



Tri-Pack Films Limited

Annual Report
2018

The Art
of Film
Making



commitment precision creativity perseverance impact

These are the hallmarks of achieving excellence. It is not enough to simply have a philosophy, it must be put into action and practiced at every level within the organisation.

Islamic Art personifies these values where creativity, science, mathematics, skill and vision are functional at every stage.

Tri-Pack approaches the craft of film manufacturing much like an artist who brings to life his dream illustrations that know no boundaries and yet flow together in a harmonious pattern leaving a long lasting impact.



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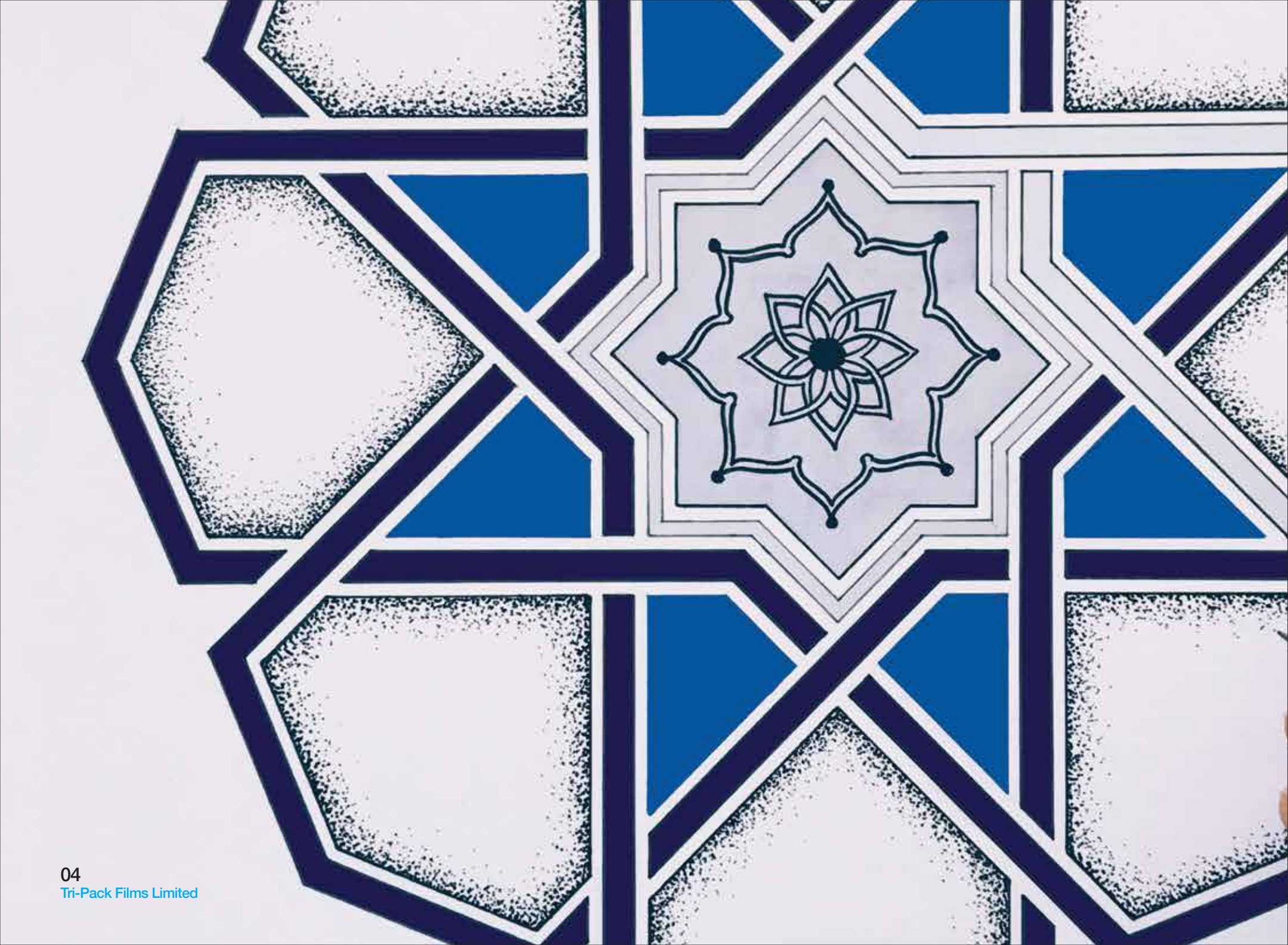
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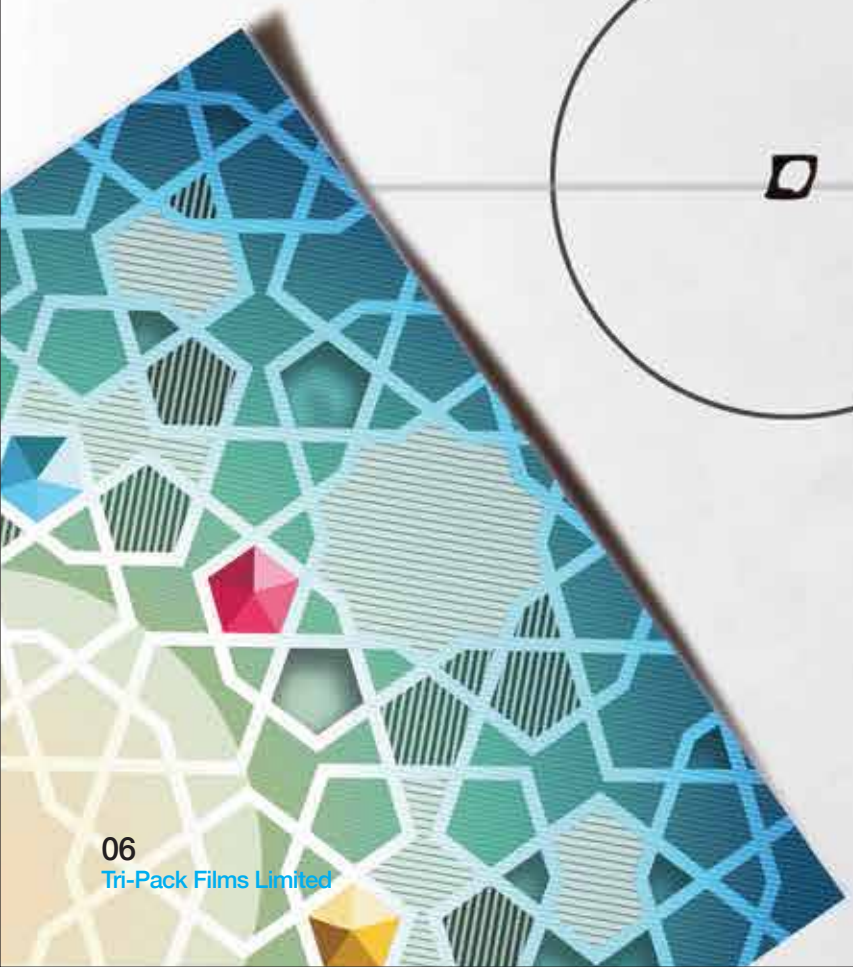
There is no abiding success without commitment

Achieving excellence in any task is in direct proportion to the level of commitment applied to it; at Tri-Pack we believe this to be at the core of our philosophy. From being the first Company in Pakistan to offer our line of packaging products to today being Pakistan's most formidable Packaging Film Making Company, commitment has been, and is, a core belief.



Picture from Naqsh School of Arts







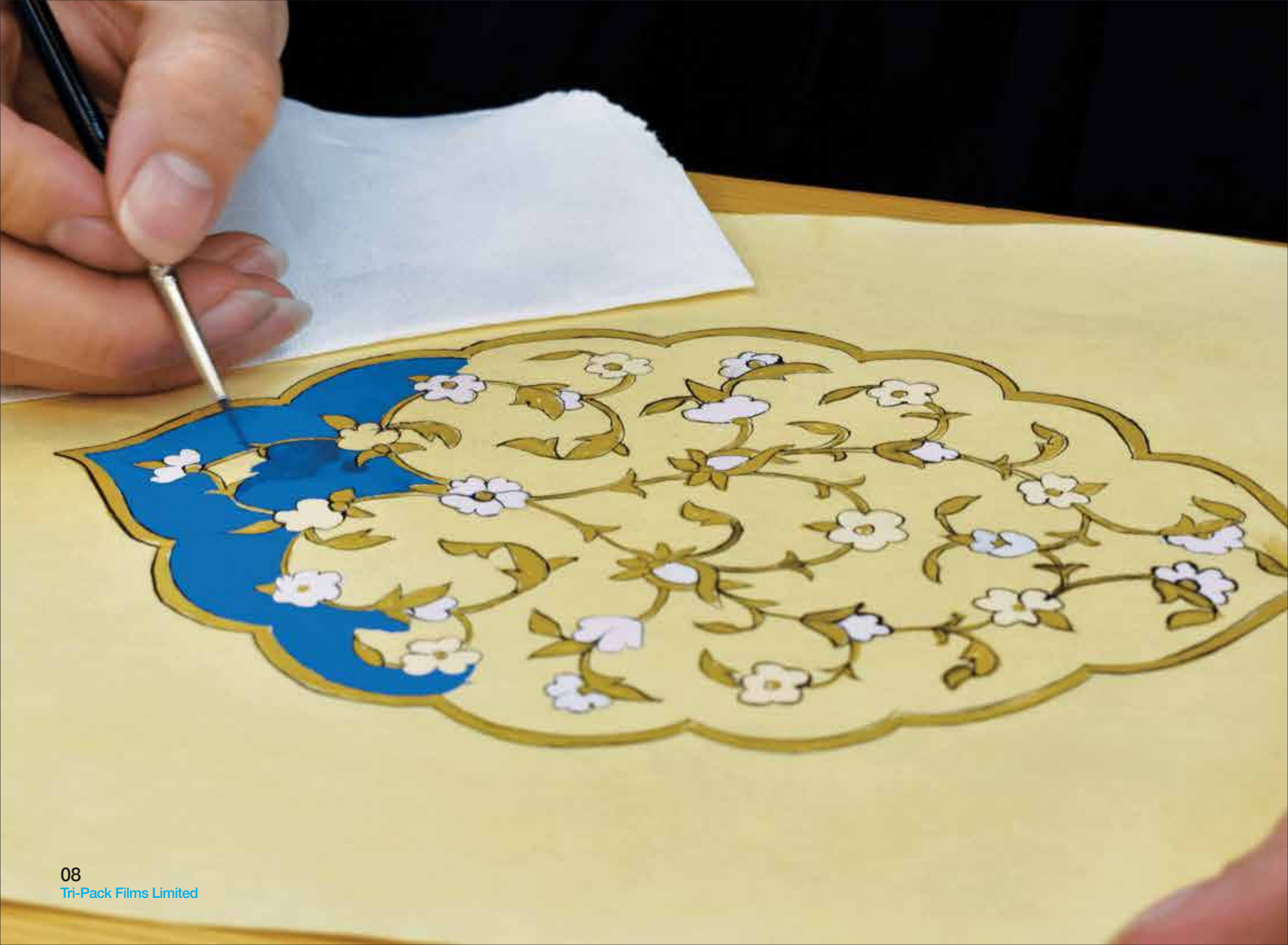
The arbitrariness of constraint serves only to obtain precision of execution

To know one's abilities, to believe in one's plan; to have the wisdom of focus and constraint; to intuitively realise where to cross the line and where to draw the line. To defy or to respect constraints to achieve precision. Our Mission & Vision at Tri-Pack is clear, there is precision in our strategic plan and we apply our stroke accordingly.



Picture from Naqsh School of Arts





Creativity

is allowing yourself to make mistakes.
Art is knowing which ones to keep.

Unless we put ourselves out there, push our abilities, we will never discover what is achievable. Often in experimenting we extend our own boundaries. That is when discovery happens. At Tri-Pack our R&D department



Picture from Naqsh School of Arts

is always in a state of discovery and innovation. Some of our creativity does not see light, but when some of it does, a masterpiece is created in the form of new markets and specialized films.







