Karachi, on Tuesday, April 23, 2024 at 10:30 A.M and virtually via Zoom to transact the following business:

ORDINARY BUSINESS

- 1) To confirm the minutes of the last Annual General Meeting of the Company held on April 10, 2023.
- 2) To receive, consider and adopt the Audited Financial Statements of the Company together with the Directors' and Auditors' Report thereon for the year ended December 31, 2023.



<https://www.tripack.com.pk/financial-reports/>

- 3) To consider, approve and declare dividend on the ordinary shares of the Company. The Board of Directors of the Company has recommended a final cash dividend of 60% (Rs. 6.00 per ordinary share of Rs. 10/- each) for the year ended December 31, 2023.
- 4) To appoint external auditors of the Company for the ensuing year and to fix their remuneration. The current auditors, M/s. A.F. Ferguson & Co. (Chartered Accountants), being eligible to do so, have consented to be appointed as auditors and the Board of Directors has recommended their appointment.

ANY OTHER BUSINESS

- 1) To transact any other business with the permission of the Chair.

By Order of the Board

IQRA SAJJAD
Company Secretary

April 02, 2024
Karachi

Participation in the AGM Proceedings Virtually

The Securities and Exchange Commission of Pakistan ("SECP") vide its circulars issued from time to time has directed the listed companies to hold general meetings virtually in addition to the requirements of holding physical meetings. The shareholders interested in attending the AGM virtually are requested to get themselves registered by sending their particulars at the designated email address shares.desk@tripack.com.pk mentioning their name, folio number and email address by the close of business hours on April 19, 2024. The log-in credentials and link to participate in the AGM would be provided to the registered shareholders via a response email. The shareholders are also encouraged to send their comments/suggestions, related to the agenda items of the AGM on the abovementioned email address by the same date.

Notes:

1. In accordance with Section 223 of the Companies Act, 2017 and pursuant to SRO 389(1)/2023 dated 21 March 2023, the audited financial statements of the Company for the year ended December 31, 2023, along with the Directors', Auditors', and Chairman Report thereon, Notice of Annual General Meeting, and other related materials have been made available on the Company's website and published for sharing using a QR Code.

The Company has obtained shareholders' approval to do so in one of its General Meetings. Furthermore, members are hereby informed that pursuant to Section 223(6) and 473 of the Companies Act 2017, whereby circulation of Audited Financial Statements and Notice of the Meeting has been allowed in electronic format through email, the same has been circulated through email in cases where email address has been provided by the member to the Company and hence the consent of member to receive the copies through email is not required.

Members can request a hard copy of the same, which shall be provided free of cost, within one week, if a request has been made by the member on the standard request form available on the website of the Company.

2. The Share Transfer Books of the Company will be closed for determining the entitlement for the payment of final cash dividend from Wednesday, April 17, 2024 to Tuesday, April 23, 2024 (both days inclusive). Transfer requests received at the office of the Share Registrar of the Company at M/s FAMCO Shares Registration Services (Pvt.) Limited, 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi at the close of business on Tuesday, April 16, 2024 will be treated in time for the purposes of entitlement to the transferees.
3. A member entitled to attend and vote at the meeting may appoint another person as his/her proxy to attend, speak and vote at the meeting on his/her behalf. Instrument appointing proxy must be deposited at the Registered Office of the Company situated at 4th Floor, The Forum, Suite # 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi not less than 48 hours before the time of the meeting.
4. Shareholders holding physical shares are also required to bring their original Computerized National Identity Card (CNIC) and/or copy of CNIC of shareholder(s) of whom he/she/they hold proxy(ies) for. Such shareholder(s) shall not be allowed to attend and/or sign the Register of Shareholders/Members at the AGM without such CNIC(s).
5. The CDC Account Holders and Sub-Account Holders, whose registration details are available in the Share Book Details Report, shall be required to produce their respective original CNIC or original passport at the time of attending the Annual General Meeting to facilitate identification. Such Account Holders and Sub-Account Holders should also bring/know their respective participation I.D. No. and the CDC Account No. and in case of Proxy, he/she must enclose an attested copy of his/her CNIC or Passport. Representative(s) of corporate member(s) should bring attested copy of Board Resolution/Power of Attorney and/or all such documents that are required for such purpose and enumerated under Circular No. 1 dated 26 January 2000 issued by the SECP. Proxy form is also available on the Company's website and can be downloaded from www.tripack.com.pk

Statutory Code of Conduct at AGM

Members are requested to observe the Statutory Code of Conduct at the AGM in accordance with Section 215 of the Companies Act, 2017 and Regulation 28 of the Companies (General Provisions and Forms) Regulations, 2018, whereby shareholders are not permitted to exert influence or approach the Management directly for decisions which may lead to creation of hurdles in the smooth functioning of the Management. As mentioned in these provisions, shareholders shall not bring material that may cause threat to participants or premises where the AGM is being held, confine themselves to the agenda items covered in the notice of the AGM and shall not conduct themselves in a manner to disclose any political affiliation. Additionally, the Company is not permitted to distribute gifts in any form to its shareholders in its meetings as per Section 185 of Companies Act, 2017.

Withholding Tax on Dividend Income

- a. Pursuant to Section 150 of the Income Tax Ordinance, 2001, withholding tax on dividend paid will be deducted for 'Filer' and 'Non-Filer' shareholders at 15% and 30% respectively. All members/shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of the Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names along with their valid CNICs/NTNs (National Tax Numbers) are entered into ATL, before April 16, 2024; enabling the Company to make required tax deduction on the amount of cash dividend. Accordingly, shareholders are also advised to check and ensure their respective status as appearing in the ATL available at FBR's website <http://www.fbr.gov.pk/> as well as to ensure that their CNIC/Passport number has been recorded by the Participant/Investor Account Services or by Share Registrar (in case of physical shareholding). Corporate bodies (non-individual shareholders) should ensure that their names and NTN are available in the ATL maintained on FBR website and recorded by respective Participant/Investor Account Services or in case of physical shareholding by Company's Share Registrar.

- b. According to the FBR, withholding tax in case of joint shareholders accounts will be determined separately based on the 'Filer/ Non-Filer' status of the principal shareholder as well as the status of the joint holder(s) as per their shareholding proportions. Members that hold shares jointly with other shareholders are requested to provide, in writing, the shareholding proportions of the principal shareholder and the joint holder(s) in respect of shares held by them to the Company's Share Registrar, M/s FAMCO Shares Registration Services (Pvt.) Limited. In case the required information is not provided to the Company's Registrar by April 16, 2024 it will be assumed that the shares are held in equal proportion by the principal shareholder and the joint holder(s).
- c. Withholding tax exemption from dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Company's Share Registrar by April 16, 2024.
- d. Non-resident shareholder(s) shall submit declaration of such undertaking with copy of valid passport under definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of their residential status for the purposes of tax deduction on dividend to the Company Share Registrar latest by April 16, 2024. Member may send a declaration using a standard format as placed on Registrar and Company's websites as mentioned below:
www.famcosrs.com & www.tripack.com.pk

Zakat Deduction

To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" on NJSP of Rs. 50/- to the Share Registrar. In case shares are held in scrip less form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the shareholder, through their participant/ Investor Account Services. Further, Non-Muslim shareholders are also required to file Solemn Affirmation (on the format available on Company's website) with the Share Registrar of the Company in case shares are held in physical certificates or with CDC Participant/Investor Account Services in case shares are in scripless form. No exemption from deduction of Zakat will be allowed unless the above documents complete in all respects have been made available as above.

Payment of Cash Dividend Through Electronic Mode (Mandatory)

Under the Section 242 of the Companies Act, 2017, it is mandatory for all listed companies to pay cash dividend to its shareholders through electronic mode directly into the bank account designated by the entitled shareholders. In order to receive dividend directly into their bank account.

Furthermore, in accordance with the Companies (Distribution of Dividend) Regulations, 2017, shareholders are advised to provide their CNIC Number and International Bank Account Number (IBAN) details, if they have not already done so, to our Share Registrar (if shares are held in physical form) at their above-referred office address or to the respective Participants/Broker (if shares are held through CDS Account). In case of non-receipt of information, the Company will be constrained to withhold payments of dividend.

Unclaimed Dividend/Shares

Under Section 244 of the Companies Act, 2017 the Company is required to approach shareholders to claim their unclaimed dividend/shares. In this regard the Company has been reaching out to its shareholders by publishing notices in newspapers after sending individual letters. Those shareholders, who have not claimed their dividend amounts as yet, are hereby once again requested to ensure that their claims for unclaimed dividend amounts and/or shares certificate are lodged promptly.

Submission of Copy of Valid CNIC and/or NTN (Mandatory)

Further to SECP's directives, including SRO 831(1)/2012 and other relevant rules, for processing of electronic dividend the shareholder should provide CNIC number, except in the case of minor(s) and corporate shareholders.

Accordingly, individual members who have not yet submitted a copy of their valid CNIC to the Company's Share Registrar are once again requested to send their CNIC copy at the earliest directly to the Company's Share Registrar. Corporate members are requested to provide their NTN and Folio Number along with the authorized representative's CNIC copy.

As per Regulation No. 6 of the Companies (Distribution of Dividend) Regulations, 2017 and Section 243(3) of the Companies Act, 2017, the Company will be constrained to withhold payment of dividend to shareholders in case of non-availability of CNIC and/or NTN of the shareholder or authorized person, as the case may be.

Change of Particulars (Postal/Email Address and IBAN etc.)

Shareholders having physical shares are requested to promptly notify any change in their particulars to Company's Share Registrar, in writing whereas CDC account holders are requested to update their addresses with their CDC Participant/CDC Investor Account Services on immediate basis of any change occurring in the particulars.

Conversion of Physical Shares into CDC Account

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP. The Company has reached out to its shareholders through newspaper notices requesting those who have physical shareholding. The shareholders are hereby again encouraged to open a CDC sub-account with any broker or Investor Account directly with CDC to convert their physical shares into scripless form. This is beneficial in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

Postal Ballot/E-Voting

In accordance with the Companies (Postal Ballot) Regulations, 2018, for the purpose of Election of Directors and for any other agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members holding in aggregate 10% or more shareholding as per law, will be allowed to exercise their right of vote through postal ballot i.e. by post or e-voting, in the manner and subject to conditions contained in aforesaid Regulations.

BCR Criteria Index

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
1	Organizational Overview and External Environment <i>What does the organization do and circumstances under which it operates</i>	
1	Organizational Overview and External Environment	
1.01	Mission, vision, code of conduct, ethics and values.	8-16
1.02	Principal business activities and markets (local and international) including key brands, products and services.	7, 24-26
1.03	Geographical location and address of all business units including sales units and plants.	6, 22-23
1.04	“Ownership, operating structure and relationship with group companies (i.e. subsidiary, associated undertaking etc.) and number of countries in which the organization operates. Name and country of origin of the holding company/subsidiary company, if such companies are a foreign company.”	18-19
1.05	Disclosure of beneficial (including indirect) ownership and flow chart of group shareholding and relationship as holding company, subsidiary company or associated undertaking.	18-19,200,228
1.06	Organization chart indicating functional and administrative reporting, presented with legends.	17
1.07	Position of the reporting organization within the value chain showing connection with other businesses in the upstream and downstream value chain.	27
1.08	a) Explanation of significant factors effecting the external environment including political, economic, social, technological, environmental and legal environment that is likely to be faced in the short, medium and long term and the organization’s response.	28
	b) The effect of seasonality on business in terms of production and sales.	N/A
1.09	The legislative and regulatory environment in which the organization operates.	166
1.10	The legitimate needs, interests of key stakeholders and industry trends.	159-161
1.11	SWOT Analysis of the company.	139
1.12	Competitive landscape and market positioning (considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, relative strengths and weaknesses of competitors and customer demand and the intensity of competitive rivalry).	30
1.13	The political environment where the organization operates and other countries that may affect the ability of the organization to implement its strategy.	28
1.14	History of major events.	20-21, 142-143
1.15	Details of significant events occurred during the year and after the reporting period.	142,143,229

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
2	Strategy and Resource Allocation <i>Where does the organization want to go and how does it intend to get there</i>	
2.01	Short, medium and long-term strategic objectives and strategies in place to achieve these objectives.	34
2.02	Resource allocation plans to implement the strategy. Resource mean 'Capitals' including: a) Financial Capital; b) Human Capital; c) Manufactured Capital; d) Intellectual Capital; e) Social and Relationship Capital; and f) Natural Capital.	38-39
2.03	The capabilities and resources of the company to provide sustainable competitive advantage and as result value created by the business.	30, 38-39, 46
2.04	The effects of the given factors on company strategy and resource allocation: technological changes, ESG reporting and challenges, initiatives taken by the company in promoting and enabling innovation and resource shortages (if any).	37
2.05	Key performance indicators (KPIs) to measure the achievement against strategic objectives including statement as to whether the indicators used will continue to be relevant in the future.	40-41
2.06	The company's sustainability strategy with measurable objectives/ targets.	37,52
2.07	Board's statement on the significant plans and decisions such as corporate restructuring, business expansion, major capital expenditure or discontinuance of operations.	36,68, 138
2.08	a) Information about defaults in payment of any debts with reasons and	N/A
	b) Board strategy to overcome liquidity problem and its plan to manage repayment of debts and meet operational losses.	36

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
3	Risks and Opportunities <i>Specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how it is dealing with them</i>	
3.01	Key risks and opportunities (internal and external) effecting availability, quality and affordability of Capitals.	44-46
3.02	A Statement from Board for determining the following: a) company's level of risk tolerance by establishing risk management policies.	44-47, 67-73
	b) the company has carried out a robust assessment of the principal risks facing the company, including those that would threaten the business model, future performance and solvency or liquidity.	44-47, 67-68,73, 102-104

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
3	Risks and Opportunities <i>Specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how it is dealing with them</i>	
3.03	Risk Management Framework covering principal risk and uncertainties facing the company, risk methodology, risk appetite and risk reporting.	47, 150
3.04	Specific steps being taken to mitigate or manage key risks or to create value from key opportunities by identifying the associated strategic objectives, strategies, plans, policies, targets and KPIs.	44-46
3.05	Disclosure of a risk of supply chain disruption due to an environmental, social or governance incident and company's strategy for monitoring and mitigating these risks (is any).	44-47

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
4	Sustainability and Corporate Social Responsibility	
4.01	Board's statement for adoption of best practices for CSR.	67-73
4.02	Board's statement about the company's strategic objectives on ESG (environmental, social and governance)/ sustainability reporting.	67-73
4.03	A chairman's overview on how the company's sustainable practices can affect their financial performance.	67-73
4.04	Highlights of the company's performance, policies, initiatives and plans in place relating to the various aspects of sustainability and CSR as per best business practices including: a) environment related obligations applicable on the company; b) company progress towards ESG initiatives during the year; and c) company's responsibility towards the staff, health & safety.	49-57
4.05	Status of adoption/compliance of the Corporate Social Responsibility (Voluntary) Guidelines, 2013 issued by the SECP or any other regulatory framework as applicable.	49-57
4.06	Certifications acquired for best sustainability and CSR practices or have a membership of any environmental or social groups.	49-57,146

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
5	Governance <i>How does the organization's governance structure support its ability to create value in the short, medium and long term</i>	
5.01	Board composition:	
	a) Leadership structure of those charged with governance.	62-64
	b) Name of independent directors indicating justification for their independence.	71-72
	c) Diversity in the board i.e. competencies, requisite knowledge & skills, and experience.	62-64
	d) Profile of each director including education, experience and involvement /engagement of in other entities as CEO, Director, CFO or Trustee etc.	62-64
	e) No. of companies in which the executive director of the reporting organization is serving as non-executive director.	76
5.02	A brief description about role of the Chairman and the CEO.	99-100
5.03	A statement of how the board operates, including a high-level statement of which types of decisions are to be taken by the board and which are to be delegated to management.	75
5.04	Chairman's Review Report on the overall performance of the board and effectiveness of the role played by the board in achieving the company's objectives.	66
5.05	Annual evaluation of performance, along with description of criteria used for the members of the board including CEO, Chairman and board's committees.	75
5.06	Disclosure if the board's performance evaluation is carried out by an external consultant once in three years.	75
5.07	Details of formal orientation courses for directors.	76
5.08	Directors' Training Program (DTP) attended by directors, female executive and head of department from the institutes approved by the SECP and names of those who availed exemptions during the year.	76
5.09	Description of external oversight of various functions like systems audit or internal audit by an external specialist and other measures taken to enhance credibility of internal controls and systems.	79
5.10	Disclosure about related party transactions: a) Approved policy for related party transactions. b) Details of all related parties transactions, along with the basis of relationship describing common directorship and percentage of shareholding. c) Contract or arrangement with the related party other than in the ordinary course of business on an arm's length basis, if any along with the justification for entering into such contract or arrangement. d) Disclosure of director's interest in related party transactions. e) In case of conflict, disclosure that how such a conflict is managed and monitored by the board.	12 77,88-89 227-228

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
5	Governance <i>How does the organization's governance structure support its ability to create value in the short, medium and long term</i>	
5.11	Disclosure of Board's Policy on the following significant matters: a) Governance of risk and internal controls. b) Diversity (including gender), any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives. c) Disclosure of director's interest in significant contracts and arrangements. d) Remuneration of non-executive directors including independent directors for attending board meetings and general meetings. e) Retention of board fee by the executive director earned by him against his services as non-executive director in other companies. f) Security clearance of foreign directors. g) Board meetings held outside Pakistan. h) Human resource management including preparation of succession plan. i) Social and environmental responsibility. j) Communication with stakeholders. k) Investors' relationship and grievances. l) Employee health, safety and protection. m) Whistle blowing policy including mechanism to receive and handle complains in a fair and transparent manner and providing protection to the complainant against victimization and reporting in Audit Committee's report. n) Safety of records of the company. o) Company's approach to managing and reporting policies like procurement, waste and emissions.	68-69,105 55-57,77 76 78
5.12	Board review statement of the organization's business continuity plan or disaster recovery plan.	36,78,113
5.13	Compliance with the Best Practices of Code of Corporate Governance (No marks in case of any non-compliance).	107-108
5.14	a) Shares held by Sponsors / Directors / Executives;	237
	b) Distribution of shareholders (Number of shares as well as category, e.g. Promoter, Directors/Executives or close family member of Directors/Executives etc.) or foreign shareholding (if any).	236
5.15	Salient features of TOR and attendance in meetings of the board committees (Audit, Human Resource, Nomination and Risk management).	102-104
5.16	Timely Communication: within 40 days - 6 marks (within 50 days - 6 marks in case of holding company who has listed subsidiary /subsidiaries) within 60 days - 3 marks (Entities requiring approval from a Regulator before finalization of their financial statements would be provided a 20 days relaxation, on providing evidence to the Committee).	229
5.17	Audit Committee report should describe the work of the committee in discharging its responsibilities. The report should include: a) Composition of the committee with at least one member qualified as "financially literate and all members are non-executive / Independent directors including the Chairman of the Audit Committee. b) Committee's overall role in discharging its responsibilities for the significant issues in relation to the financial statements,	105-106

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
5	<p>Governance <i>How does the organization's governance structure support its ability to create value in the short, medium and long term</i></p> <p>and how these issues were addressed.</p> <p>c) Committee's overall approach to risk management and internal control, and its processes, outcomes and disclosure.</p> <p>d) Role of Internal Audit to risk management and internal control, and approach to Internal Audit to have direct access to Audit Committee and evaluation of Internal Auditor's performance.</p> <p>e) Review of arrangement for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommended instituting remedial and mitigating measures.</p> <p>f) An explanation as to how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor;; and if the external auditor provides non-audit services, an explanation as to how auditor's objectivity and independence is safeguarded.</p> <p>g) If Audit Committee recommends external auditors other than the retiring external auditors, before the lapse of three consecutive years, reasons shall be reported.</p> <p>h) The Audit Committee's views whether the Annual Report was fair, balanced and understandable and also whether it provided the necessary information to shareholders to assess the company's position and performance, business model and strategy.</p> <p>i) Results of the self-evaluation of the Audit Committee carried out of its own performance.</p> <p>j) Disclosure of the number of whistle-blowing incidences reported to the Audit Committee during the year.</p>	105-106
5.18	Presence of the chairman of the Audit Committee at the AGM to answer questions on the Audit Committee's activities / matters that are within the scope of the Audit Committee's responsibilities.	79
5.19	Board disclosure on Company's use of Enterprise Resource Planning (ERP) software including:	112-113
	a) how it is designed to manage and integrate the functions of core business processes/ modules like finance, HR, supply chain and inventory management in a single system;	112-113
	b) management support in the effective implementation and continuous updation;	112-113
	c) details about user training of ERP software;	112-113
	d) how the company manages risks or control risk factors on ERP projects;	112-113
	e) how the company assesses system security, access to sensitive data and segregation of duties.	112-113
5.20	Where an external search consultancy has been used in the appointment of the Chairman or a non-executive director, a disclosure if it has any other connection with the company.	N/A
5.21	Chairman's significant commitments and any changes thereto.	100
5.22	Disclosure about the Government of Pakistan policies related to company's business/sector in Directors' Report and their impact on the company business and performance.	67-73

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
6	Analysis of the Financial Information <i>To what extent has the organization achieved its strategic objectives for the period</i>	
6.01	Analysis of the financial and non-financial performance using both qualitative and quantitative indicators showing linkage between: a) Past and current performance; b) Performance against targets /budget; and The analysis should cover significant deviations from previous year in operating results and the reasons for loss, if incurred and future prospects of profits.	40-41 67-73 116-119
6.02	a) Analysis of financial ratios (Annexure I).	118
	b) Explanation of negative change in the performance against prior year.	119
6.03	Vertical and horizontal analysis of Balance Sheet, Profit and Loss Account and summary of Cash Flow Statement for last 6 years.	122-124,129
6.04	Graphical presentation of 6.02 and 6.03 above.	129-133
6.05	Methods and assumptions used in compiling the indicators.	40
6.06	Cash Flow Statement based on Direct Method (separate Cash Flow for specific funds e.g. Zakat).	128
6.07	Segmental review and analysis of business performance including segment revenue, segment results, profit before tax, segment assets and liabilities.	140
6.08	a) Share price sensitivity analysis using key variables (i.e. selling price, raw material cost, interest rate and currency) with the consequent impact on the company's earning.	137
	b) Composition of local versus imported material and sensitivity analysis in narrative form due to foreign currency fluctuations.	29
6.09	Brief description and reasons for not declaring dividend despite earning profits and future prospects of dividend.	141
6.1	CEO presentation video on the company's business performance of the year covering the company business strategy to improve and future outlook. (Please provide relevant webpage link of the video in the company's annual report).	N/A

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
7	Business Model	
7.01	Describe the business model including inputs, business activities, outputs and outcomes in accordance with the guidance as set out under section 4C of the International Integrated Reporting Framework.	155-157
7.02	Explanation of any material changes in the entity's business model during the year.	155-157

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
8	Disclosures on IT Governance and Cybersecurity <i>How the Board evaluate the company's IT governance and cybersecurity risk and how the Board manages those risks that threaten the company's operations</i>	
8.01	The Board responsibility statement on the evaluation and enforcement of legal and regulatory implications of cyber risks and the responsibilities of the board in case of any breaches.	111-113
8.02	Disclosure related to IT governance and cybersecurity programs, policies and procedures and industry specific requirements for cybersecurity and strategy in place.	111-113
8.03	Disclosures about how cybersecurity fits into the board's risk oversight function and how the board is engaging with management on this issue.	111-113
8.04	Disclosure that at least one board-level committee is charged with oversight of IT governance and cybersecurity matters and how the board administers its IT risk oversight function related to these risks.	111-113
8.05	Disclosure about Company's controls and procedures about an "early warning system" that enables the company to identify, assess, address, make timely disclosures and timely communications to the board about cybersecurity risks and incidents.	111-113
8.06	Disclosure of policy related to independent comprehensive security assessment of technology environment, including third party risks and when last such review was carried out.	111-113
8.07	Disclosure about resilient contingency and disaster recovery plan in terms of dealing with a possible IT failure or cyber breach and details about company's cyber insurance.	111-113
8.08	Disclosure of advancement in digital transformation on how the organization has leveraged 4.0 Industrial revolution (RPA, Block Chain, AI, Cloud Computing etc.) to improve transparency, reporting and governance.	111-113
8.09	Disclosure about education and training efforts of the Company to mitigate cybersecurity risks.	111-113