Everything you do has
some effect, some
impact

Decades ago, packaging looked way different.
Packaging today has such an immense impact



Picture from Naqsh School of Arts

that we can no longer imagine a time without it. Packaging today has a purpose; it is meticulously designed to enhance quality, reliability, and sustainability of the product.





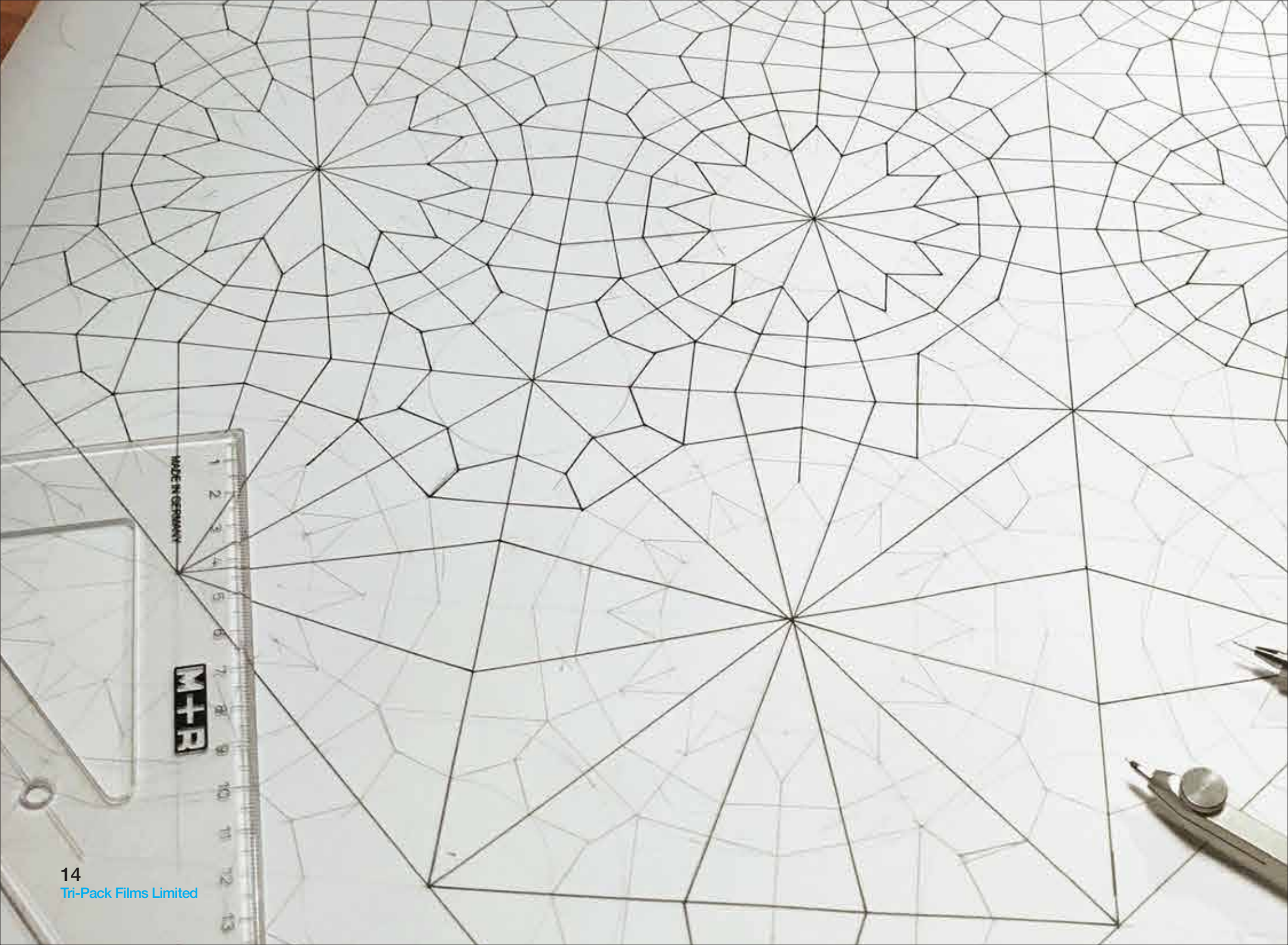
Picture from Naqsh School of Arts



A conquering virtue is
perseverance

Much like a piece of intricate art, industries and markets are not created overnight. They require nurturing, patience and perseverance.







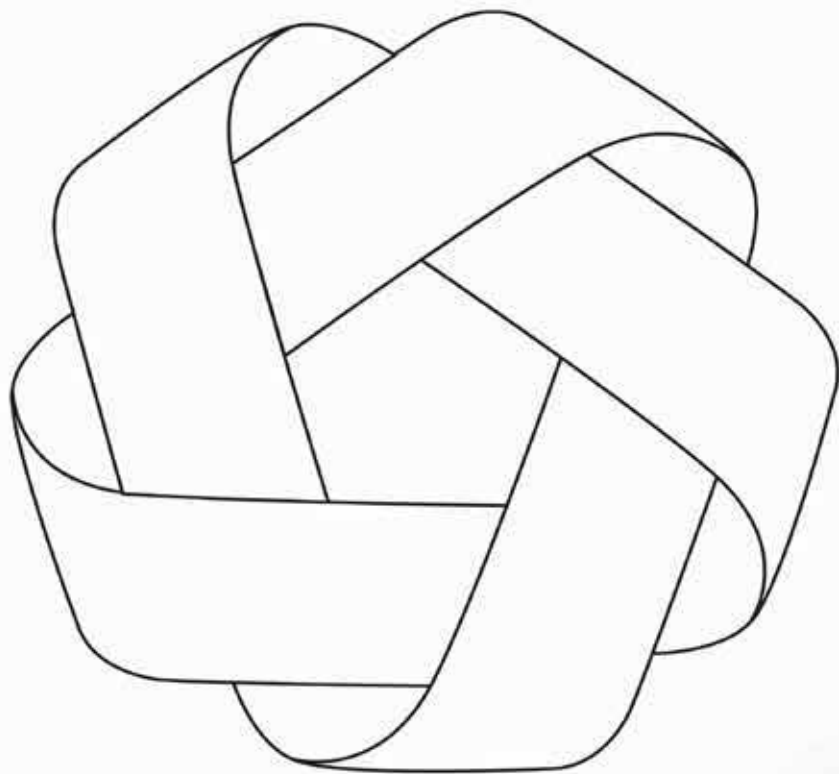
Vision

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.



Picture from Naqsh School of Arts





Our Values

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



Care

Fairness and consideration are integral to our culture.

Respect

We treat people with respect and dignity.

Lead

We aspire to lead in everything that we do.

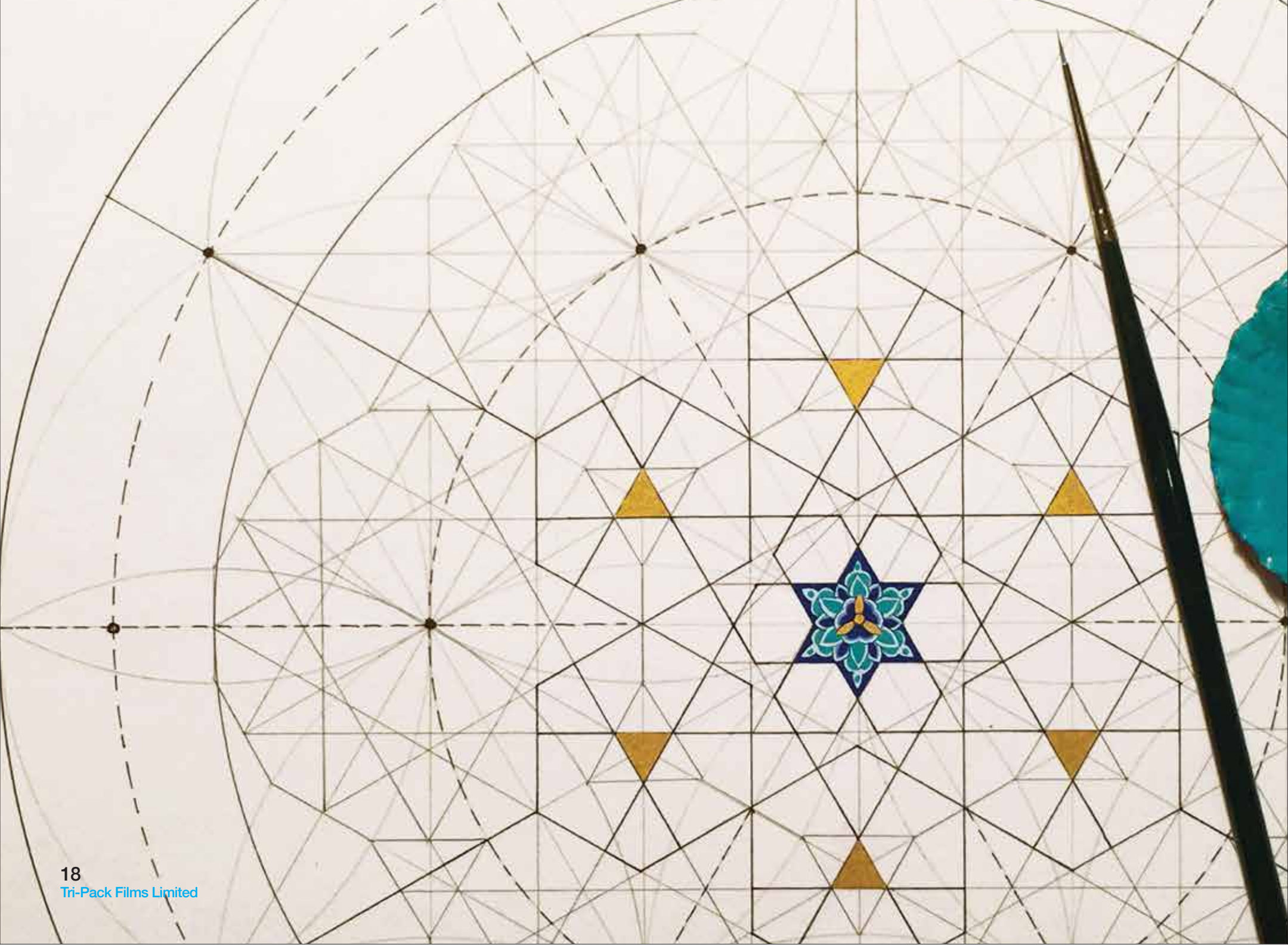
Honesty

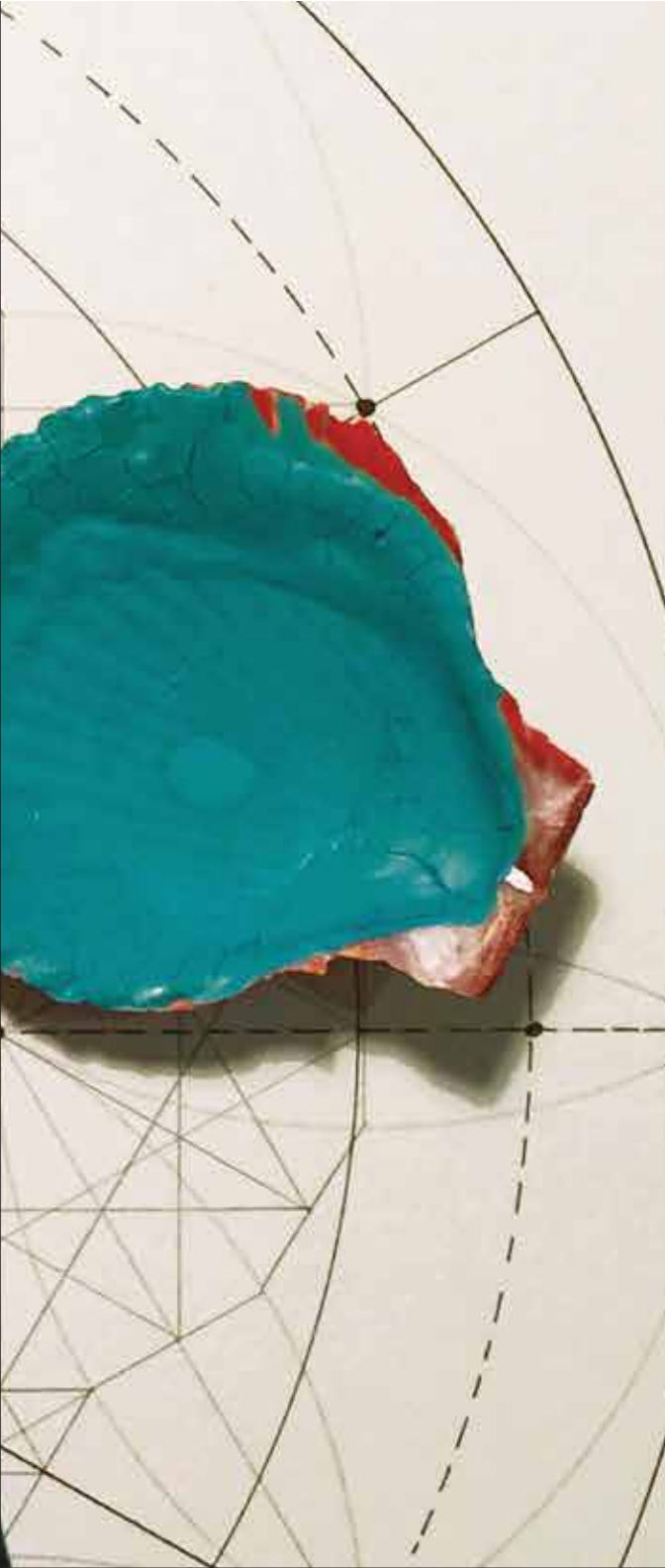
Truthfulness, integrity and trust form the backbone of all our activities.