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
9	Future Outlook	
9.01	Forward-looking statement in narrative and quantitative form including projections or forecasts about known trends and uncertainties that could affect the company's resources, revenues and operations in the short, medium and long term.	150-151
9.02	Explanation as to how the performance of the company meets the forward-looking disclosures made in the previous year.	152
9.03	Status of the projects in progress and were disclosed in the forward-looking statement in the previous year.	152
9.04	Sources of information and assumptions used for projections / forecasts in the forward-looking statement and assistance taken by any external consultant.	152

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
10	Stakeholders Relationship and Engagement <i>State of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests</i>	
10.01	Stakeholders engagement policy of the company and how the company has identified its stakeholders.	160-161
10.02	Stakeholders' engagement process and the frequency of such engagements during the year. Explanation on how these relationships are likely to affect the performance and value of the company, and how those relationships are managed. These engagements may be with: a) Institutional investors; b) Customers & suppliers; c) Banks and other lenders; d) Media; e) Regulators; f) Local committees; and g) Analysts.	160-161
10.03	Steps taken by the management to encourage the minority shareholders to attend the general meetings.	161
10.04	Investors' Relations section on the corporate website.	161
10.05	Issues raised in the last AGM, decisions taken and their implementation status.	161
10.06	Statement of value added and its distribution with graphical presentation: a) Employees as remuneration; b) Government as taxes (separately direct and indirect); c) Shareholders as dividends; d) Providers of financial capital as financial charges; e) Society as donation; and f) Retained within the business.	162
10.07	Steps board has taken to solicit and understand the views of stakeholders through corporate briefing sessions and disclosure of brief summary of Analyst briefing conducted during the year.	161
10.08	Highlights about redressal of investors' complaints.	161

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
11	Striving for Excellence in Corporate Reporting	
11.01	Board's responsibility statement on full compliance of financial accounting and reporting standards as applicable in Pakistan (i.e. International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB)).	166
11.02	Adoption of International Integrated Reporting Framework by fully applying the 'Fundamental Concepts', 'Content Elements' and 'Guiding Principles'.	167
11.03	BCR criteria cross referred with page numbers of the annual report. (details can be maintained by companies on the Investor Relation section of the company's website).	243-256

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
12	Specific Disclosures of the Financial Statements	
12.01	Specific disclosures of the financial statements required under the Companies Act, 2017 and IFRSs (Annexure II).	255-256

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
13	Assessment based on Qualitative Factors	
13.01	Overall quality of information contained in the annual report based on the following qualitative factors: a) Clarity, simplicity and lucidity in presentation of Financial Statements b) Theme on the cover page. c) Effective use of presentation tools, particularly, effective use of diagrams, graphs, charts, smart arts, icons, tables and infographics in the annual report. d) Effectiveness and relevance of photos and graphs e) Effectiveness of the theme on the cover page.	1-279

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
	Annexure I - Financial Ratios (refer section 6 of the criteria)	
	Non-Financial Sector Profitability Ratios a) Gross Profit ratio b) Net Profit to Sales c) EBITDA Margin to Sales d) Operating leverage ratio e) Return on Equity	116-141

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
	Annexure I - Financial Ratios (refer section 6 of the criteria)	
	<ul style="list-style-type: none"> f) Return on Capital employed g) Shareholders' Funds h) Return on Shareholders' Funds i) Total Shareholder Return <p>Liquidity Ratios</p> <ul style="list-style-type: none"> a) Current ratio b) Quick / Acid test ratio c) Cash to Current Liabilities d) Cash flow from operations to Sales e) Cash flow to capital expenditures f) Cash flow coverage ratio <p>Investment /Market Ratios</p> <ul style="list-style-type: none"> a) Earnings per Share (EPS) and diluted EPS b) Price Earnings ratio c) Price to Book ratio d) Dividend Yield ratio e) Dividend Payout ratio / Dividend Cover Ratio f) Cash Dividend per share / Stock Dividend per share g) Market value per share at the year end and high/low during the year h) Breakup value per share i. Without Surplus on Revaluation of property, plant and equipment. ii. With Surplus on Revaluation of Property plant and equipment including the effect of all Investments. iii. Including Investment in Related Party at fair /market value and also with Surplus on Revaluation of property plant and equipment. j) DuPont Analysis j) Free Cash Flow k) Economic Value Added (EVA) <p>Capital Structure</p> <ul style="list-style-type: none"> a) Financial leverage ratio b) Weighted average cost of debt c) Debt to Equity ratio (as per book and as per market value) d) Net assets per share e) Interest Cover /Time Interest earned ratio 	116-141

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
	Annexure I - Financial Ratios (refer section 6 of the criteria)	
	<p>Activity / Turnover Ratios</p> <p>a) Total Assets turnover ratio b) Fixed Assets turnover ratio c) No. of Days in Inventory d) No. of Days in Receivables e) No. of Days in Payables f) Operating cycle</p> <p>Non-Financial Ratios</p> <p>a) % of Plant Availability b) Customer Satisfaction Index c) Production per Employee (for manufacturing)/ Employee Productivity Rate (for service industry) d) Revenue per Employee e) Staff turnover ratio f) Spares Inventory as % of Assets Cost g) Maintenance Cost as % of Operating Expenses</p>	116-141

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
	Annexure II - Specific Disclosures (refer section 12 of the criteria) <i>Specific Disclosures of the Financial Statements</i>	
1	Fair value of Property, Plant and Equipment.	N/A
2	Particulars of significant/ material assets and immovable property including location and area of land.	194
3	Capacity of an industrial unit, actual production and the reasons for shortfall.	228
4	Forced sale value in case of revaluation of Property, Plant and Equipment or investment property.	N/A
5	Specific disclosures required for shariah compliant companies/ companies listed on the Islamic Indices as required under clause 10 of the Fourth Schedule of the Companies Act, 2017.	174-229
6	Disclosure requirements for common control transactions as specified under the Accounting Standard on 'Accounting for common control transactions' developed by ICAP and notified by SECP (through SECP S.R.O. 53 (I)/2022 dated January 12, 2022)	174-229

S.No.	Framework for Annual Reporting Best Corporate Report Awards 2023	Page Reference
Annexure II - Specific Disclosures (refer section 12 of the criteria) <i>Specific Disclosures of the Financial Statements</i>		
7	Disclosure about Human Resource Accounting (includes the disclosure of process of identifying and measuring the cost incurred by the company to recruit, select, hire, train, develop, allocate, conserve, reward and utilize human assets).	204-207,214-215,218,229
8	In financial statements issued after initial or secondary public offering(s) of securities or issuance of debt instrument(s) implementation of plans as disclosed in the prospectus/offering document with regards to utilization of proceeds raised till full implementation of such plans.	N/A
9	Where any property or asset acquired with the funds of the company and is not held in the name of the company or is not in the possession and control of the company, this fact along with reasons for the property or asset not being in the name of or possession or control of the company shall be stated; and the description and value of the property or asset, the person in whose name and possession or control it is held shall be disclosed.	N/A

32nd Annual General Meeting

I/We _____ of _____
 _____ being a member of Tri-Pack Films Limited
 and holder of _____ Ordinary Shares as per **Share Register Folio No.** _____ and/or **CDC Participant I.D. No.** _____ and **Sub Account**
(Number of Shares) No. _____ hereby appoint Mr./Ms. _____ of _____ or failing him Mr./Ms. _____ of
 _____ or failing him Mr./Ms. _____ of _____ as my/our proxy in my/our absence to vote for me/us and on
 my/our behalf at the 32nd Annual General Meeting of the Company to be held on Tuesday, April 23, 2024 at 10.30 a.m. at the Institute of Chartered
 Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Block 8, Clifton Karachi, and at any adjournment thereof.

Signed thisday of.....2024

WITNESSES:

Signature

1. Signature: _____
 Name: _____
 Address: _____

 CNIC or _____
 Passport No: _____

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

2. Signature: _____
 Name: _____
 Address: _____

 CNIC or _____
 Passport No: _____

Note:

Proxies must be received by the Company not less than 48 hours before the meeting. A proxy need not be a member of the Company.

CDC Shareholders and their Proxies are requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company.



Tri-Pack Films Limited

تشکیل نیابت داری

32 واں سالانہ اجلاس عام

میں اہم

ساکن

رکن و حامل

اور ذیلی کھاتہ نمبر

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کو اپنی جگہ بروز منگل مورخہ 23 اپریل 2024 بوقت صبح 10:30 بجے بمقام انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس، چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک 8 کلفٹن کراچی میں منعقد یا ملتوی ہونے والا سالانہ اجلاس عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا/کرتی ہوں۔

دستخط کیے گئے مورخہ 2024

گواہان:

دستخط:

نام:

پتہ:

سی این آئی سی یا پاسپورٹ نمبر:

سی این آئی سی یا پاسپورٹ نمبر:

سی این آئی سی یا پاسپورٹ نمبر:

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سی این آئی سی یا پاسپورٹ نمبر:

دستخط:

(دستخط کمپنی کے پاس درج نمونہ
دستخط کے مطابق ہونے چاہئے)

نوٹ:

پراکسیز کے موثر ہونے کے لئے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ نیابت دار کا کمپنی کا رکن ہونا ضروری نہیں ہے۔ سی ڈی سی کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹر انڈر قومی شناختی کارڈ نمبر یا پاسپورٹ کی تصدیق کا پی پراکسی فارم کے ساتھ کمپنی میں جمع کرائیں۔

Electronic Dividend Credit Mandate Form



Tri-Pack Films Limited

We wish to inform you that in accordance with the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive your dividends directly in your bank account, please complete the particulars as mentioned below and return this letter duly signed along with a copy of your CNIC to the Share Registrar of the Company M/s FAMCO Share Registration Services, 8-F, Near Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi.

In case your shares are held in CDC then you must submit this dividend mandate form directly to your Broker/Participant/CDC Account Services.

Yours sincerely,
For TRI-PACK FILMS LIMITED

Iqra Sajjad
Company Secretary

SHAREHOLDER'S SECTION:

I hereby communicate to receive my future dividends directly in my bank account as detailed below:

Name of shareholder : _____
Folio No. / CDC Participant ID & A/C No. : _____ Company name: Tri-Pack Films Limited
Contact number of shareholder : Landline: _____ Cell: _____
Name of Bank : _____
Bank branch & full mailing address : _____
IBAN Number (See Note below) : _____
Title of Account : _____
CNIC No. (copy attached) : _____
NTN (in case of corporate entity) : _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company /Participant/CDC Investor Account Services informed in case of any change in the said particulars in future.

Shareholder's Signature

CNIC No. _____
(Copy attached)

Note: Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly into your bank account.

The payment of cash dividend will be processed on the basis of the account number alone. Your Company is entitled to rely on the account number as per your instructions. The Company shall not be responsible for any loss, damage, liability or claim arising, directly or indirectly, from any error, delay, or failure in performance of any of its obligations hereunder which is caused by incorrect payment instructions and/or due to any event beyond the control of the Company.

Request Form for Transmission of Annual Report & Notice of Meeting(s) Through Email or in Hard Copy



Tri-Pack Films Limited

FAMCO Share Registration Services (Pvt) Limited
8-F, Next to Hotel Faran
Nursery, Block 6, P.E.C.H.S.
Shahrah-e-Faisal
Karachi.

Sub: Request for transmission of Annual Reports and Notice of AGM through Email or in Hard copy

I/we hereby request to receive the Annual Report and Notice of the Meeting through email or in hard copy instead of receiving the same through QR code;

Name of the Shareholder(s) _____ Folio No. / CDC Participants ID A/C No. _____

CNIC No. _____ Contact Number _____ Passport No. (in case of foreign shareholder) _____

Valid Email Address _____ Valid Postal Address _____

Mode of Receiving all Future Annual Reports along with Notice of the Meeting through email or in hard copy under section 223 (6) of the Companies Act, 2017, instead of receiving them through QR code.

(Please select any one option)

OPTION 1: Through email on the valid email address provided above

OPTION 2: Hard copy(s) on my postal address

I/we hereby further authorize the Company to update my/our particulars mentioned above in the member register of the Company along with email address mentioned.

Signature of the Member/ Shareholder

Notes:

- Please attach attested photocopy of the valid CNIC / valid Passport
- This Request Form is optional and not compulsory

درخواست فرام برائے ترسیل سالانہ رپورٹ / اجلاس عام کا نوٹس

فیمکو شیئر رجسٹریشن سروسز پرائیویٹ لمیٹڈ
ایف 8 نزد ہوٹل فاران، نرسری بلاک 6،
پی ای سی ایچ ایس نرسری شاہراہ فیصل،
کراچی

عنوان: درخواست برائے سالانہ رپورٹ اور نوٹس برائے سالانہ اجلاس عام کی ای میل یا ہارڈ کاپی کی صورت میں ترسیل

میں/ہم اس کے ذریعے میٹنگ کی سالانہ رپورٹ اور نوٹس کیو آر کوڈ کے ذریعے وصول کرنے کی بجائے ای میل یا ہارڈ کاپی میں وصول کرنے کی درخواست کرتے ہیں۔

شیئر ہولڈر کا نام _____ فولیو نمبر/ سی ڈی سی شرکت کنندہ کی آئی ڈی اکاؤنٹ نمبر _____
قومی شناختی کارڈ نمبر _____ ٹیلیفون نمبر _____ موبائل نمبر _____
پاسپورٹ نمبر (غیر ملکی شیئر ہولڈر کی صورت میں) _____
valid ای میل ایڈریس _____ valid پوسٹل ایڈریس _____

کمپنیز ایکٹ 2017 کی دفعہ 223 (6) کے تحت مستقبل کی تمام سالانہ رپورٹس سی ڈی / ڈی وی ڈی / یو ایس بی کے بجائے ای میل کے ذریعے یا ہارڈ کاپی میں وصول کرنے کا طریقہ:

برائے مہربانی درج ذیل میں سے ایک کا انتخاب کریں

آپشن 1: درج بالا فراہم کردہ Valid ای میل ایڈریس پر بذریعہ ای میل

آپشن 2: میرے رجسٹرڈ پوسٹل ایڈریس پر ہارڈ کاپی کی صورت میں

اس درخواست کے ذریعے کمپنی کو مزید اس بات کا اختیار دیتا ہوں/ دیتے ہیں کہ وہ مذکورہ ای میل ایڈریس کے ساتھ کمپنی کے ممبر رجسٹر میں مذکورہ بالا میری ہماری تفصیلات اپ ڈیٹ کرے۔

_____ شیئر ہولڈر کے دستخط

نوٹس

- برائے مہربانی قومی valid قومی شناختی کارڈ / valid اسپورٹ کی فوٹو کاپی منسلک کریں۔
- یہ درخواست فارم اختیاری ہے اور لازمی نہیں ہے۔

کارآمد سی این آئی سی اور / یا این ٹی این کی کاپی جمع کرنا (لازمی)

ایس ای سی پی کی ہدایات کے علاوہ، بشمول SRO 831(1)/2012 اور دیگر متعلقہ قواعد، الیکٹرانک ڈیویڈنڈ کی پروسیسنگ کے لیے، شیئر ہولڈرز کو CNIC نمبر فراہم کرنا چاہیے ماسوائے نابالغ اور کارپوریٹ شیئر ہولڈرز۔

کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز 2017 کے ریگولیشن 6 اور کمپنیز ایکٹ 2017 کے سیکشن 243(3) کی رو سے، کمپنی ان شیئر ہولڈرز کے ڈیویڈنڈ کی ادائیگی روک لے گی جن شیئر ہولڈرز یا مجاز فرد کے شناختی نمبر (سی این آئی سی یا این ٹی این) نمبر دستیاب نہیں ہوں گے۔

اسی طرح جن انفرادی ممبرز نے اپنے کارآمد سی این آئی سی کی کمپنی کے شیئر رجسٹرار کے پاس جمع نہیں کرائی ہے، ان سے ایک مرتبہ پھر گزارش ہے کہ وہ اپنے سی این آئی سی کی کاپی جلد اس جلد کمپنی کے شیئر رجسٹرار میسرز فیکو شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، 8-F متصل ہوٹل فاران، زسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کو براہ راست بھیج دیں۔ کارپوریٹ اداروں سے درخواست ہے کہ وہ نیشنل ٹیکس نمبر (این ٹی این) اور فولیو نمبر مع مجاز نمائندے کے سی این آئی سی کی کاپی فراہم کریں۔

تفصیلات کی تبدیلی (پوسٹل / ای میل ایڈریس اور IBAN وغیرہ)

فزیکل شیئرز رکھنے والے شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنی تفصیلات میں ہونے والی کسی بھی تبدیلی کو فوری طور پر کمپنی کے شیئر رجسٹرار کو تحریری طور پر مطلع کریں جبکہ CDC اکاؤنٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنی تفصیلات میں ہونے والی کسی بھی تبدیلی، اپنے پتے کو فوری بنیاد پر CDC پارٹنیشن / CDC انویسٹر اکاؤنٹ سروسز کے ساتھ اپ ڈیٹ کریں۔

فزیکل شیئرز کی CDC اکاؤنٹ میں تبدیلی

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، ہر موجودہ لسٹڈ کمپنی کے لیے لازم ہے کہ وہ اپنے فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرے جیسا کہ بیان کیا ہے اور SECP کی مطلع کردہ تاریخ سے کمپنی نے اپنے شیئر ہولڈرز سے، جن کے پاس فزیکل شیئر ہولڈنگ ہے، اخباری نوٹس کے ذریعے درخواست کی ہے۔ شیئر ہولڈرز کی ایک بار پھر حوصلہ افزائی کی جاتی ہے کہ وہ کسی بھی بروکر یا انویسٹر اکاؤنٹ میں براہ راست CDC کے ساتھ اکاؤنٹ کو کھولیں جس میں وہ اپنے فزیکل شیئرز کو سرکپ لیس فارم میں تبدیل کرا سکتے ہیں، یہ بہت سے طریقوں سے فائدہ مند ہے، بشمول شیئرز کی محفوظ تحویل اور جب چاہیں ان کی فروخت، کیونکہ پاکستان اسٹاک ایکس چینج کے موجودہ ضوابط کے تحت فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔

پوسٹل بیلٹ / ای ووٹنگ

کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 کے مطابق، ڈائریکٹرز کے انتخاب کے مقصد کے لیے اور کمپنیز ایکٹ، 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط کسی دوسرے لیجنڈا کے لیے مجموعی طور پر 10% یا اس سے زیادہ کے حامل ممبرز قانون کے مطابق شیئر ہولڈنگ کو پوسٹل بیلٹ کے ذریعے یعنی ڈاک یا ای ووٹنگ کے ذریعے اپنے ووٹ کا حق استعمال کرنے کی اجازت دی جائے گی، مذکورہ ضابطوں میں موجود شرائط کے ساتھ۔

پارٹنیشن / انویسٹ اکاؤنٹ سرومز یا کمپنی کے شیئر رجسٹرار (فزیکل شیئر ہولڈنگ کی صورت میں) کے ذریعے ریکارڈ کیا گیا ہے۔

(CZ-50) کو شیئر ہولڈر کے سی ڈی سی اکاؤنٹ میں، ان کے شریک / انویسٹ اکاؤنٹ سرومز کے ذریعے اپ لوڈ کیا جانا چاہیے۔ مزید برآں، غیر مسلم شیئر ہولڈرز کے لئے بھی لازمی ہے کہ وہ کمپنی کے شیئر رجسٹرار کے پاس (کمپنی کی ویب سائٹ پر دستیاب فارمیٹ پر) شیئرز کے فزیکل سرٹیفکیٹ میں یا سی ڈی سی کے شراکت دار انویسٹ اکاؤنٹ کی خدمات کے پاس اسکرپ لیس فارم کی صورت میں شیئرز ہونے کی تصدیق کریں۔ زکوٰۃ کی کٹوتی سے اس وقت تک کوئی رعایت نہیں دی جائے گی جب تک کہ مندرجہ بالا تمام دستاویزات مکمل طور پر جمع نہ کر دی جائیں۔

کمپنیز ایکٹ، 2017 کے سیکشن 242 کے تحت، تمام لسٹڈ کمپنیوں کے لئے لازمی ہے کہ وہ اپنے

حقدار شیئر ہولڈرز کو الیکٹرانک موڈ کے ذریعے براہ راست اُن کے نامزد کردہ بینک اکاؤنٹ میں نقد ڈیویڈنڈ ادا کریں۔ براہ راست اُن کے بینک اکاؤنٹ میں ڈیویڈنڈ وصول کرنے کے لئے۔

مزید برآں، کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز، 2017 کے مطابق، شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ اپنا CNIC نمبر اور انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) کی تفصیلات ہمارے شیئر رجسٹرار (اگر شیئر فزیکل فارم میں رکھے گئے ہیں) کو اُن کے اوپر دیئے گئے دفتری پتے یا متعلقہ پارٹنیشن / بروکر (اگر شیئرز CDS اکاؤنٹ کے ذریعے رکھے گئے ہیں) کو فراہم کریں، اگر اب تک ایسا نہیں کیا گیا ہے۔ معلومات ناطے کی صورت میں، کمپنی ڈیویڈنڈ کی ادائیگی روکنے پر مجبور ہوگی۔

غیر دعویٰ شدہ ڈیویڈنڈ / شیئرز

کمپنیز ایکٹ، 2017 کے سیکشن 244 کے تحت، کمپنی کو چاہیے کہ وہ شیئر ہولڈرز سے رجوع کرے تاکہ وہ اپنے غیر دعویٰ شدہ ڈیویڈنڈ / شیئرز کا دعویٰ کریں۔ اس سلسلے میں کمپنی انفرادی خطوط بھیجنے کے بعد اخبارات میں نوٹس شائع کر کے اپنے شیئر ہولڈرز سے رابطہ میں ہے۔ وہ شیئر ہولڈرز، جنہوں نے ابھی تک اپنے ڈیویڈنڈ کی رقم کا دعویٰ نہیں کیا ہے، اُن سے ایک بار پھر اس بات کو یقینی بنانے کی درخواست کی جاتی ہے کہ غیر دعویٰ شدہ ڈیویڈنڈ کی رقم اور / یا شیئرز سرٹیفکیٹ کے لئے فوری طور پر دعویٰ درج کریں۔

ب. FBR کے مطابق جوائنٹ شیئر ہولڈرز اکاؤنٹس کی صورت میں ودھ ہولڈنگ ٹیکس کا تعین الگ سے پرنسپل شیئر ہولڈر کے 'فالور / نان فالور' ہونے کی حیثیت اور ساتھ ساتھ جوائنٹ ہولڈرز کی شیئر ہولڈنگ کے تناسب کے مطابق حیثیت کی بنیاد پر کیا جائے گا۔ دوسرے شیئر ہولڈرز کے ساتھ مشترکہ طور پر شیئرز رکھنے والے ممبرز سے درخواست کی جاتی ہے کہ وہ تحریری طور پر پرنسپل شیئر ہولڈر اور جوائنٹ ہولڈرز کے شیئر ہولڈنگ کا تناسب کمپنی کے شیئر رجسٹرار، میسرز فیکو شیئرز رجسٹریشن سرومز (پرائیوٹ) لمیٹڈ کو فراہم کریں۔ اگر 16 اپریل، 2024 تک کمپنی کے رجسٹرار کو مطلوبہ معلومات فراہم نہیں کی گئی تو یہ تصور کیا جائے گا کہ شیئرز پرنسپل شیئر ہولڈر اور جوائنٹ ہولڈرز کے برابر تناسب میں رکھے گئے ہیں۔