Courage

We stand up for what we believe in.







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.





Code of Business Conduct and Ethics

Tri-Pack has adopted a unified code as a guidance and standard for the conduct of the Company and its employees and shareholders. This code sets out the way we do business and conduct ourselves and its compliance is mandatory across the organization. All employees are required to sign a compliance certification on an annual basis. Following are the key elements of the Code of Conduct:

- 1. Promote Fair Business Practices:** We understand and comply with applicable laws and regulations, relevant staff is trained periodically on all the applicable laws, particularly competition law. Participation in actions for restraint of trade, fixing of prices, volume etc or any form of activities restraining competition is strictly prohibited. We ensure that no conduct should give indication of unfair play or impairment of rights relating to counter parties.
- 2. Avoid Conflict of Interest:** All employees should maintain a clear distinction between corporate and private matters and affairs. Use of Company's tangible or intangible assets and resources outside Company's policy for personal gain and benefits is prohibited. Actions leading to personal benefit whether financial or otherwise or direct / indirect are expressly forbidden. Any proprietary or confidential information such as pricing, specifications, conditions, etc., shall not be disclosed outside.
- 3. Respect for Human Rights, Dignity and Equal Opportunity:** We as an organization understand and recognize human rights & dignity and its sensitivities. We respect an individual's customs, cultures and beliefs. Child labour, forced labour, harassment and abuse, explicitly or implicitly is strictly prohibited and condemned. No discrimination is done on the basis of gender, cast, religion or on any basis except the merit and requirements of the job, providing an equal opportunity to all the segments of society.
- 4. Proprietary and Confidential Information:** All employees are required to maintain the confidentiality of Company Information. Sensitive information including trade secrets, confidential and proprietary rights shall be protected and properly used for the benefit of Company only, whether before or after the end of employment. The Company also does not allow infringement of intellectual property rights belonging to others.
- 5. Open Communication:** In order to foster openness, integrity and reliability two way communication between employees and supervisors is encouraged in all aspects of work environment.
- 6. Place and Work Environment:** We as an organization promote sustainable use of resources; maintain safe, secure and healthy working conditions. The Company realises the importance of work life balance and we endeavour to maintain and assist our employees to balance their work with other priorities of life and family commitments.
- 7. Legal and Ethical Standards:** We at Tri-Pack never violate or evade law. We ensure compliance with all the applicable laws and rules. Report any unlawful activities or breach of law committed within the Company. Any form of bribery or shape is strictly prohibited. The Company shall not use illegal payments, bribes, kickbacks or other questionable inducements to influence government policy or any business transaction.
- 8. Compliance:** We always comply with laws, rules, regulations, international standards and internal regulations in our business conduct and reporting.
- 9. Participation in Politics:** Individuals are free to participate in politics in their personal life but that should not in any manner be reflected in their official and Company's activities. Political donations of all kinds and shape are prohibited.
- 10. Irregular Conduct, Fraud, Deception and Violation of Code:** Employees detecting and suspecting any incidents of irregular conduct, fraud, deception or violation of code are encouraged to bring it to the notice of their supervisor, if such supervisor is not responsive to the next level of manager. The procedure for dealing with Speak ups is in place and all the Speak ups are shared with the Board Audit Committee.
- 11. Related Party Transactions:** All commercial transactions between the Company and related parties shall be based on arm's length basis unless otherwise approved by the Board of Directors. The record of all related party transaction shall also be placed before the Board of Directors at each Board of Directors meeting for formal approval.







About Us and Our Business

Tri-Pack Films Limited (Tri-Pack) – a joint venture between Mitsubishi Corporation of Japan and 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.

At Tri-Pack, our passion to cater to 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.







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. We have judiciously created our product brands that are best suitable 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 also manufacture specialized films having unique characteristics, which are proactively and unequivocally designed to cater the ever-growing demand of our customers. Besides, it also highlights our determination to continuously improve the benchmark of the industry and to raise the competition standards; this enables us to fulfil the purpose of our existence which is greater value addition and true benefit purveyance to the ultimate consumer.



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.

Tri-Pack's products are prudently designed and engineered by state-of-the-art technology. These films not only extend and enhance shelf life, but they also protect against the often harsh supply chain conditions of Pakistan. Tri-Pack's products have good oxygen, moisture, and aroma barrier providing safe packaging for snacks for our customers. We have 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.

Metallized Films

Our metallized BOPP brand is inspired by the element Chromium which has the following properties shiny, resistant to tarnish, added strength when compounded with other elements.

Broad Seal High Barrier

Metallized BOPP film with broad range of heat sealing temperature. It is typically used in lamination with other substrates. This metallized film has good metal anchorage, brilliant dimensional stability, excellent oxygen and moisture barrier with additional vibrant shine.

High Barrier

A strong barrier film recommended for sensitive products with broad range of heat seal ability. The important feature is the excellent oxygen and moisture barrier.

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.

Holographic Film

BOPP film with both side sealable layer and one side treated with special layer for embossing process. Holographic films are used in sweet industry, art and graphical usage. Holographic films can also be laminated to different types of materials and the key features are good tensile strength, clarity and gloss-special treated surface for holographic embossing.



Twist-wrap Film

Twist wrap is the classic and elegant solution for confectionery piece wrap. Cast polypropylene (CPP) Twist Wrap is engineered for high speed and outstanding value. It is a very shelf stable material, and will not turn brittle in low humid conditions. CPP Twist Wrap works well on most pre-formed candy, including hard candy, cough drops and chocolate truffle.



Labellene

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. 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

The right material makes a big difference in the success of your labels. Successful conversion of Bruckner Line to five layer has allowed us to innovate and develop new films.

Our new high gloss Pearl Label BOPP films are best suited for product owners who need a high level of performance. We have printed BOPP labels for a variety of markets like beverages, food, bath, beauty, industrial, and more. If you are unsure whether BOPP is right for you, below is a list of benefits, material options, and other considerations to help you decide:

- Higher gloss
- Higher tensile strength that facilitates high-speed printing
- Greater stiffness
- Excellent printability
- Moisture and abrasion resistant
- Oil, chemical and acid resistant





Company Information

Board of Directors

Syed Babar Ali (Chairman)
Syed Hyder Ali*
Mr. Kimihide Ando
Mr. Khurram Raza Bakhtayari
Ms. Nermeen Chinoy
Mr. Yukio Hayasawa
Syed Aslam Mehdi
Mr. Asif Qadir

Chief Executive Officer

Mr. Nasir Jamal

Audit Committee

Mr. Asif Qadir (Chairman)
Mr. Kimihide Ando*
Mr. Khurram Raza Bakhtayari
Ms. Nermeen Chinoy
Mr. Yukio Hayasawa

Executive Committee

Mr. Kimihide Ando (Chairman)
Syed Hyder Ali*
Mr. Khurram Raza Bakhtayari
Syed Aslam Mehdi

Human Resource and Remuneration Committee

Mr. Asif Qadir (Chairman)
Mr. Kimihide Ando*
Mr. Khurram Raza Bakhtayari
Syed Aslam Mehdi

Chief Financial Officer

Mr. Shafiq Afzal Khan

Company Secretary

Mr. Adi J. Cawasji

Auditors and Tax Advisor

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisor

Sattar & Sattar
Khan & Paracha

Shares Registrar

FAMCO Associates (Pvt.) Ltd 8-F,
Next to Hotel Faran, Nursery, Block 6,
P.E.C.H.S., Shahrah-e-Faisal,
Karachi - 75400
Tel : (021) 34380101-2
Fax : (021) 34380106

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

Bankers

Al-Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
BankIslami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Tokyo - Mitsubishi UFJ, Ltd
United Bank Limited

Regional Sales & Head Office

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

Works

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

Works & Regional Sales Office

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

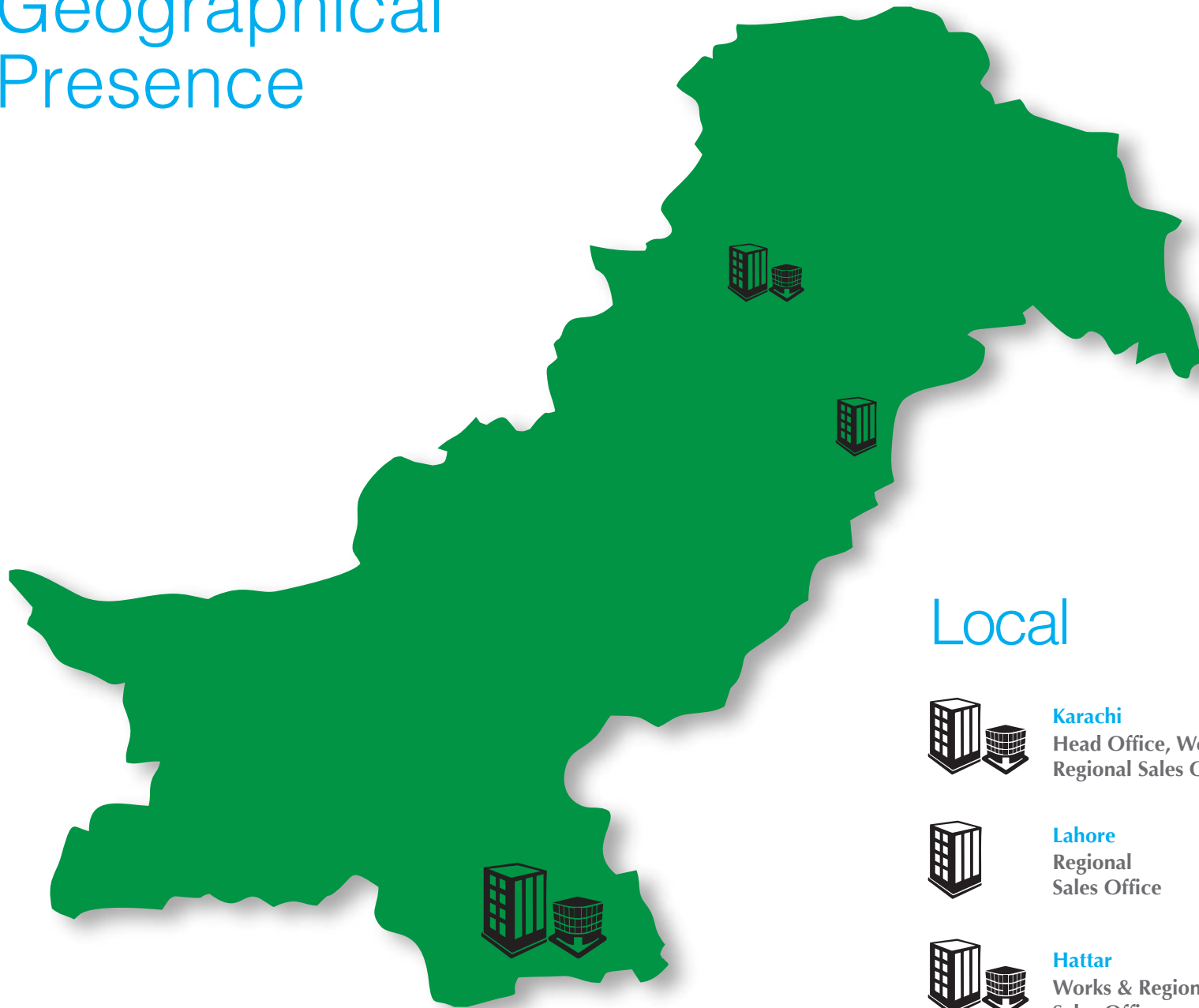
Regional Sales Office

Plot No. 5 FC. C,
Maratib Ali Road,
Gulberg II, Lahore.
Tel: (042) 35716068-70
Fax: (042) 35716071