ج. ڈیویڈنڈ انکم سے ودھ ہولڈنگ ٹیکس سے استثنیٰ کی اجازت صرف اس صورت میں دی جائے گی جب 16 اپریل، 2024 تک کمپنی کے شیئر رجسٹرار کو درست ٹیکس استثنیٰ کے سرٹیفکیٹ کی کاپی دستیاب کر دی جائے۔

د. انکم ٹیکس آرڈیننس، 2001 کے سیکشن 82 برائے رہائشی کی حیثیت کے تعین کی تعریف کے تحت، ڈیویڈنڈ پر ٹیکس کی کٹوتی کے لیے غیر رہائشی شیئر ہولڈرز کو انڈر ٹیکنگ کی ڈیکلریشن مع کارآمد پاسپورٹ کی کاپی، کمپنی کے شیئر رجسٹرار کے پاس 16 اپریل، 2024 سے پہلے جمع کرانا ہوگی۔ ممبرز درج ذیل رجسٹرار اور کمپنی کی ویب سائٹ پر موجود مقررہ فارمیٹ استعمال کرتے ہوئے ڈیکلریشن بھیج سکتے ہیں:

www.famcorsrs.com & www.tripack.com.pk

زکوٰۃ کی کٹوتی

زکوٰۃ کی لازمی کٹوتی سے استثنیٰ کا دعویٰ کرنے کے لیے، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ NJSP پر زکوٰۃ اعلامیہ فارم CZ-50 کی 50/- روپے کی ایک نوٹرائزڈ کاپی شیئر رجسٹرار کو جمع کریں۔ اگر شیئرز اسکرپ لیس فارم میں رکھے گئے ہیں تو اس طرح کے زکوٰۃ اعلامیہ فارم

صورت میں بورڈ کی قرارداد پاور آف اٹارنی اور یا ایسی تمام دستاویز ساتھ لانا ہون گی جو سیکورٹی اینڈ ایکچینج کمیشن آف پاکستان (ایس ای سی پی) کے سرکلر نمبر 1 مجریہ 26 جنوری 2000 کے تحت اس مقصد کے لئے درکار ہیں۔ پراکسی فارم کمپنی کی ویب سائٹ پر بھی دستیاب ہے۔

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اے جی ایم میں قانونی ضابطہ اخلاق

ممبران سے درخواست ہے کہ وہ کمپنیز ایکٹ 2017 کے سیکشن 215 اور کمپنیز (جزل پروویژن) اینڈ فارمز (ریگولیشنز) 2018 کے ریگولیشن 28 کے مطابق اے جی ایم میں قانونی ضابطہ اخلاق کی پابندی کریں، جب کہ شیئر ہولڈرز کو اثر و رسوخ پر زور دینے یا فیصلوں کے لئے براہ راست انتظامیہ تک پہنچنے کی اجازت نہیں ہوگی جو انتظامیہ کے لئے امور کی ہموار انجام دہی میں رکاوٹ کا سبب بن سکتے ہیں۔ جیسا کہ ان پروویژنز میں درج ہے، شیئر ہولڈرز کوئی ایسا سامان اپنے ساتھ نہیں لائیں گے جو شرکاء یا AGM کے منعقد ہونے کی حدود میں کسی خطرے کا باعث ہو، اور خود کو AGM کے نوٹس میں شامل لیجنڈا تک محدود رکھیں گے اور نہ ہی ایسا رویہ اختیار کریں گے جو کسی سیاسی وابستگی کو ظاہر کرتا ہو۔ اس کے علاوہ کمپنیز ایکٹ 2017 کے سیکشن 185 کی رو سے کمپنی کو اپنے اجلاسوں میں شیئر ہولڈرز کو کسی بھی شکل میں تحائف تقسیم کرنے کی اجازت نہیں ہے۔

ڈیویڈنڈ انکم پر ودھ ہولڈنگ ٹیکس

الف. انکم ٹیکس آرڈینینس، 2001 کے سیکشن 150 کے مطابق، ادا کردہ ڈیویڈنڈ پر ودھ ہولڈنگ ٹیکس 'فالکر' اور 'نان فالکر' شیئر ہولڈرز کے لئے بالترتیب 15 اور 30 فیصد پر کٹوتی ہوگی۔ تمام ممبرز/ شیئر ہولڈرز جن کے نام فیڈرل بورڈ آف ریونیو (FBR) کی ویب سائٹ پر فراہم کردہ ایکٹو ٹیکس پیپرز لسٹ (ATL) میں درج نہیں ہیں، باوجود اس کے کہ وہ فالکرز ہیں، انھیں مشورہ دیا جاتا ہے کہ وہ اس بات کو یقینی بنائیں کہ ان کے نام کارآمد CNIC/NTNs (نیشنل ٹیکس نمبرز) کے ساتھ 16 اپریل، 2024 سے پہلے ATL میں درج ہوں؛ تاکہ کمپنی کے لئے کیش ڈیویڈنڈ پر مطلوبہ ٹیکس کی کٹوتی کرنا ممکن ہو۔ اسی مناسبت سے، شیئر ہولڈرز کو یہ مشورہ بھی دیا جاتا ہے کہ وہ FBR کی ویب سائٹ <http://www.fbr.gov.pk> پر دستیاب ATL میں اپنی مطلق حیثیت کو چیک کریں اور یقینی بنائیں اور ساتھ ہی یہ بھی یقینی بنائیں کہ ان کا CNIC/Passport نمبر

ممبرز اس کی ہارڈ کاپی کی درخواست کر سکتے ہیں، جو ایک ہفتے کے اندر مفت فراہم کی جائے گی، اگر ممبر کی جانب سے کمپنی کی ویب سائٹ پر دستیاب اینڈرڈ ریگولیشن فارم پر درخواست کی گئی ہو۔

2- کمپنی کی شیئر ٹرانسفر بکس حتمی ڈیویڈنڈ کی ادائیگی کے سلسلے میں اہلیت کا تعین کرنے کے لئے 17 اپریل، 2024 بروز بدھ سے 23 اپریل، 2024 بروز منگل (بشمول دونوں ایام) بند رہیں گی۔ تاہم کمپنی کے رجسٹرار میسرز فیکو شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، 8-F-متصل ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی میں 16 اپریل 2024 بروز منگل کو کاروباری اوقات کے اختتام تک وصول ہونے والی ٹرانسفر کی درخواستیں ٹرانسفریز کی اہلیت کے لئے بروقت تصور ہوں گی۔

3- کوئی ممبر جو اجلاس میں شرکت کرنے اور ووٹ دینے کا حقدار ہے، وہ اپنی جگہ کسی دوسرے فرد کو شرکت کرنے، بولنے اور ووٹ دینے کے لئے اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کی تقرری کی دستاویز کمپنی کے رجسٹرڈ دفتر واقع چوتھی منزل، دی فورم، سوٹ نمبر 416-422، G-20، بلاک -9، خیابان جامی، گلشن، کراچی کے پتے پر اجلاس کے وقت سے کم از کم 48 گھنٹے قبل جمع کرانی ہوگی۔

4- فزیکل شیئر کے حامل شیئر ہولڈرز کو اپنا اصل سی این آئی سی اور یا شیئر ہولڈرز (ز) کے سی این آئی سی کی کاپی، جن کی پراکسی کے حامل ہیں، ساتھ لانا ہوگی۔ سی این آئی سی کے بغیر شیئر ہولڈرز کو AGM میں شرکت کرنے اور یا شیئر ہولڈرز ممبرز کے رجسٹر میں دستخط کرنے کی اجازت نہیں ہوگی۔

5- سی ڈی سی اکاؤنٹ ہولڈرز اور سب اکاؤنٹ ہولڈرز، جن کے رجسٹریشن کی تفصیلات شیئر بک تفصیلات رپورٹ میں دستیاب ہیں، ان کو سالانہ اجلاس عام میں شرکت کے وقت اپنی شناخت کی تصدیق کے لئے اپنا متعلقہ اصل کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ پیش کرنا ہوگا۔ ایسے اکاؤنٹ ہولڈرز اور سب اکاؤنٹ ہولڈرز کو اپنا متعلقہ شرکت کا آئی ڈی نمبر اور سی ڈی سی اکاؤنٹ نمبر، اور پراکسی ہونے کی صورت میں اپنے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپی منسلک کرنا ہوگی۔ کارپوریٹ ممبر (ز) کے نمائندہ ہونے کی

اطلاع برائے 32 واں سالانہ اجلاس عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ ٹرائی پیک فلز لمیٹڈ کے شیئر ہولڈرز کا 32 واں سالانہ اجلاس بروز منگل 23 اپریل 2024 بوقت 10:30 بجے صبح بمقام انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP)، چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک-8، کلٹن، کراچی اور ورچوئل بذریعہ زوم (ویڈیو) میں درج ذیل امور کی انجام دہی کے لئے منعقد ہوگا۔

عمومی امور

1- کمپنی کے گزشتہ سالانہ اجلاس عام منعقدہ 10 اپریل 2023 کی کارروائی کی توثیق -

2- آڈٹ شدہ مالیاتی گوشوارے مع ڈائریکٹرز کی رپورٹ برائے سال محتملہ 31 دسمبر 2023 وصول کرنا، ان پر غور کرنا اور ان کو اختیار کرنا۔



tripack.com.pk/financial-reports/

3- کمپنی کے عمومی شیئرز پر ڈیویڈنڈ پر غور کرنا، منظوری دینا اور اعلان کرنا۔ ڈائریکٹرز نے نقد منافع مستقسمہ کی 60 فیصد (6 روپے فی 10 روپے والے شیئر) برائے سال محتملہ 31 دسمبر 2023 کی سفارش کی ہے۔

4- رواں سال کے لئے کمپنی کے بیرونی آڈیٹرز کا تقرر کرنا اور ان کے مشاہرے کا تعین کرنا۔ موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) نے اہل ہونے کی بنا پر بطور آڈیٹرز تقرر کے لئے رضامندی ظاہر کی ہے اور بورڈ آف ڈائریکٹرز نے ان کے تقرر کی سفارش کی ہے۔

دیگر امور

1- صدر مجلس کی اجازت سے کسی دیگر امور کی انجام دہی -

بحکم بورڈ

اقرا سجاد
کمپنی سیکریٹری

2 اپریل، 2024
کراچی

AGM کی کارروائی میں ورچوئل طور پر شرکت

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) نے اپنے وقتاً فوقتاً جاری کردہ سرکلرز کے ذریعے لسٹڈ کمپنیز کو ہدایت کی ہے کہ وہ اپنے سالانہ اجلاس فزیکل میٹنگ کی ضروریات کے علاوہ ورچوئل طور پر بھی منعقد کریں۔ کمپنی کی جانب سے شیئر ہولڈرز کو AGM میں شرکت کے لئے مزید سہولت فراہم کرنے کی غرض سے درج ذیل انتظامات کئے ہیں۔ AGM میں ورچوئل طور پر شرکت کے خواہشمند شیئر ہولڈرز سے درخواست ہے کہ وہ اپنے کوائف مقررہ ای میل ایڈریس shares.desk@tripack.com.pk پر بھیج کر خود کو رجسٹر کروالیں جن میں ان کا نام، فوٹیو نمبر، اپنا ای میل ایڈریس ہو، مورخہ 19 اپریل 2024 تک کاروباری اوقات کے اختتام تک مل جانے چاہئیں۔ AGM میں شرکت کے لئے لاگ ان اور لنک کی تفصیلات رجسٹرڈ شیئر ہولڈرز کو ای میل کے ذریعے فراہم کردی جائیں گی۔ شیئر ہولڈرز کی حوصلہ افزائی کی جاتی ہے کہ وہ اسی تاریخ تک مذکورہ ای میل ایڈریس پر AGM کے ایجنڈا آئٹمز سے متعلق اپنے تبصرے / تجاویز بھیجیں۔