* In alphabetical order by last name



Geographical Presence



Local



Karachi
Head Office, Works &
Regional Sales Office



Lahore
Regional
Sales Office



Hattar
Works & Regional
Sales Office

International / Exports

Europe



Bulgaria



Macedonia

North America



Canada

Asia



Bangladesh



Bahrain



Oman



Sri Lanka



UAE

Africa



DR Congo



Kenya



Mauritius



Nigeria



South Africa



Key Milestones

1993

Signing of
Joint Venture
Agreement



1998

ISO 9001
Certification



2002

Commissioning
of Metallizer 1



2004

Commissioning
of BOPP
Line 3



1995

Commissioning
of BOPP Line 1



2001

Commissioning of
BOPP Line 2



2004

ISO 14001
Certification



2006

Commissioning
of Metallizer 2



2008

Commissioning of
CPP Line 1 B.E.S.T
Certification from BAT



2013

Commissioning
of BOPP
Line 4



2018

Upgrade of
BOPP Line 4



2007

OHSAS 18001
Certification



2009

Commissioning
of Metallizer 3



2014

Commissioning
of CPP Line 2 &
Metallizer 4



Stakeholders' 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.

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 endeavours 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.



AGM Proceedings:

The last AGM of Tri-Pack Films Limited was held at the Beach Luxury Hotel, Karachi on 20th April 2018 at 10:00 am. The meeting was well

attended by the Shareholders. They appreciated the efforts of the management for a remarkable year in terms of sales and profitability.



Shareholders raised different queries on the Financial Statements and future prospects, which were answered by the Chief Executive Officer to the satisfaction of those present after which the Financial Statements were approved by the Shareholders.

Shareholder Communication and Investor Relation Policy

Purpose

The Board of Tri-Pack Films Limited recognizes that it needs to engage with its shareholders and provide them with appropriate information and facilities to allow them to exercise their rights as shareholders effectively. This includes:

- giving shareholders ready access to information about the Company and its governance;
- communicating openly and honestly with shareholders; and
- encouraging and facilitating their participation in meetings of shareholders.

The purpose of this policy is to outline how the Company will provide shareholders and other investors with information about itself and its governance, and to outline the Company's investor relations program.

Company Website

The Company has a website which can be found at www.tripack.com.pk. The Company's website is designed to provide shareholders and other investors with helpful information about the Company.

General Meetings

The Company recognizes that general meetings are an important forum for two-way communication between the Company and its shareholders. The meetings provide the Company with an opportunity to impart to shareholders a greater understanding of its business, governance, financial performance and prospects, as well as to discuss areas of concern or interest to the Board and management. The meetings also provide shareholders with an opportunity to express their views to the Company's Board and management about any areas of concern or interest for them.

The Company endeavours to actively engage with shareholders at its general meetings, and encourages attendance and participation at its meetings.

Shareholder Meetings and Enquiries

The Company endeavours to meet with shareholders upon request and respond to any enquiries they may make from time to time.

Disclosure of Material and / or Price Sensitive Information

The Company discloses material information as appropriate in a transparent and timely manner, in compliance with the requirements of all the applicable laws and regulations.

Information which is not regarded as material under the applicable laws may be disseminated to the shareholders by way of press releases on Pakistan Stock Exchange website.

Employees:

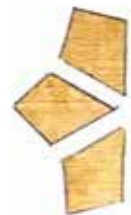
We believe that the way to grow as a business is to grow our people, enabling personal development and ambitious business results. We take pride in our engagement initiatives including development through a detailed Training Needs Analysis, Annual Get-togethers, Conferences and other engagement activities. 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.



Employment of Special Persons

Tri-Pack Films Limited is a staunch believer of creating an inclusive work environment. We strongly encourage people with diverse background to apply and compete purely on merit for open positions. People who are differently abled are an important component of our community forming a diverse pool of talent and we are determined to support & draw from this valuable resource. We strive to attract qualified differently abled people while ensuring compliance with relevant laws.



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.



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.

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.

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.

Regulators

As a responsible citizen Tri-Pack has always been committed to comply with all the laws and regulations including submission of regulatory reports and responding to specific enquiries on a timely basis. We have specific policies to ensure compliance of various laws and regulations.

Shareholders' Information

Registered Office:

4th Floor, The Forum Suite # 416-422, G-20, Block 9 Khayaban-e-Jami, Clifton Karachi-75600 Tel. # 92 21 35831618 / 35831664 / 35833011 / 35874047 - 49 Fax # 92 21 35860251

Shares Registrar:

FAMCO Associates (Pvt.) Ltd 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

Listing on Stock Exchange:

Tri-Pack's equity shares are listed on the Pakistan Stock Exchange.

Listing Fees:

The annual listing fee for the financial year 2018-19 has been paid to the stock exchange within the prescribed time limit.

Stock Code:

The stock code for dealing in equity shares of Tri-Pack Films at the Stock Exchange is TRIPF.

Shares Registrar:

Tri-Pack's shares department is operated by FAMCO Associates (Pvt.) Ltd and services about 2,045 shareholders. It is managed by a

Service Standards

Tri-Pack has always endeavoured to provide investors with prompt services. Listed below are various investor services and the maximum time limits set for their execution:

Transfer of shares
Transmission of shares
Issue of duplicate share certificates
Issue of duplicate dividend warrants
Issue of revalidated dividend warrants
Change of address

For requests received through post

15 days after receipt
15 days after receipt
30 days after receipt
5 days after receipt
5 days after receipt
2 days after receipt

Over the counter

15 days after receipt
15 days after receipt
30 days after receipt
5 days after receipt
5 days after receipt
2 days after receipt

well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and comprehensive set of systems and procedures for conducting the Registration function.

The Shares Registrar has online connectivity with Central Depository Company of Pakistan Limited. It undertakes activities pertaining to dematerialization of shares, share transfers, transmissions, issue of duplicate/re-validated dividend warrants, issue of duplicate/ replaced share certificates, change of address and other related matters.

For assistance, shareholders may contact either the Registered Office or the Shares Registrar.

Contact Persons:

Mr. Sifat Ahmed Khan

Tel. # 92 21 35831618 / 35831664 / 35833011 Fax # 92 21 35860251
Email: sifat.ahmad@packages.com.pk

Mr. Ovais Khan

Tel. # 92 21 34380101-2 Fax # 92 21 34380106
Email: ceo@famco.com.pk

Well qualified personnel of the Shares 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 statutory laws, filed all returns/ forms and furnished all the relevant particulars as required under the Companies Act, 2017 and allied rules, Notifications/Circulars issued by the Securities and Exchange Commission of Pakistan (SECP) from time to time and the Listing Regulations.

Dematerialization of Shares:

The equity shares of the Company are under the compulsory dematerialization category. As of date 42.53% of the equity shares of the Company have been dematerialized by the shareholders.

Dividend:

The Board of Directors of the Company has proposed a final dividend of 40% (Rs. 4 per share of Rs.10) for the financial year ended December 31, 2018. The aforesaid final cash dividend is subject to approval by the shareholders of the Company at the Annual General Meeting (2017: 100% cash dividend: Rs.10.00 per share of Rs.10).

Book Closure Dates:

The Register of Members and Share Transfer Books of the Company will remain closed from April 03, 2019 to April 16, 2019 both days inclusive.

Dividend Remittance:

Dividend declared and approved at the Annual General Meeting shall be paid in terms of Section 242 of the Companies Act, 2017/Companies (Distribution of Dividends) Regulations, 2017:

- (i) For shares held in physical form: to shareholders whose names appear in the Register of Members of the Company after entertaining all requests for transfer of shares lodged with the Company on or before the book closure date.
- (ii) For shares held in electronic form: to shareholders whose names appear in the statement of beneficial ownership furnished by CDC as at end of business on book closure date.

Withholding of Tax & Zakat on Dividend:

As per the provisions of Section 150 of the Income Tax Ordinance, 2001, Income Tax is deductible at source on dividend payable by the Company at

the rate of 15.0% for filers of income tax returns, wherever applicable, and at the rate of 20.0% for non-filers of income tax returns.

Zakat is also deductible at source from the dividend at the rate of 2.5% of the face value of the share, other than corporate holders or individuals who have provided an undertaking for non-deduction.

Investors' Grievances:

To date none of the investors or shareholders have filed any letter of complaints against any service provided by the Company to its shareholders.

Legal Proceedings:

No case has ever been filed by shareholders against the Company for non-receipt of shares/refund.

General Meetings & Voting Rights:

Pursuant to Section 132 of the Companies Act, 2017, Tri-Pack Films Limited holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all the shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having circulation in Karachi, Lahore and Islamabad.

Shareholders having holding of at least 10% of voting rights may also apply to the Board of Directors to call for meeting of shareholders, and if Board does not take action on such application within 21 days, the shareholders may themselves call the meeting.

All shares issued by the Company carry equal voting rights. Generally, matters at the general meetings are decided by a show of hands in the first instance. Voting by show of hands operates on the principle of "One Member-One Vote". If majority of shareholders raise their hands in favor of a particular resolution, it is taken as passed, unless a poll is demanded.

Since the fundamental voting principle in a company is "One Share-One Vote", voting takes place by a poll, if demanded. On a poll being taken, the decision arrived by poll is final, overruling any decision taken on a show of hands.

Proxies:

Pursuant to Section 137 of the Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another person as his/her proxy to attend and vote instead of him/her. Every notice calling a general meeting of the Company contains a statement that a shareholder entitled to attend and vote is entitled to appoint a proxy, who may not be a member of the Company.

The instrument appointing a proxy (duly signed by the shareholder appointing that proxy) should be deposited at the office of the Company not less than forty-eight hours before the meeting.

Web Presence:

Updated information regarding the Company can be accessed at Tri-Pack's website, www.tripack.com.pk. The website contains the Company's profile, the corporate philosophy and major products.

Shareholding Pattern

The shareholding pattern of the equity share capital of the company as at December 31, 2018 is as follows:

Shareholding		Number of Shareholders	Total Shares Held
From	To		
1	100	495	19,395
101	500	683	282,698
501	1,000	234	195,119
1,001	5,000	391	956,053
5,001	10,000	97	725,340
10,001	15,000	35	448,755
15,001	20,000	23	405,773
20,001	25,000	11	266,534
25,001	30,000	13	359,716
30,001	35,000	6	193,757
35,001	40,000	7	263,635
40,001	45,000	1	43,586
45,001	50,000	9	435,252
50,001	55,000	1	52,000
55,001	60,000	1	58,000



Shareholding		Number of Shareholders	Total Shares Held
From	To		
60,001	65,000	4	248,486
65,001	70,000	2	131,525
70,001	75,000	2	146,731
75,001	80,000	2	155,086
80,001	85,000	1	84,800
90,001	95,000	1	92,400
115,001	120,000	2	233,892
140,001	145,000	2	283,466
170,001	175,000	1	174,000
175,001	180,000	1	177,186
180,001	185,000	1	184,497
190,000	195,000	1	190,000
235,001	240,000	1	235,386
300,001	305,000	1	301,300
320,001	325,000	1	320,924
380,001	385,000	1	381,228
400,000	405,000	3	1,203,879
460,000	465,000	1	460,000
500,000	505,000	1	500,000
530,001	535,000	1	533,700
535,001	540,000	1	536,975
595,001	600,000	1	599,516
675,001	680,000	1	678,000
680,001	685,000	1	682,260
1,375,001	1,380,000	1	1,376,400
3,750,001	3,755,000	1	3,750,417
7,495,001	7,500,000	1	7,499,000
12,930,001	12,935,000	1	12,933,333
		2,045	38,800,000

Information as required under the Code of Corporate Governance

Shareholders' Category	Number of Shareholders	Total Shares Held
i. Associated Companies, Undertakings and Related Parties (name wise details)		
Babar Ali Foundation	2	253,897
IGI Investments (Pvt.) Limited	1	3,750,417
Mitsubishi Corporation - Japan Packages Limited	1	7,499,000
	1	12,933,333
Total:	5	24,436,647
ii. Mutual Funds (name wise details)		
CDC - Trustee AKD Opportunity Fund	1	50,000
CDC - Trustee Nafa Stock Fund	1	4
CDC - Trustee Askari Asset Allocation Fund	1	2,500
MCFSL - Trustee Askari Islamic Asset Allocation Fund	1	6,000
CDC - Trustee Askari Equity Fund	1	8,500
MCFSL - Trustee Pak Oman Islamic Asset Allocation Fund	1	9,000
CDC - Trustee Al-Ameen Islamic Ret. Sav. Fund-Equity Sub Fund	1	39,000
CDC - Trustee UBL Retirement Savings Fund - Equity Sub Fund	1	31,500
CDC - Trustee National Investment (Unit) Trust	1	599,516
Total :	9	746,020
iii. Directors and their Spouse(s) and Minor Children (name wise details)		
Syed Hyder Ali	1	320,924
Syed Babar Ali	1	536,975
Mr. Kimihide Ando	1	500
Mr. Yukio Hayasawa	1	500
Mr. Asif Qadir	1	100
Syed Aslam Mehdi	1	1,293
Ms. Nermeen Chinoy	1	1,000
Total:	7	861,292
iv. Executives		
Total:	NIL	NIL
v. Public Sector Companies and Corporations		
Total:	1	682,260
vi. Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Takaful, Modaraba and Pension Funds		
Total:	5	741,723
vii. Shareholders holding 5% or more voting rights in the Listed Company		
IGI Investments (Pvt.) Limited	1	3,750,417
Mitsubishi Corporation - Japan Packages Limited	1	7,499,000
	1	12,933,333
Total:	3	24,182,750



Information as required under the Code of Corporate Governance

S.No.	Shareholders' Category	Number of Shareholders	Total Shares Held	%
1	Directors, Chief Executive Officer, and their Spouses and Minor Children	7	861,292	2.22
2	Associated Companies, Undertakings and Related Parties	5	24,436,647	62.98
3	Banks Development Financial Institutions, Non Banking Financial Institutions	2	63	0.00
4	Insurance Companies	3	741,660	1.91
5	Modarabas and Mutual Funds	9	746,020	1.92
6	Shareholders Holding 10%	2	20,432,333	52.66
7	General Public:			
	a. Local	1,975	8,286,020	21.36
	b. Foreign	3	999,600	2.58
8	Others	41	2,728,698	7.03
Total (excluding: shareholders holding 10%)		2,045	38,800,000	100.00

Share Price / Volume

The monthly high and low prices and the volume of shares traded on the Pakistan Stock Exchange during the financial year 2018 are as under:

Month	Share price on the PSX (Rs.)		
	Highest	Lowest	Volume of shares traded
January	168.00	137.05	368,100
February	169.45	149.25	412,500
March	183.19	163.50	721,900
April	182.20	146.50	523,100
May	149.67	139.90	294,700
June	142.50	133.00	88,700
July	145.91	125.00	317,700
August	151.00	133.00	189,000
September	136.00	125.00	19,300
October	125.00	99.89	155,600
November	128.99	115.00	49,700
December	114.00	101.00	50,900

Safety, Health & Environment (SHE)

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.



Safety Drill

- 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.

SHE Strategy & Developments

Keeping Safety, Health and Environment (SHE) paramount is one of our core values. At Tri-Pack, we believe in promoting a culture of safety, where employees conduct self-audits to minimize and assess the distress and disruption caused by an injury or work related illness. Periodic external audits are planned timely, showing no finding to date. Our employees as well as the contractors are necessitated to conform to the standards of Occupational Safety & Health Administration (OSHA) and Safety Health Environment (SHE). Regular sessions are conducted with employees to help them adapt to all the laws and regulations.

The SHE Management System comprises of following inter-related components:

- Commitment, leadership and accountability
- Policies, procedures and objectives
- Organization and resources
- Contractor and supplier management
- Risk management
- Performance monitoring and improvement
- Audits and review



Research & Development and Quality Control

Research and Development

At Tri-Pack, Research & Development translates into Innovation – in product optimization, quality and performance, and in maintaining a leading competitive position in the field of Packaging & Labeling. Our passion for technical innovation, creativity and cost-effective solutions is derived by a highly experienced and focused team having a multitude of capabilities to conduct research and develop new products for our target applications.



Tri-Pack has put together an impressive and integrated R&D structure equipped with highly sophisticated state-of-the-art technologies with avant-garde instruments to conduct its research and development activities. Our capabilities include but are not limited to extrusion, metallization, construction of trial rolls for processing and creation of structures for testing in market applications. We formulate tailored films; provide innovative product solutions that are inspired by our customer's vision and needs, and perform trials and tests which simulate many manufacturing environments.

Our product development approach is a multidisciplinary effort involving the careful formulation of the chemical composition, sourcing of the right raw materials, utilizing the right manufacturing techniques, testing and evaluating the results and developing the applications.

Extensive investment in research and development has contributed hugely to the strong position of Tri-Pack today through the

development of specific advanced technologies and solutions for the food, beverage, personal care, flexible packaging and tobacco sectors. Our products are utilized in demanding applications that necessitate good process-ability, excellent mechanical properties, and long term stability against chemical, heat, and light exposure in order to preserve the end product.

Quality Control

The R&D department also includes a highly qualified Quality Control team. Together, the synergy between the Manufacturing and Quality Control team bring to the fore the specific know-how in the varied production processes while ensuring the production process as a whole to be in compliance with quality and environmental management systems and also with food safety requirements and quality standards.

We are equipped with state-of-the-art testing equipment with high precision rate from the world's leading suppliers. Training is also one of the key aspects in order to develop the skillset of team both on-the-job and external trainings. We aim to achieve excellence through customer satisfaction. This is the first step towards the Total Quality Managements (TQM) concept which defines that TQM is basically the management approach used to improve product quality and production standards.

In line with the commitment of adherence to international quality and safety standards, the Company successfully managed to obtain following certifications:

- Quality Management System
- Environment Management System
- Occupational Health and Safety Assessment Series
- Food Safety Management System
- Hazard Analysis and Critical Control Point
- Publicly Available Specification

A close-up photograph of a hand holding a single water droplet just above a small, vibrant green seedling growing out of dark soil. The background is a soft, out-of-focus green, suggesting a natural, outdoor setting. The lighting is bright and natural, highlighting the textures of the skin, the water droplet, and the young plant.

Sustainability & Corporate Social Responsibility

Tri-Pack is and always will be a responsible corporate citizen committed to Sustainable and Responsible development of its operations and the environment it operates in.

Our principles are based strictly on reducing our impact on the planet while also respecting our social values. We genuinely care about doing our part to uplift our community and actively work to align our business decision-making with the reasonable societal expectations of a modern manufacturing company.

Commitment towards Sustainability & Corporate Social Responsibility (CSR)

The only constant in life is change and constant improvements to the changing environment is what Tri-pack believes in. Our responsibility is not only restricted to within the Company but extends far beyond. As a Company we function to balance our own needs without jeopardizing future generation's ability to do the same. Tri-Pack has long been involved in exercising its citizenship in society, including sustainability, corporate philanthropy, corporate governance and Corporate Social Responsibility. These approaches, although significant, have difficulties in reaching a global scale and impact. We are actively seeking to infuse sustainability into our operations and processes. While we are making progress, we do not assume that we are winning; continuous improvement is a fundamental goal of our sustainability efforts.

Tri-pack sets and strives to achieve long-term strategic objectives in pursuit of the organization's commitment. Thus we have adopted the sustainable development goals (SDG's) set by the UN in 2018.

We genuinely care about doing our part to uplift our community and actively work to align our business decision-making with the reasonable societal expectations of a modern manufacturing Company.

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 cutting-edge 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. We ensure that our sustainable systems demonstrate proven measurable benefits in the following areas as compared to the relevant benchmarks/best practices:

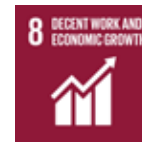
- Energy
- Efficiencies
- Waste management
- Water Treatment

UN's Sustainable Development Goal (SDG's)

SDGs are goals developed through an intensive inclusive process with countries and major companies involved and as a result call for the key role that companies must play in achieving them. Tri-Pack can proudly claim and sustain 4 of the following goals identified by UN and is in the process of achieving 2 further goals in the future:



Ensure healthy lives and promote wellbeing for all at all ages, through annual examination, extensive medical policy, in-house clinic with doctor and in development mental health policy.



Creating decent jobs is one of the fundamental ways in which Tri-Pack supports economic growth and sustainable development. By having an extensive internship and trainee program, periodic trainings for all staff, readily available code of conduct and strictly following company's recruitment policies.



Ensure sustainable consumption and production patterns. Tri-Packs ultimate goal is to create a circular economy, which is producing no waste and no pollution. Tri-Pack uses EREMA machines to recycle the polymer waste and responsibly consume the waste for reproduction, certain production lines utilize up to 30 percent of recycled material.



Ensuring peace, justice and strong institution. Tri-Pack being a responsible company makes compliance with all of Pakistan's laws and international standards by being ISO certified and code of conduct, values and ethics training and refreshers are deployed once each year, aimed at covering all staff.



Tri-Pack is committed to achieving more goals in the future. Currently we are in the preliminary stage to attain work place gender equality and provide clean water and sanitation. Our retention rate for female staff

has increased to upto 75% in 2018. At the same time the organization should achieve clean water and sanitation by 2019 since we already are using RO plants to clean ground water for production and domestic purposes. Within the next months we shall be able to fully achieve this goal as well. Tri-Pack has already received clearance from local governing bodies' water commission for compliance with the code.

Energy Saving Measures

We strive to achieve operational excellence not only to save costs but to make a circular economy, to also emphasize on optimization of energy resources available to us in particular and to Community at large. We endeavour to conserve natural resources & energy by continuously improving our process and measuring performance. Since our inception we have moved from a diesel based power generation system to a more efficient gas based system. We remain cautious and play our role by reducing our energy consumption through better maintenance of our equipment to enhance fuel efficiency, frequent audits of our machinery and critically reviewing frequency of maintenance intervals.



Environmental Protection Measures

At Tri-Pack, the business strategies take full account of the impact of our operating decisions to ensure clean and green environment.

Our engines, oil heaters and other utilities comply with the National Environment & Quality Standards (NEQS).

Efforts to Mitigate the Adverse Impact of Industrial Effluents

We at Tri-Pack constantly monitor the waste water parameters against the limits defined in NEQS. We realize our responsibility to ensure safe handling of the chemicals and waste water and are further striving to reduce the level of TDS (Total Dissolved Solid).

Industrial Relations

Tri-Pack conforms to all applicable laws and acts pertaining to its operations and business practices as prescribed. We strive to be the employer of choice and comply with all employment laws and labor legislations.

Tri-Pack complies with the Factories Act and the core conventions of the International Labor Organization (ILO). We have the same labor rights for every Tri-Pack employee, wherever they work.

We strive to eliminate all forms of corruption, fraud, underage or compulsory labor and follow detailed compliance policies i.e. our code of conduct, which restricts any such incidents.

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.

Contribution to National Exchequer

Tri-Pack's contribution to the national exchequer in the form of sales tax, custom duties and income taxes etc. is approximately Rs 3,368 million in 2018.