تصريحات:

1- کمپنیز ایکٹ، 2017 کے سیکشن 223 اور SRO 389(1)/2023 مورخہ 21 مارچ 2023 کے مطابق، 31 دسمبر 2023 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے، ڈائریکٹرز، آڈیٹرز اور چیئرمین رپورٹ کے ساتھ، سالانہ اجلاس عام کی اطلاع اور دیگر متعلقہ مواد کمپنی کی ویب سائٹ پر دستیاب اور بذریعہ QR کوڈ اشتراک کے لئے شائع کر دیا گیا ہے۔

کمپنی نے اپنی ایک جنرل میٹنگ میں ایسا کرنے کے لئے شیئر ہولڈرز کی منظوری حاصل کی ہے۔ مزید برآں، ممبرز کو مطلع کیا جاتا ہے کہ کمپنیز ایکٹ، 2017 کے سیکشن 223(6) اور 473 کے مطابق، جس کے تحت ای میل کے ذریعے الیکٹرانک فارمیٹ میں آڈٹ شدہ مالیاتی گوشوارے اور اجلاس کی اطلاع کی گردش کی اجازت دی گئی ہے۔ یہ ای میل کے ذریعے ان ممبرز کو بھیجا گیا ہے جن کی جانب سے کمپنی کو ای میل ایڈریس فراہم کیا گیا ہے اور اس لیے ای میل کے ذریعے کلیپاں وصول کرنے کے لیے ممبرز کی رضامندی کی ضرورت نہیں ہے۔

آٹھ کمیٹی کی سفارش پر مسیروز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی بطور آڈیٹر اگلے سالانہ اجلاس عام تک باہمی منفقہ فیس پر تقرر کی تجویز دی ہے۔

چیمبر مین کا جائزہ

چیمبر مین کا جائزہ سالانہ رپورٹ کا حصہ ہے اور سالانہ رپورٹ کے صفحہ نمبر 66 پر موجود ہے۔

اعتراف

ہم اپنے معزز اسٹیک ہولڈرز بشمول صارفین، بینکس، سپلائرز، کنٹریکٹرز اور شیئر ہولڈرز کے بے مثال تعاون اور ہم پر بھروسہ رکھنے کے ممنون ہیں۔ ہم اپنے ایمپلائز کی محنت اور پورے سال ادارے کے ساتھ خلوص دل سے کام کرنے پر شکرگزار ہیں۔



سیدباہر علی
چیمبر مین

قومی خزانے میں حصہ

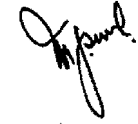
کمپنی نے 2023 میں سیلز ٹیکس، کسٹم ڈیوٹیز اور انکم ٹیکس وغیرہ کی صورت میں 5,476 ملین روپے جمع کرائے ہیں۔

شیئر ہولڈنگ کا طرز

شیئر ہولڈرز کی مخصوص کلاس کی شیئر ہولڈنگ کے طرز کا اسٹیٹمنٹ بمطابق 31 دسمبر 2023 جو رپورٹنگ فریم ورک کے تحت مطلوب ہے، سالانہ رپورٹ کے شیئر ہولڈرز کی معلومات کے ضمیمے میں صفحہ نمبر 234 پر درج ہے۔

بیرونی آڈیٹرز

موجودہ آڈیٹرز مسیروز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور اہل ہونے کی بنیاد پر انہوں نے خود کو دوبارہ تقرر کے لئے پیش کیا ہے۔ بورڈ آف ڈائریکٹرز نے



ناصر جمال
چیف ایگزیکٹو آفیسر
07 فروری 2024
کراچی

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری کی تعداد
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1	مس نرمین توفیق چنائے	4
2	جناب خرم رضا بختیاری	3
3	جناب اصف قاد	4

آڈٹ کمیٹی کے اجلاسوں میں شرکت نہ کرسکنے والے ممبرز کی چھٹی کی درخواست منظور کر لی گئی۔

آڈٹ کمیٹی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں فراہم کردہ ٹرمز آف ریفرنس اختیار کر لی ہیں۔

انسانی وسائل اور اجرتی کمیٹی

انسانی وسائل اور اجرتی کمیٹی دو (2) نان ایگزیکٹو ڈائریکٹرز اور ایک چیئر پرسن پر مشتمل ہے جو خود مختار ڈائریکٹرز ہیں۔

سال کے دوران میں انسانی وسائل اور اجرتی کمیٹی کا ایک (1) اجلاس منعقد ہوا۔ ہر ممبر کی حاضری کی تعداد درج ذیل ہے:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری کی تعداد
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1	مس نرمین توفیق چنائے	1
2	جناب اصغر عباس	1
3	جناب خرم رضا بختیاری	1

انسانی وسائل اور اجرتی کمیٹی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں فراہم کردہ ٹرمز آف ریفرنس اختیار کر لی ہیں۔

ڈائریکٹرز کے معاوضے

کمپنی نے ڈائریکٹرز کے معاوضوں کی پالیسی منظور کر لی ہے۔ بورڈ کی تشکیل کردہ پالیسی سالانہ رپورٹ کے صفحہ 76 پر درج ہے۔

اس کے علاوہ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے معاوضوں کی مجموعی رقم کی تفصیلات سالانہ رپورٹ میں فنانشل اسٹیٹمنٹ کے نوٹ 31 صفحہ نمبر 218 پر درج ہے۔

ترتیب

2	1	خود مختار ڈائریکٹرز
5	2	نان ایگزیکٹو ڈائریکٹرز
1	3	ایگزیکٹو ڈائریکٹر (ڈیپٹی)
1	4	خاتون (بشمول خود مختار ڈائریکٹرز)

کمپنی کے چیف ایگزیکٹو آفیسر جناب ناصر جمال ا کمپنیز ایکٹ 2017 کے سیکشن 188(3) کے تحت ڈائریکٹر تصور کئے جائیں گے۔

بورڈ آف ڈائریکٹرز کے اجلاس

سال 2023 کے دوران میں بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس منعقد ہوئے۔ ہر ڈائریکٹرز کی حاضری درج ذیل کے مطابق ہے۔

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری کی تعداد
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1	سید بابر علی	5
2	جناب اصغر عباس	3
3	سید حیدر علی	3
4	جناب خرم رضا بختیاری	4
5	مس نرمین توفیق چنائے	5
6	جناب اصف قادر	4
7	جناب ثاقب حسین شیرازی	5
8	جناب ناصر جمال	5

بورڈ کے اجلاسوں میں شرکت نہ کرسکنے والے ڈائریکٹرز کی چھٹی کی درخواست منظور کر لی گئی۔

بورڈ کی آڈٹ کمیٹی

بورڈ کی آڈٹ کمیٹی کوڈ آف کارپوریٹ گورننس کے نفاذ سے قائم ہے۔ یہ دو (2) نان ایگزیکٹو ڈائریکٹرز اور ایک (1) خود مختار ڈائریکٹر بشمول چیئر پرسن پر مشتمل ہے۔

سال کے دوران میں آڈٹ کمیٹی کے چار (4) اجلاس منعقد ہوئے۔ ہر ممبر کی حاضری کی تعداد درج ذیل ہے۔

• کمپنی کے کھاتے کی کتابوں کو مناسب طریقے سے رکھا گیا ہے۔

• مالیاتی حسابات اور اکاؤنٹنگ کے تخمینے کی تیاری میں درست اکاؤنٹ پالیسیز لاگو کی گئی ہیں سوائے ان تبدیلیوں کے جو مالیاتی حسابات کے نوٹس میں بیان کی گئی ہیں۔ اکاؤنٹنگ پالیسیز موزوں اور محتاط فیصلوں پر مبنی ہیں۔

• مالیاتی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈز کی پیروی کی گئی ہے۔

• اندرونی کنٹرول کا نظام اپنی ساخت میں مستحکم ہے اور موثر طور پر نافذ العمل ہے اور اس کی نگرانی کی جاتی ہے۔ نظام کو اندرونی آڈٹ اور ایسے دیگر نگرانی کے ذریعوں سے مسلسل نگرانی کی جاری ہے کنٹرول کو مزید مستحکم کرنے کے مقصد کے تحت اندرونی کنٹرول کی نگرانی کا یہ سلسلہ مستقل طور پر جاری رہے گا۔

• گزشتہ سال کے مقابلے میں موجودہ سال میں کمپنی کے کاروباری عمل کے نتائج میں ہونے والی نمایاں تبدیلیوں کی تفصیلات مع ان کی وجوہات سالانہ رپورٹ میں درج ہیں۔

• گزشتہ چھ سال کا کلیدی آپریٹنگ اور فنانشل ڈیٹا منسلک ہے۔

• ٹیکسز اور محصولات کی معلومات سالانہ رپورٹ کے صفحہ نمبر 161 پر بعنوان "ویلنٹھ جنٹریٹڈ انڈسٹری بیوٹڈ" کے عنوان سے منسلک ہے۔

• کاروبار کو موجودہ صورتحال جاری رکھنے میں کمپنی کی صلاحیت پر کوئی شک و شبہ نہیں ہے۔

• لسٹنگ ریگولیشنز کی تفصیلات میں درج کارپوریٹ گورننس کے بہترین معمولات سے کوئی مادی اعراض نہیں کیا گیا ہے۔

• پراویڈنٹ اور گریجویٹی فنڈز کی سرمایہ کاری کی قدر بمطابق 30 جون 2023 غیر آڈٹ شدہ اکاؤنٹس پر مبنی ہے جو درج ذیل ہے:

پے	پراویڈنٹ فنڈ	گریجویٹی فنڈ
224,747		
175,871		

• تمام ڈائریکٹرز نے یا تو ٹریننگ پروگرام میں شرکت کی ہے یا کم از کم 14 سال کی تعلیم اور بورڈ آف لسٹڈ کمپنیز میں کام کے 15 سالہ تجربہ کے حامل ہیں اور اس بناء پر ڈائریکٹرز ٹریننگ پروگرام سے مستثنیٰ ہیں۔

سی ای او/ڈائریکٹرز اور ایگزیکٹوز کی شیئرز کی تجارت میں شرکت

ڈائریکٹرز، چیف ایگزیکٹوز آفیسرز، چیف فنانشل آفیسر، کمپنی سیکریٹری، انٹرنل آڈٹ کے سربراہ، دیگر ایگزیکٹوز، ان کے شریک حیات اور چھوٹے بچوں کی شیئرز کی تجارت کی تفصیلات درج ذیل ہیں:

شیئرز کی تعداد	شیئرز کے خریداری/فروخت
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-	*ڈائریکٹر
-	چیف ایگزیکٹو آفیسر
-	چیف فنانشل آفیسر
-	کمپنی سیکریٹری
-	انٹرنل آڈٹ کے سربراہ
-	دیگر ایگزیکٹوز
-	شریک حیات
-	چھوٹے بچے
-	شیئرز کی فروخت

* رواں سال 306,787 شیئرز چیرمین کی طرف سے تحفہ کئے گئے ہیں۔

بورڈ آف ڈائریکٹرز

سید بابر علی	(چیرمین – نان ایگزیکٹو ڈائریکٹر)
جناب اصغر عباس	(نان ایگزیکٹو ڈائریکٹر)
سید حیدر علی	(نان ایگزیکٹو ڈائریکٹر)
جناب خرم رضا بختیاری	(نان ایگزیکٹو ڈائریکٹر)
مترحمہ نرمین توفیق چنائے	(خود مختار ڈائریکٹر)
جناب آصف قادر	(نان ایگزیکٹو ڈائریکٹر)
جناب ثاقب حسین شیرازی	(خود مختار ڈائریکٹر)
جناب ناصر جمال	(ایگزیکٹو ڈائریکٹر۔ ڈیمٹ)