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 comprehensive Business Continuity Plan in place. Formal trainings and drills are being conducted to impart and educate the people throughout the organization.

Corporate Social Responsibility

Our CSR activities are managed effectively and consistently in line with our mission. In recent years, it has been aimed solely to help people overcome disadvantages. We have, therefore, always sought partnerships with organizations that are invested in supporting health, wellbeing, social welfare and inclusion of differently abled people.

CSR for us in a nutshell is not just about giving back; it is also about being socially active and promoting inclusion. We are dedicated to uplift our community and we encourage other institutions to come forward and support innovations for the collective good of our nation.

2018 in particular, we strengthened our alliances with NOWPDP and Pakistan Foundation Fighting Blindness through the following initiatives:

- **NOWPDP, Karachi – Sindh**
Crowd Funding for Braille Printer, March 2018
Tri-Pack extended in kind support to BINA Foundation via NOWPDP for procurement of Braille Printer that shall be used in publishing school textbooks in Braille to be utilized in furthering education for visually impaired persons.
- **Retro-fitted Rickshaws, March 2018**
Funding of retro-fitted rickshaws to NOWPDP to support job creation for the community. NOWPDP has successfully developed 5 Hand-Controlled Rickshaws this summer to be operated by individuals with special needs. The objective was to enable a vehicle for job creation in our community. We hope that this endeavour will encourage other institutions to come forward and support such innovations for the collective good of our society.



- **Donation of Laptops for Skill-Development, February 2018**
Donation of laptops to NOWPDP classrooms for training and education of individuals with disabilities.
- **Pakistan Foundation Fighting Blindness (PFFB)– Punjab, May 2018**
We have been advocates for PFFB for over 4 years now. Our intent is to help them sustain their goals of educating, training, counseling and providing medical treatment to individuals with visual impairments through in-kind support.
- **Drinking Water for all**
Port Qasim, generally known for housing various large scale industries, is also home to families lying below the poverty line and improving access to safe drinking water has long been recognized as one of the main challenges of sustainable development.

Tri-Pack, having its manufacturing facility situated in the same area, has also recently established water filtration plants at its facility at Port Qasim. To facilitate the community we came up with an initiative to install taps outside the office building providing access to the locals for clean and safe water free of cost.





Functional and Operational Excellence

Overview of Key Objectives and Strategies

Our aspiration and passion is to create a better and improved today for a successful future and we base this in our operational objectives and strategies. To safeguard the sense of belonging we have towards our vision we attempt to inculcate it in our very actions and day to day dealings in all aspects of business.

Customer Service and Product Development

We believe in closely partnering with our customers to best understand their needs and build the synergies needed to ensure practical value creation. We constantly strive to provide optimal yet economical packaging solutions to our customers. Our efforts are immensely supported by our expertise in product development, which we tailor to the specific needs of the market and customer. Part and parcel to our customer service philosophy is to ensure operational prowess, we achieve by delivering material swiftly and in a timely manner.

Human Resource Development

Nurturing and growing our talent has always been at the top of our HR Objectives.

Our ultimate goal is to develop our talent, deliver processes and embed a culture such that it mirrors and supports Tri-Pack's business strategies.

To drive the right behaviors across the entire Group, a new set of values were introduced in 2018 that place greater emphasis on diversity, being customer-led, technically excellent, collaborative, accountable, energetic and decisive.

HR's efforts for the year were modelled around these values as we worked to develop a plan to place the right talent with the right skill-set at the right place through our: Career path program, efficacious workforce planning, robust performance management, rewards & recognition program, compulsive training programs, action planning to improve organizational health (engagement index), support initiatives for females at the workplace and increasing interface with the floor through people connects.

Operational Efficiency

We are aggressively working on maintaining and improving our operational efficiency through Total Productive Maintenance (TPM).

Third party foreign consultants were involved to benchmark our operational resources to optimize operational costs and efficiencies. Further, several training sessions were conducted on TPM which has given us the opportunity to compare our machine operations with international standards.

Tri-Pack has benchmarks in place to ensure machine efficiency and sanctity. In 2018, we upgraded our major production line to improve our processes and control costs.

Supply Management

At Tri-Pack, our constant engagement with both international and local suppliers has enabled us with an uninterrupted supply of high quality materials. We ensure that our relationship with our vendors add value to the entire chain.

Our warehouse management system and vehicle tracking system enables us in delivering on time and in full. The same is monitored on constant basis as the heart of our services is full customer satisfaction.

Internal Controls and Compliance

Tri-Pack has established standard operating procedures for processes that act as a guiding principle for our activities. The Company has engaged a well reputed audit firm to carry out internal audits of our processes. The findings of these audits are shared with the Board Audit Committee every quarter along with action points if any.

Risk Assessment

Risk assessment has always been a matter of utmost importance to the management. It is the responsibility of the management to identify the risk to its bottom line, assess its probability and impact and provide recommendations to mitigate all the possible risk faced by the Company.

Enterprise Risk Management (ERM)

An Enterprise Risk Management (ERM) exercise was undertaken whereby a bottom up approach for identifying potential risks by the department to business and operations. These risk were then bifurcated into strategic, operational and compliance and prioritized on the basis of their probability and impact. These risks along with their action plans, were incorporated in an ERM dashboard and were then approved by the Board of Directors.

Future Investment Plans

Tri-Pack Films Limited has a history of consistent expansion growth. We have expanded production capacity from 5,400 tons of BOPP to 66,800 tons and 8,000 tons of CPP to 17,000 tons.

The Company has installed and commissioned new waste recycling plant subsequent to year end. Further, Rs. 2.2 billion is approved and is expected to be invested in new and technologically advanced machinery. The investment pertains to acquisition of state-of-the-art machinery for the production of specialized films. Further, these investments are also aimed to improve efficiencies in the existing operational system.



A close-up photograph of a hand holding a bright green, 3D block letter 'H'. To the right of the hand, another identical green block letter 'R' is placed on a dark, textured surface. The background is a light, neutral color. The text 'Skill Benefits Training Talent' is overlaid on the right side of the image.

Skill
Benefits
Training
Talent

Human Resource

HR-Delivering Through Talent

Our people are behind every aspect of our strategy and are committed to delivering a superior product and outstanding customer experience.

Recognizing that our people make all the difference, Tri-Pack's utmost priority is to strive consistently to attract quality talent, hire and develop talent so that together we combine our strengths and skills to build a successful partnership that help us sustain our competitive edge.

We want our people to respond swiftly and effectively to challenges and opportunities, especially those that affect our customers. Our business activities and decisions are on the basis of retaining the trust of our customers, employees and all other stakeholders.



Polishing Our Talent's Skillset:

Accelerating top line growth is only possible through improved mastery, adaptability and depth of our talent's skill-set. Therefore, the Company focuses heavily on developing talent's competencies and individual career paths by helping them unleash their potential and get the most out of their jobs through both professional and personal development.

Career Growth is a two-way street; the individual's aspirations and performance are one side and the organization's interventions and plans are on the other. On the Organization's part, be it through on-job or external training workshops, job rotation opportunities, individual coaching or knowledge transfer through special projects & assignments, the goal is to nurture our people so they can have long, fulfilling careers with Tri-Pack and they are trained to deliver future-focused performances. Our training programs are consciously and specifically tailored in that way as well.

2018 focused on Compliance & Essentials' programs i.e. Safety, Values & Code of Conduct, SHE Essentials (NEBOSH & IOSH), Finance for Non Finance Managers, Care & Growth Leadership Excellence for Jr. Executives and the Leadership Advantage Program.

Detail	Participants			Total Man Hrs
	Mgmt	Non-Mgmt	Total	
Learning Programs	520	99	619	3,454
Machine SOP Trainings	353	1,949	2,302	900
Total	873	2,048	2,921	4,354

Valuing Diversity - A Diverse and Inclusive Organization

We believe that a diverse workforce is the key to achieving our goals. Our commitment to create a culture that provides equal opportunities for everyone and to ensure that people are always treated with dignity and respect has been at the forefront. Our senior leadership too is committed to bring together a diverse set of experiences and opinions. We strongly upheld the role of women in developing our society and

their valuable contribution in all spheres. Last year, Tri-Pack was delighted and honored to welcome Ms. Nermeen Chinoy on Board of Directors. She also visited the plant and interacted with the female staff.



Diverse teams are more creative, inclusive and competitive and better reflect the markets we serve. We offer equal opportunities in all aspects of employment and advancement regardless of race, nationality, gender, age, marital status, differently abled, religion and political beliefs.

Keeping in view the challenges faced by working mothers we opened our second day care facility. Tri-Pack values the bonding parents share with their children especially in their early years. Therefore, in an effort to provide a productive and inclusive work environment for employees with such parental concerns, we recently inaugurated another Day Care facility at the Head Office in Karachi in May 2018.

Employee Engagement

We firmly believe that a motivated, engaged and knowledgeable workforce is what will provide the best service for our customers.

Therefore, it is very important to us to understand the internal climate of the workplace and gauge engagement and satisfaction levels of our staff. Every year, our employees are invited to participate in an engagement study which allows us to measure engagement levels and identify ways to improve how we do things.

In 2018, we conducted an internal Engagement Pulse based on Mercer's Engagement Model to gauge the effectiveness of our action plans from the preceding year.

We have developed action plans at divisional levels to address the survey feedback; and our practice is to report progress on the same to the Management on an on-going basis during our MORs.

Engagement Studies are the basis for improvement at all levels of the Company and our solutions / deliverables are planned around the same.

To date, we have introduced Reward & Recognition Programs, Annual Cricket Tournament(s), Annual Picnic for our Operations' teams, Career Path Program and People Connects to improve the dialogue between our people and elevate their engagement levels.

We Care- Employee's Health ... Our Priority

Today, safety and health issues are of paramount importance for every organization. Tri-Pack believes that our employees' health is a key criterion to the success of the organization. Keeping this in view, we not only conduct medical screening for our potential employees before they join the company but also have annual health checkup programs for our employees. Last year, we collaborated with Dr. Essa Laboratory and Diagnostics and successfully concluded medical examination of our staff.

Attracting and Developing Talent For Success

In the last year, we have significantly increased the opportunities we provide to young talent to experience work at Tri-Pack. Opportunities include not just the work experience i.e lateral placement but also special focus on project based internships, apprenticeships and trainee program were stressed.

We extended our apprenticeship program, providing individuals with technical background with an opportunity to join our Manufacturing division. Our Trainee program has been in place for over four years and has supported graduates to join Tri-Pack through structured schemes. Besides, we invested in employee training and

development. Our core focus was on developing leadership and management skills in agile and competitive market; as well as initiatives to empower front line staff and improve overall capacity.

Our Company's growth is dependent on the growth of our employees, our asset; and keeping that in mind and the need to develop skill-sets of the future, the HR department targets employee development through various training & development activities.

Recognizing Performance

Tri-Pack has always rewarded its people based on their performance and contribution to its values and success.

This year we implemented a new Rewards Program by introducing two new awards; Employee of the Month Award and a bi-annual Safety Champions Award(s).

We want to recognize those who not only exceed performance expectations but also walk the extra mile and are truly autonomous when it comes to reinforcing safety and our values at the workplace.



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

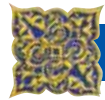
Shahrah-e-Roomi. P.O. Amer Sidhu Lahore - 54760
Packages Limited Lahore, Pakistan

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.

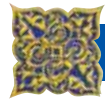


Calendar of Major Events



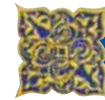
January '18

25th: Annual Sales Conference



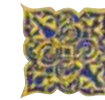
February '18

15th: 66th Annual BAC Meeting
16th: 120th Annual BOD Meeting
27th: CEO Townhall



March '18

4th: 121st BOD Meeting



April '18

20th: 26th Annual General Meeting
23rd: 67th BAC Meeting
24th: 122nd BOD Meeting
29th: 25 Years of Tri-Pack Films Limited



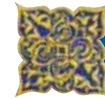
May '18

8th: Lean Six Sigma Awareness Session
12th: Finance Away Day



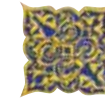
June '18

11th: Launch of 5 Hand Controlled Rickshaws- a Tri-Pack Community Initiative in collaboration with NOW PDP



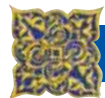
August '18

7th: Best Corporate and Sustainability Report 2017 (BCSR) Awards (Achieved 4th Position)
13th: Plantation Drive on Independence Day
15th: 68th BAC Meeting
16th: 123rd BOD Meeting
30th- Group Values Launch Session



September '18

24th: CEO Townhall



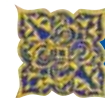
October '18

2nd: Extra Ordinary General Meeting
14th, 19th & 26th: Plant Away Day
17th: 69th BAC Meeting
18th: 124th BOD Meeting



November '18

13th: The Role of Mentorship in Developing Future Leaders - A KSBL Key Note initiative with Tri-Pack Films Limited



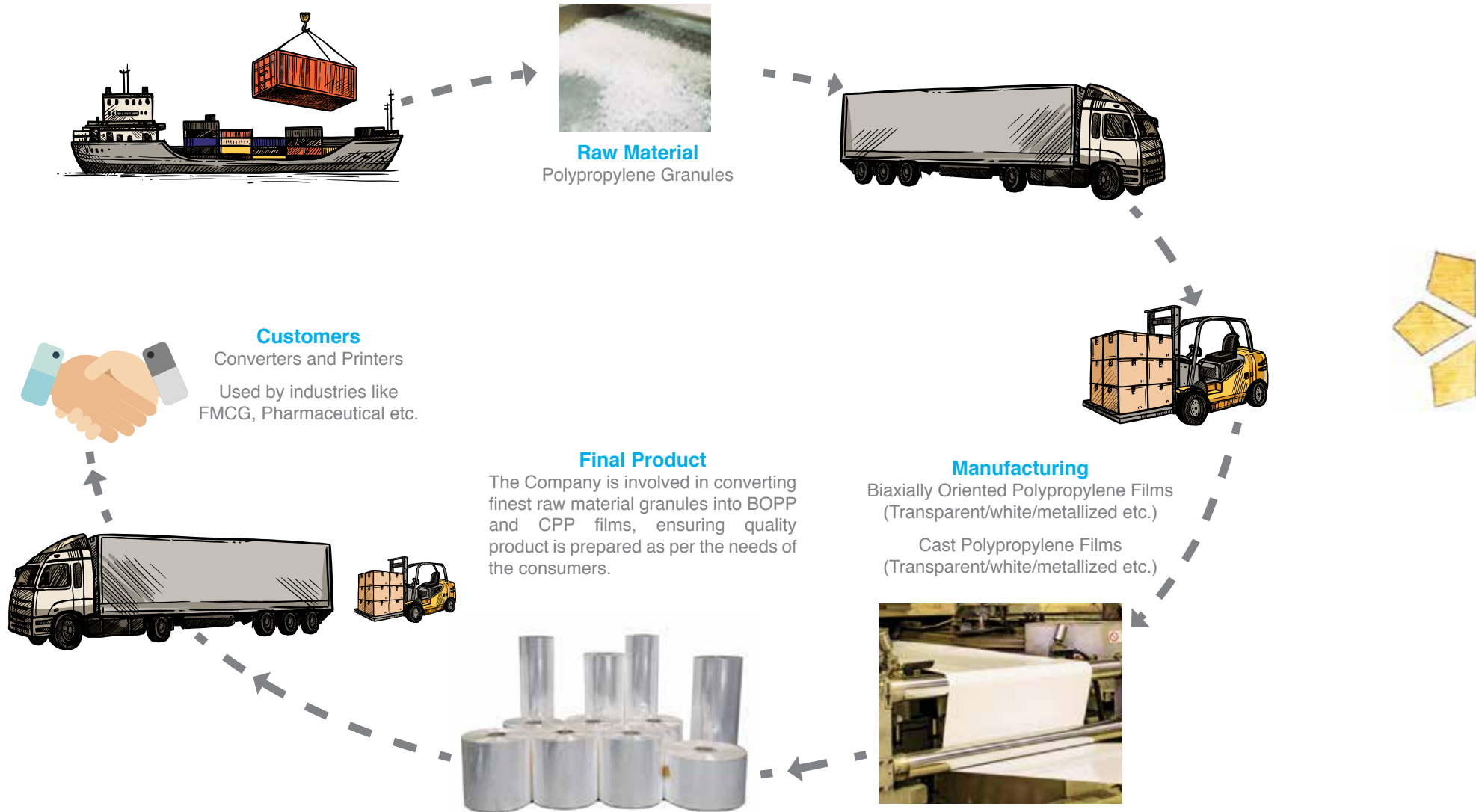
December '18

31st: Launch Ceremony of Tri-Pack's Awards & Recognition Program (Employee of The Month)



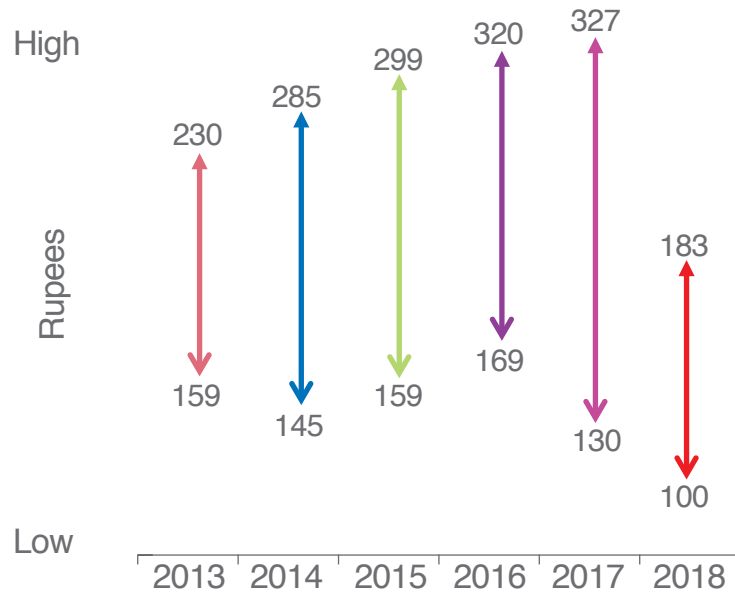
Position in Value Chain

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.



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 factors that influenced the performance of the Company as well as the share price.

Currency Exchange Rate

For Tri-Pack exchange rate is considered to be one of the most important factors that may affect the financial performance as majority of the raw material consumed are imported from various regions, therefore any change in currency exchange rate impacts the profitability. During the year, depreciation of Pak Rupee against US Dollar remained a continuous financial threat to the Company.

Economic Slowdown

The on-going economic slow down along with uncertainty in political situation of the country has made the business situation challenging which in turn will impact the operations of the Company and hence profitability.

Fiscal Policy

Imposition of minimum tax on import of raw material has a significant adverse impact on the profitability of the Company.

Monetary Policy

The Company has a high gearing therefore any increase in policy rates affects the profits of the Company. During the year, increase of policy rate by 425 bps had a significant impact on the profitability of the Company, thus affecting the share price.

Operational Efficiency

The Company is focused on product development and is constantly working upon innovating new films and improving the existing ones. Enhanced use of recycled films and improvement in the machine performance resulted in better operating efficiencies.

Further, upgrade of manufacturing line during the year will result in better productivity in the coming years.

Stock Market Performance

The stock market remained volatile during the year mainly due to political uncertainties, economic slowdown, exchange fluctuation and SBP policy rates. PSX 100 index started from 40,510 points and ended up at 37,067 points with the highest and lowest being 46,582 and 37,175 respectively.

Analysis of Resources

Liquidity, Cash Flow & Debt Management

The Company had a cash outflow from operations amounted to Rs 0.4 billion on account of conversion of LC terms from usance to sight coupled with slow recoveries due to poor liquidity in the domestic market. The Company is evaluating the economic condition specifically the USD-Pak Rupee parity and accordingly the vendor credit strategy will be adjusted, if required, to optimize cash flows.

The management, being cautious about the working capital, monitors the cash position through a dedicated reporting mechanism on daily basis as it affects the liquidity position and hence the cost to the Company.

The Company has financing arrangements with all the reputed banks and has obtained both short term and long term loans to fund its projects and to meet short term working capital requirements.

Capital Structure

Debt to equity ratio stood at 34:66 (2017: 40:60) as a result of increase in short term loan to meet working capital requirements.

Changes in Financial Position, Liquidity and Performance.

The Company's EBITDA declined due to increase in cost of sales on account of increase in raw material prices by 12% coupled with Pak Rupee depreciation against US Dollar by 16%. The increase in cost could not be fully passed on to customers due to slow market conditions and supply overhang.



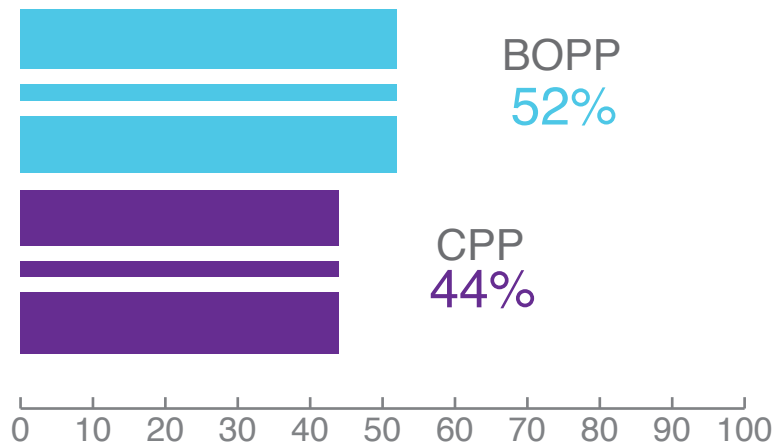
Analysis of Financial & Non-Financial Targets

At Tri-Pack, we have a robust mechanism of determining financial and non-financial targets for all the teams. Financial targets are set during the budgeting exercise, which after review and endorsement by the Executive Management Team are approved by the Board of Directors of the Company. These financial targets are cascaded down as the key performance indicators at departmental and individual level.

On the 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 scores, development and enhancement of employee skills, safety, health and environmental benchmarks, quality benchmarks, training and development targets etc.

These financial and non-financial targets set for the year 2018 have been achieved successfully.

Market Share Information

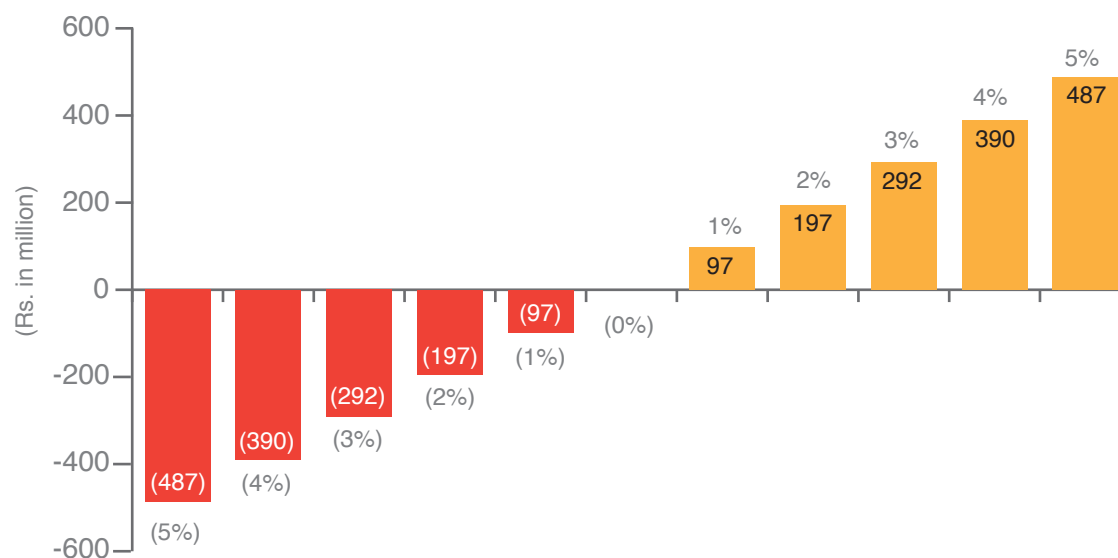


Sales Wise Segmentation



Sensitivity Analysis of Imported Raw Material Due to Exchange Fluctuation

The Company imports all of its raw material and is therefore exposed to foreign currency risk and is directly impacted by any change in the value of Pak Rupee against major currencies. Keeping all the factors constant, 5% increase or decrease in exchange rate would have an impact of Rs. 487million.