بورڈ کی ترتیب میں تبدیلیاں

سال 2023 میں بورڈ کی ترتیب میں کوئی تبدیلی نہیں ہوئی۔

بورڈ کی تشکیل

کمپنی کا بورڈ آف ڈائریکٹرز کی تشکیل اس طرح ہے:

7	(ا) مرد
1	(ب) خواتین

اجتماعی سماجی ذمہ داری

ثرائی پیک میں ہمارا مقصد ایک ذمہ دار، اجتماعی اور مستحکم کمیونٹی پروان چڑھانا ہے۔

اس مقصد کے ساتھ ہم اس بات کو یقینی بناتے ہیں کہ ہر کام ذمہ داری سے کریں، قانون کی پابندی کریں اور ہر معاملے میں دیانتداری برتیں۔

ہمارا عزم ہے کہ ہم اپنی آمدنی کا ایک مخصوص حصہ اپنی کمیونٹیز پر مثبت اثرات کے لئے صرف ہو اور اس کے لئے ہمارے گروپ کا چیئرٹیبل ٹرسٹ اپنے طور پر نیز دیگر کمیونٹیز کے ساتھ پارٹنرشپ اور پروگراموں کے ذریعے حصہ لیتا ہے۔

ہم اس کے لئے مختلف کاموں میں شرکت کرتے ہیں، خواہ وہ فلاحی ہوں، ماحول کے تحفظ کے لئے ہوں، متنوع اور اجتماعی اور شفاف طور پر مزدور دوست ہوں جو ہمارے کمیونٹیز کی بہتری کے عزم کے لئے ہوں۔ ہمارے تمام فیصلوں اور کارروائیوں میں ہمارے صارفین، ہمارے لوگوں اور گروپوں کی کمیونٹی کے بہتر کل کے لئے مل جل کر کام کریں۔

ہماری توجہ ہمیشہ اپنے ای آر پی کے بہترین استعمال پر رہتی ہے تاکہ موثر پلاننگ اور بھرپور اندرونی کنٹرول کو یقینی بنایا جاسکے۔ ہماری ایک خصوصی ٹیم ہے جو مستقل طور پر تمام شیئر ہولڈرز کے لئے معمول سے بڑھ کر حل پیش کرے اور اس کے نتیجے میں کمپنی کو اپنی آپریشنل استعداد بڑھانے اور درست تر رپورٹنگ کے مقصد کو حاصل کرسکے ہم نے اپنے ای آر پی سسٹم کو اپ گریڈ کرنے کے لئے 'پروجیکٹ براق' کا آغاز کر دیا ہے جو پیکیجز گروپ کا حصہ ہے۔

انسانی وسائل

ہمارے افراد ہمارے کاروبار کے لئے کامیاب کارکردگی کا لازمی حصہ ہیں۔ اس لئے ضروری ہے کہ وہ ہمارے مقصد اور اقدار کی پابندی کریں۔

ہمارا ہدف اپنے ٹیلنٹ کو متوجہ، متحرک اور ہمارے ساتھ منسلک رکھنا اور صحیح کام پر ان کو صلہ دینا ہے جبکہ اپنے صارفین اور شیئر ہولڈرز کا احترام کرنا ہے اور جو حاصل کیا اور جو حاصل کرنا ہے پر توجہ مرکوز رکھنا ہے۔

2023 میں ہم نے اپنے اسٹیک ہولڈرز کی مصروفیات کا ایجنڈا پیش کیا، ٹیلنٹ کی کارکردگی سے کاروباری نتائج حاصل کرنے کے لئے حکمت عملی تیار کی اور اعلیٰ کارکردگی کا مظاہرہ کرنے والوں کو، خاص طور پر جن کی خصوصی مہارت اور ترجیحات کی صلاحیتیں لازمی ہیں، اپنے ساتھ منسلک رکھا جبکہ اپنی متنوع نمائندگی اور کام کی جگہ پر اجتماعیت کو مستحکم رکھا اور ایمپلائر اور ایمپلائرز کے دوستانہ تعلقات کو برقرار رکھا۔

اس کے علاوہ ہم نے اپنے مستقبل کے قائدین کے پروگرام، جیسے سمر انٹرنشپ، منیجمنٹ ٹرینی پروگرام اور ٹریڈ اپرنٹشپ پروگرام کا دوبارہ آغاز کیا تاکہ ہم اسپیلانز سنز میں ٹیکنیکل افراد کی ڈیولپمنٹ کو سپورٹ کیا جاسکے نیز مستقبل کے لئے ہمارے ٹیلنٹ کے سلسلے کو تقویت حاصل ہو۔

کوالٹی منیجمنٹ

کوالٹی سے مراد صرف ہماری پروڈکٹس کا معیار نہیں ہے بلکہ یہ ہمارے اداراتی طرز عمل کا اہم حصہ ہے۔ ہم خاص طور پر اس بات کو یقینی بناتے ہیں کہ بنیادی کارکردگی کے اہم اشاریوں (کے پی اینیز) کے خصوصی نظام کے ذریعے انتہائی اعلیٰ صنعت کے بنچ مارک پر عمل پیرا ہوں۔

مسلسل بہتری لانے کے سلسلے میں، ہم نے پیداواریت میں اضافے، مشین کی بھرپور استعداد اور پروسیس میں نقصانات کو کم سے کم کرنے کے لئے اقدامات کو ترجیح کی بنیاد پر ترتیب دیا ہے کہ ہم ورلڈ کلاس مینوفیکچرنگ (ڈبلیوسی ایم) سرٹیفیکیشن کے سفر کا آغاز کرچکے ہیں۔ ان کاوشوں میں ہمارے بہتری کے لئے اندرونی اور بیرونی ماہرین کے ساتھ بھی اقدامات جاری ہیں۔

متعلقہ کاروباری فریقوں کے ساتھ لین دین

کمپنیز ایکٹ 2017 کے سیکشن 208 اور کمپنیز (ریلیٹڈ پارٹیز ٹرانزیکشن اینڈ مینٹنس آف ریلیٹڈ ریکارڈز) ریگولیشنز 2018 کے مطابق کمپنی نے:

ا۔ ریلیٹڈ پارٹیز ٹرانزیکشنز پالیسی تیار کی ہے جس کی بورڈ نے باقاعدہ منظوری دے دی ہے۔

ب۔ متعلقہ پارٹیز کے ساتھ طے کی گئی لین دین کی شرائط کو "arm's length transactions" پر معمول کیا گیا ہے۔

ج۔ متعلقہ پارٹیز کے ساتھ لین دین کی منظوری کے لئے بورڈ کو درکار کم سے کم معلومات فراہم کردی گئیں۔

کوڈ آف کارپوریٹ گورننس

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس ریگولیشنز 2019) میں دی گئی گورننس کی شرائط اختیار کر لی ہیں اور باقاعدہ طور پر مرتب کر لی ہیں۔ اس سلسلے میں ایک اسٹیٹ منٹ اس رپورٹ کے ساتھ منسلک ہے۔

اجتماعی اور مالیاتی رپورٹنگ فریم ورک

• کمپنی کی انتظامیہ جانب سے تیار کردہ مالی گوشواروں میں کمپنی کے معاملات، آپریشنز کے نتائج، نقد رقوم کے بہاؤ اور ایکویٹی میں تبدیلی کو درست اور شفاف طور پر پیش کیا گیا ہے۔

مالیاتی حسابات کو ملکی قانون کے مطابق بیرونی آڈیٹرز سے آڈٹ کرایا گیا ہے۔

اندرونی مالیاتی کنٹرولز کے سلسلے میں ڈائریکٹرز کی ذمہ داریاں

بورڈ آڈٹ کمیٹی (بی اے سی) کو نامزد کیا گیا ہے جس میں تین ڈائریکٹرز بشمول ایک خودمختار ڈائریکٹر شامل ہے۔ کوڈ آف کارپوریٹ گورننس کی شرائط کے مطابق بی اے سی کا چیئرمین ایک خودمختار ڈائریکٹر ہے اور اس کی ٹرمز آف ریفرنس کا تعین بورڈ آف ڈائریکٹرز نے کیا ہے جو کوڈ آف کارپوریٹ گورننس کی رہنما ہدایات کے مطابق ہے۔ ان ٹرمز آف ریفرنس مالیاتی معلومات، اندرونی کنٹرولز اور کارپوریٹ گورننس سے متعلق معلومات کے نظر انداز ہونے بلکہ اس سے زیادہ پر بھی مشتمل ہے۔

مادی تبدیلیاں جو سال کے اختتام اور ڈائریکٹرز کی رپورٹ کے درمیانی عرصے میں مالیاتی پوزیشن پر اثر انداز ہوں

مادی تبدیلیاں، اگر کوئی ہیں، جو سال کے اختتام اور ڈائریکٹرز کی رپورٹ کے درمیانی عرصے میں مالیاتی پوزیشن پر اثر انداز ہوں، اس رپورٹ کے ساتھ منسلک آڈٹ شدہ سالانہ مالیاتی حسابات میں ظاہر کی گئی ہیں۔

حفاظت، صحت اور ماحولیات

کمپنی کی اولین ترجیحات میں شامل رہے ترجیحات میں شامل رہے اور اولین ترجیح کا عمل "استحکام" کے عنصر کے اضافے کے ساتھ جاری رہا تاکہ قدرتی وسائل کے استعمال کے روایتی طریقے کو یقینی بنایا جاسکے۔

ہمیں ماحولیات کے تحفظ کے سلسلے میں نیشنل فورم آف انوائرنمنٹ اینڈ ہیلتھ (این ایف ای ایچ) کی جانب سے سالانہ انوائرنمنٹ ایکسی لانس ہیلتھ ایوارڈ سے اور ایمپلائز فیڈریشن آف پاکستان (ای ایف پی) کی جانب سے دوسرا انعام اور "کیمیکلز، پیٹروکیمیکل اور الاینڈ شعبہ" میں او ایس ایچ ای میں 17 ویں بیسٹ پریکٹس ایوارڈ سے نوازا گیا ہے۔

ہمارے ایس ڈی جی کے کلانیٹ ایکشن کے عزم کے جزو کے طور پر، ٹرائی پیک فلمز لمیٹڈ نے WWF پاکستان کی "رنگ دو پاکستان" مہم کے اشتراک سے 1000 مینگرو کے پودے لگائے ہیں۔

ٹرائی پیک فلمز لمیٹڈ نے کامیابی کے ساتھ انٹیگریٹڈ منیجمنٹ سسٹمز (ISO 9001:2015، ISO 14001:2015، ISO 45001:2018) کے لئے سرولنس آڈٹ مکمل کیا اور ISO 14064-1: Quantification and Reporting of Greenhouse Gas Emissions and Removals and ISO 50001 Energy Management System میں سرٹیفائیڈ بھی ہیں۔

بہتر مالیاتی کارکردگی کے باوجود، سال کے دوران میں آپریشنز سے حاصل ہونے والی رقم 2,995 ملین روپے رہی جبکہ گزشتہ سال کی اسی مدت میں 4,947 ملین روپے تھی۔

اس کی بنیادی وجہ سیلز ٹیکس سے ری فنڈ ہونے والی رقم 1.5 بلین روپے ہوئی جو متعلقہ مشینری کے پروجیکٹ سے متعلق تھی۔ بدقسمتی سے ری فنڈ کا طریقہ ء کارصنعت دوست نہیں ہے بلکہ یہ مالیاتی لاگت پر مزید بوجھ ڈالنے کے مترادف ہے۔

خدشات اور غیر یقینی کیفیت

کمپنی بنج مارک پالیسی ریٹس میں اضافہ کی بناء پر شرح سود کے خدشات اور زرمبادلہ کے روپے پر حاوی ہونے کے خدشات سے بخوبی واقف ہے۔

خدشات اور مواقع کا تفصیلی جائزہ اندرونی اور بیرونی عوامل کے احاطے کے ساتھ سالانہ رپورٹ کے صفحہ نمبر 44 پر دیا گیا ہے۔

بنیادی سرگرمیاں / بڑی پیش رفت / کاروبار کی نوعیت میں تبدیلی

کمپنی کی بنیادی سرگرمیوں کے بارے میں سالانہ رپورٹ کے صفحہ نمبر 7 پر درج ہے۔ یہ سال کے دوران میں کمپنی کی جانب سے کاروبار کی نوعیت سے متعلق کوئی تبدیلی نہیں کی گئی ہے۔

اندرونی مالیاتی کنٹرولز

کمپنی کو مربوط اندرونی مالیاتی کنٹرول فریم ورک موجود ہے۔ تفصیلی مالیاتی کنٹرول مینونلز بھی موجود ہیں جن کو باقاعدگی کے ساتھ اپ ڈیٹ کیا جاتا ہے اور اس کا جائزہ لیا جاتا ہے۔ ان مینونلز میں شعبہ کے لحاظ سے طریقہءکار کے بہاؤ، ہر سرگرمی پر کنٹرول کی تفصیلات اور قانونی شرائط اور آپریشنل پابندیوں کے بارے میں درج ہے۔

اندرونی کنٹرول کا ٹیزائن مضبوط ہ اور یہ موثر طور پر نافذ کیا گیا ہے اور اس کی نگرانی کی جاتی ہے۔ اندرونی آڈٹ نظام کی نگرانی کرتا ہے اور دوسرے اسی نوعیت کے نگرانی کے طریقوں سے جانچ کرتا ہے۔ نگرانی کے اندرونی کنٹرول کا نظام بطور جاری طریقہءکار کنٹرول کو مزید مضبوط بنانے کے مقصد کے ساتھ جاری رہے گا۔

اکاؤنٹنگ پالیسیز

مالیاتی اسٹیٹمنٹس کی تیاری میں موزوں اکاؤنٹنگ پالیسیز کی سخت پابندی کی جاتی ہے سوائے ان تبدیلیوں کے، جو مالیاتی حسابات کے نوٹس میں دی گئی ہیں۔ اکاؤنٹنگ پالیسیز مناسب اور محتاط فیصلوں پر مبنی ہیں۔

مالیاتی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے۔

ڈائریکٹرز کی رپورٹ برائے شیئر ہولڈرز

2022	2023
پاک روپے میں	

اہم فنانشل جھلکیاں درج ذیل ہیں:

43,165	36,673	سیلز کا حجم (میٹرک ٹن میں) - مقامی
5,602	6,581	سیلز کا حجم (میٹرک ٹن میں) - برآمدات
24,120	24,842	خالص سیلز کی قدر - (ملین روپے میں)
3,807	3,923	مجموعی منافع - (ملین روپے میں)
15.78%	15.79%	مجموعی منافع - (%)
2,555	2,495	آپریٹنگ منافع (ملین روپے میں)
1,153	861	سود کی لاگت (ملین روپے میں)
19	48	زرمبادلہ کا نقصان (ملین روپے میں)
864	979	خالص منافع (ملین روپے میں)
22.26	25.24	فی شیئر آمدنی (روپے)

منافع منقسمہ

ڈائریکٹرز نے حتمی نقد منافع منقسمہ کی 60% یعنی 6 روپے فی شیئر کے حساب سے ادائیگی کی سفارش کی ہے۔ (2022: 5.0 روپے فی شیئر)

ڈائریکٹرز اور ان کی کمیٹیوں کے ممبرز کے نام

بورڈ کی کمیٹیوں کے ممبرز کے نام سالانہ رپورٹ کے صفحہ نمبر 102 پر کمپنی کے معلومات کے سیکشن میں درج ہیں۔

مستقبل کا منظر نامہ

معاشی صورتحال کے بہت جلد بحالی کی کوئی توقع نہیں ہے۔ ہمیں اگلے دو سال ملک کی معیشت کے لئے نہایت چیلنج والے معلوم ہوتے ہیں، تاہم تین نئی بی او پی پی لائنز کے فعال ہونے سے ملکی سطح پر گنجائش دگنے سے زیادہ ہوجائے گی، جو حجم اور قیمت کے لحاظ سے ان چیلنجز کا مقابلہ کرنے کے قابل ہوجائے گی۔

کمپنی نہایت تندی سے کام کر رہی ہے کہ یہ پروجیکٹ 2024 کی دوسری سہ ماہی کے آغاز تک کام شروع کر دے گا۔ روپے کی قدر میں ہونے والی کمی اور بلند شرح سود جیسے بے قابو عوامل کے باعث پروجیکٹ کی لاگت میں اضافے کی توقع ہے۔

ہم پالیسی سازوں کی توجہ پلاسٹک پیکنگ میٹریل کے استعمال پر صوبائی ضابطوں اور خلیجی ممالک کے ساتھ مجوزہ ایف ٹی اے کے باعث صنعتوں کو درپیش بے انتہا مشکلات کی طرف توجہ دلاتے ہیں جبکہ کاروبار کے لئے مقامی لاگت میں نمایاں اضافہ ہوجکا ہے۔

سود کی موجودہ شرح آنے والے سالوں میں استحکام اور / یا صنعتی ترقی کے لئے اچھی علامت نہیں ہے۔

کمپنی کے بورڈ آف ڈائریکٹرز یہ رپورٹ مع آڈٹ شدہ مالیاتی حسابات برائے سال مختتمہ 31 دسمبر 2023 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

کمپنی اپنے ہر عمل میں لاگو قوانین، تحفظ، صحت اور ماحولیات (SHE) کی پالیسیز اور طریقوں کی پابند رہی۔

مارکیٹ اور کاروبار کا عمومی جائزہ

سال 2023 میں کئی سنجیدہ چیلنجز سامنے آئے جن میں زرمبادلہ کی دستیابی کا بحران جس نے درآمدات کو متاثر کیا، شرح مبادلہ میں شدید اتار چڑھاؤ، غیر معمولی افراط زر، توانائی کی قیمتوں میں غیر معمولی اضافہ اور بنچ مارک کے ڈسکاونٹ ریٹس شامل ہیں۔

ان تمام عوامل سے صنعتی ترقی، پر منفی اثرات مرتب ہوئے، حجم اور مجموعی طور پر کاروباری اور معاشی صورتحال پر اثرات پڑے

سال کے اختتام تک، طلب و رسد اور کاروباری ماحول میں کوئی قابل ذکر بہتری نہیں آئی۔

مالیاتی جھلکیاں

درآمدات پر پابندیاں اور طلب میں کمی سے گزشتہ سال کے مقابلے میں اس سال میں فروخت کے حجم میں 11% کمی ہوئی۔ تاہم آمدنی میں 3% اضافہ ریکارڈ کیا گیا کیونکہ روپے کی قدر میں کمی کے سبب خام مال کی قیمتوں اور خالص فروخت کی آمدنی میں اضافہ ہوا۔ مارجن اور استعداد کی بہتر منیجمنٹ سے مجموعی منافع میں 3% کا اضافہ ہوا۔

بلند افراط زر اور فیول کی قیمتوں کے بڑھنے سے انتظامی اور تقسیم کاری کے اخراجات میں اضافہ ہوا۔

کمپنی کا آپریٹنگ منافع گزشتہ سال کے 2,555 ملین روپے کے مقابلے میں 2,495 ملین روپے رہا۔

جاری سرمایہ کی پر جوش منجیمنٹ کے سبب نمایاں طور پر بلند شرح سود کے باوجود سود کی لاگت میں کمی آئی۔ زرمبادلہ کے اتار چڑھاؤ کے نتیجے میں زرمبادلہ کے نقصانات میں اضافہ ہوا۔

کمپنی کا قبل از ٹیکس منافع 1,708 ملین روپے رہا جب کہ گزشتہ سال 1,381 ملین روپے تھا اور خالص منافع 979 ملین روپے حاصل ہوا جو کہ گزشتہ سال 864 ملین روپے تھا۔

سال کے دوران میں ہمیں سالانہ رپورٹ 2022 کے لئے ICAP/ICMAP کی جانب سے "BEST CORPORATE REPORTING AWARD" کا اعزاز حاصل ہوا۔ یہ اس بات کا اظہار ہے کہ ہم اپنی تمام متعلقہ معلومات انتہائی جامع طریقے سے اپنے معزز شیئر ہولڈرز کے ساتھ شیئر کرنے ہیں۔





A herd of gazelles with distinctive spiral horns is gathered around a dark, shallow trough on a sandy, arid ground. One gazelle in the foreground is leaning over the trough, drinking. The background shows more gazelles and a hazy, dry landscape under a bright sky.

Glossary of Terms

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Glossary

AGM	Annual General Meeting	ILO	International Labor Organization
ATIR	Appellate Tribunal Inland Revenue	IMS	Integrated Management System
BAC	Board Audit Committee	ISO	International Standards Organization
BCMT	Business Continuity Management Team	IT	Information Technology
BCP	Business Continuity Planning	ITO	Income Tax Ordinance
BCR	Best Corporate Reporting	KIBOR	Karachi Inter Bank Offer Rate
BOD	Board of Directors	KPI	Key Performance Indicator
BOPP	Biaxially Oriented Polypropylene	LC	Letter of Credit
BPS	Basis Points	LTFF	Long Term Financial Facility
BSP	Bulleh Shah Packaging (Private) Limited	LUMS	Lahore University of Management Sciences
CAHO	Chief Anti – Harassment Officer	NBV	Net Book Value
CCG	Code of Corporate Governance	NCOC	National Command and Operation Center
CDC	Central Depository Company of Pakistan	NFEH	National Forum for Environment & Health
CEO	Chief Executive Officer	NOWPDP	Network of Organizations Working With People With Disabilities in Pakistan
CFO	Chief Financial Officer	NSI	Net Sales Income
COCG	Code of Corporate Governance	NTC	National Tariff Commission
CPP	Cast Polypropylene	NTN	National Tax Number
CSR	Corporate Social Responsibility	OEE	Overall Equipment Effectiveness
EBIT	Earnings Before Interest and Tax	OEM	Original Equipment Manufacturer
EBITDA	Earnings Before Interest, Taxes, Depreciation and Ammortization	OHSAS	Occupational Health and Safety Assessment Specification
ECL	Expected Credit Loss	PAT	Profit After Tax
EES	Employee Engagement Score	PBT	Profit Before Tax
EFP	Employer's Federation of Pakistan	PKR	Pakistani Rupee
EOBI	Employee Old Age Benefit Institution	PPE	Property, Plant and Equipment
EPS	Earning Per Share	PSX	Pakistan Stock Exchange
ERP	Enterprise Resource Planning	RCEM	Risk and Control Evaluation Matrix
ESSI	Employee Social Security Institution	R&D	Research and Development
EVA	Economic Value Added	Rs.	Rupees
FBR	Federal Board of Revenue	SAP	System Application and Products
FCFF	Free Cash Flow to the Firm	SBP	State Bank of Pakistan
FCFE	Free Cash Flow to the Equity Holder	SDGs	Sustainable Development Goals
FMCG	Fast Moving Consumer Goods	SECP	Security Exchange Commission of Pakistan
FSSC	Food Safety Standard Certification	SEQS	Sindh Environment & Quality Standards
GDIB	Global Diversity & Inclusion Benchmarks	SGS	Société Générale de Surveillance
GHG	Green House Gases	SHE	Safety, Health & Environment
GIDC	Gas Infrastructure Development Cess	SHEQ	Safety, Health, Environment and Quality
HIRA	Hazard identification and risk assessment	SODM	Segregation of Duties Matrix
HR	Human Resources	SOP	Standard Operating Procedures
HR&R	Human Resources and Remuneration Committee	SPLY	Same Period Last Year
IAS	International Accounting Standards	TERF	Temporary Economic Re-Financing
IASB	International Accounting Standards Board	TPFL	Tri-Pack Films Limited
ICAP	Institute of Chartered Accountants of Pakistan	USD	United States Dollar
IFAC	International Federation of accountants	WACC	Weighted Average Cost of Capital
IFAS	Islamic Financial Accounting Standard	WPPF	Workers' Profit Participation Fund
IFRIC	International Financial Reporting Interpretations Committee	WWF	Workers Welfare Fund
IFRS	International Financial Reporting Standards		



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