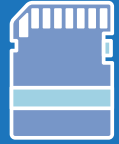
Significant Change from Prior Year


The Financial Statements of the Company were prepared in accordance with the requirements of the Fourth Schedule of Companies Act, 2017. The said implementation resulted in additional information which are disclosed in the annexed financial statements.


During the year, with regards to the operations, the Company has undergone a major upgrade of BOPP Line 4 which has resulted in the improvement in product quality and operational efficiencies. Further, due to conversion of LC terms with suppliers from usance to sight and slow recovery from customers resulted in significant increase in short term borrowings of the Company.


PESTEL Factors Affecting the Company


Description	Factor
<p>Uncertainty in the political environment affects business conditions and market. Therefore, political uncertainty adversely affects the performance of the Company.</p> <p>The Company on regular basis monitors the political and security environment and take appropriate decisions to avoid any adverse impact on the Company's business.</p>	<p>Political</p> 

Factor	Description
<p>Technological</p> 	<p>Advancement in technology often plays a vital part in the growth of a Company. Not catching up with technological advancements curtails process and product advancement which adversely affects results.</p> <p>Tri-Pack is persistent in product development and innovation along with reducing its cost of production through technological advancement like the upgrade of BOPP Line 4 and ordering of advanced slitting machine and recycling unit.</p>

Description	Factor
<p>Every manufacturing Company has its impact on environment.</p> <p>Tri-Pack believes in bringing improvement in the environment, prioritizing sustainability and environmental protection. To do that, we have adopted the sustainable development goals set by the UN and is able to achieve 4 of the goals with 2 of them in process of achieving. We ensure efficient utilization of our resources and therefore is in compliance with National Environment & Quality Standards (NEQs) for both effluent and chemical handling. We also ordered a new recycling machine unit to enhance usage of recycling material. Further, we have developed automated workflows in order to enhance the paper less environment.</p>	<p>Environmental</p> 

Factor	Description
<p>Economical</p> 	<p>Economic factors including inflation rates, mark-up rates and exchange rate directly impact the economy, which affects the performance of the Company.</p> <p>Tri-Pack monitors the economic KPI's and take proactive measures to consolidate on positive economic indicators while countering the negative ones. In 2018, we change the LC terms with suppliers for usance to sight to avoid the impact of depreciation of Pak Rupee against major currencies. However, overall economic slowdown generally affects the Company's performance.</p>

Description	Factor
<p>The Company fulfils its Corporate Social Responsibility by actively contributing towards the welfare of the society.</p> <p>During the year we donated rickshaws for persons with special needs, laptops and braille printers to NOWPDP.</p>	<p>Social</p> 

Factor	Description
<p>Legal</p> 	<p>Companies are required to follow all the legal requirements that are applicable to the industry it operates in.</p> <p>Tri-pack abides by all the applicable laws like Companies Act 2017, Income tax Ordinance 2002, Code of Corporate Governance, laws related to labour, environment etc.</p>

Resource Allocation Plan

Human Capital

Our people are behind every aspect of our strategy and are committed to deliver a superior product and outstanding customer experience. It is very important to us to understand the internal climate of the workplace and gauge Engagement and Satisfaction levels of our staff. Every year, our employees are invited to participate in an engagement study which allows us to measure engagement levels and identify ways to improve how we do things. Further, on the Organization's part, be it through on-job or external training workshops, job rotation opportunities, individual coaching, or knowledge transfer through special projects & assignments, we nurture our people so they can have long, fulfilling careers with Tri-Pack and they are trained to deliver future-focused performance.

Manufactured Capital

Tri-Pack has installed four BOPP Lines and two CPP Lines. During the year, one of the lines was upgraded to enhance operational efficiency when it comes to waste reduction and quality enhancement. Besides that the Company has several metallizers and slitting machines to cater customer's specific requirements. Further, with the use of recycling machines, majority of the plastic waste is recycled and is reused in the production process. We lay strong focus on maintaining machine integrity through our TPM process. We encourage Kaizen and staff are rewarded on the quality of Kaizens. Full utilization of plant maintenance module on SAP helps in maintenance of plant ensuring machine integrity.

Financial Capital

As at December 31, 2018, the Company has a debt to equity ratio of 34:66 and an outstanding long term loan of Rs 1.92 billion including current maturity which has reduced from last year due to scheduled repayments. Further, the short term borrowings stood at Rs 4.8 billion, which has increased due to increase in working capital requirements. However, the short term financing is expected to reduce with better profitability and focus on working capital management.

Intellectual Capital

The Company is operating in an environment where internal and external customers are being provided with complete technological support when it comes to ERP. Extensive utilization of SAP, automated workflows and portals improve efficiency and controls. We have state of the art research and development wing with sophisticated equipment for innovation and

quality enhancement. On external front, we have developed customer portal which helps in tracing their complaints and order status.

Social and Relationship Capital

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. 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. Further to fulfil social responsibilities we actively coordinate with various organizations.

Liquidity Strategy and Financing Position

Current Liquidity Strategy

The liquidity position of the Company is stable with the unutilized short term facilities of Rs 1.95 billion. The Company on daily basis monitors its cash position and makes proactive decisions either to utilize the available limits or to enhance the limits if any in order to meet the working capital requirements. Company has never failed in scheduled repayments of long term loans.

As at December 31, 2018 the outstanding loan in the Company's books is Rs 6.78 billion out of which short term financing is Rs 4.8 billion. The short term loan is expected to reduce with extensive focus on working capital management.

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 competitive mark-up rates, the repayment of which is as per schedule.

Significant Plans and Decisions

The Company has already announced its project plans in 2018, which are expected to be executed in 2019. However, the Company has now planned to execute it in 2019.



Risks and Opportunities

Tri-pack Films limited has always been focused to mitigate all possible risks faced by the Company and avail opportunities to increase market share and business. Tri-pack has always considered the appetite of shareholders before taking decision ensuring that they are in the best interest of the business.

Risks

Risk	Mitigating Factor
<ul style="list-style-type: none"> Decrease in duty of films. Increase in duty of raw materials. Increase in smuggling of films through Afghan Transit. 	<p>Anti-dumping duty is in place against import of finished films from different countries. Moreover, Regulatory Duty is kept in check and coordination with relevant government agencies through external consultants is done regularly. Any new tax is paid on merit basis only and any unconstitutional move is challenged through tax consultants and legal advisors.</p> <p>In case of removal of anti-dumping or regulatory duties there will be irreparable loss to the industry.</p>
<p>Gas availability reduction in gas pressure or deterioration in gas quality resulting in low load on engines and production losses.</p>	<p>In case of recurrent gas load management / shut down generators are rented at significant cost.</p> <p>Also, quality of gas is being monitored on constant basis and in case of identification of quality issues furnace oil engine is used to compensate for load reduction.</p>
<p>Adverse law & order situation in the operating environment disrupting normal business operations (Terrorism, security threats, strikes, riots etc.).</p>	<p>A threat alert system is in place whereby security head proactively communicates with staff on current security situation of the city. In case of any unforeseen security situation, appropriate security measures are taken as per the security protocol. All emergency numbers have been communicated to staff.</p>
<p>Mishandling/ damage to materials during loading, unloading and transit due to vehicle breakdown, road conditions, use of improper equipment etc.</p>	<p>Proper handling is ensured at the workplace. In transit insurance is available.</p>
<p>Cyber security threat/ password hacking or information integrity compromise (e.g. wrong/ unauthorized postings)/ information leakage.</p>	<p>Both hardware and software firewalls installed and updated on real time basis. Updated anti virus is installed on computers.</p>
<p>The risk that taxes will increase or an audit will reassess taxes of previous years and enhance the assessment.</p>	<p>Since we obtain exemption certificate based on our refunds, tax is reassessed usually. However, self assessment is rarely enhanced. We file self assessment through our tax consultants after thorough calculations and verifications.</p>
<p>Fluctuation in exchange rate will have a significant impact on the profitability of the Company as all of our raw material is imported.</p>	<p>Timely monitoring is done to ensure that the risk in this respect is mitigated.</p>

Opportunities

Opportunities	How to Achieve them?
Exploring potential market opportunities	<p>The Company is focused on innovation and product development to enter new market and attract demand.</p> <p>Further, we are targeting to enter untapped international markets.</p>
Available capacity to diversify products and cater large orders	<p>The Company is committed to exploit all potential markets, both locally and internationally, to maximize volumes and improve market share.</p>
Reduction in cost of production by adopting latest technology solutions	<p>We have ensured that manufacturing lines are timely repaired and preventive maintenance is carried out for smooth production. We have recently upgraded our manufacturing line to improve quality and productivity and installed a new recycling unit to reduce cost.</p>
To move towards specialized films market	<p>Continuous research and development is being done. Further investment plans are in place to enter into specialized films' local and export market.</p>



Materiality Approach

Materiality has been approved by the Board of Directors as per the requirement of Code of Corporate Governance. Materiality has been defined on Profit and Loss and Balance sheet line items. Based on this, the Board of Directors of Tri-Pack Films Limited has approved authority remits and power to the Company's management for taking day to day decisions.

In order to execute day to day operations/ transactions delegation of powers has also been defined clearly and formalized procedures are followed.



Corporate Governance

Statement of Ethics & Business Practices

- A. Tri-Pack Films Limited shall endeavour to promote fair business practices and conduct the business with the principles of integrity, objectivity and financial prudence.
- B. It is the policy of the Company to comply with all applicable laws, rules and regulations. Violations may result in disciplinary actions.
- C. All employees are expected to adhere to all internal corporate rules and policies in the performance of their jobs.
- D. Employees must avoid conflicts of interest between their private financial activities and conduct of Company business.
- E. All managers and supervisors shall be responsible to see that there is no violation of law, within their area of responsibility and take proper measures within corporate policy framework and financial ethics standard.

Corporate Governance Framework

Our Corporate Governance framework is designed to ensure that the Company embodies its core values and principles that emphasize on high standards of integrity, transparency and trust at all levels of the organization. Our policies and practices are to ensure that the Company is managed with integrity in the best interest of shareholders. In addition, we are committed to upholding sound principles of corporate governance and to meeting the requirements of all statutory laws and regulations of the Country. The Board of Directors has adopted Code of Corporate Governance, which along with the charters of the Board Committees, the Company's Code of Conduct for employees and operational policies and procedures, provide the framework for the governance of the Company.

Internal Control Framework

The Board of Director through senior management is responsible for the Company sound internal control system and reviewing its effectiveness. The purpose of internal control framework, whilst ensuring conduct of business in smooth, orderly and efficient manner is to:

- Protect and safeguard the Company's assets;
- Prevent and detect fraud and error;
- Ensure the completeness and accuracy of the financial records;
- Comply with management policies and procedures.

The internal control system and compliance are monitored through well documented Standard Operating Procedures (SOPs) and a combination of audit reviews and periodic performance monitoring.

While developing controls, the extent and cost of control procedures are assessed with a view to reduce risk to an acceptable and cost effective level.

Audit

Tri-Pack has an effective Internal Audit function which has been outsourced to EY Ford Rhodes, Chartered Accountants. The Head of Internal Audit functionally reports to the Audit Committee. The Board Audit Committee approves the audit program, based on the annual risk assessment of operating areas and periodically reviews the appropriateness of this function. The Internal Audit function carries out reviews on the financial, operational and compliance controls and reports on findings to the Board Audit Committee.

Risk Assessment

The Company is working in an environment with constant view of risk involved and so the Company has maintained a risk register which assists the management in taking possible actions to reduce the consequences of the risks associated to the Company. Risks are identified by different departments and considering the probability and impact, scores are assigned to each risk. Management then recommends and ensures that mitigating controls are in place. The risk register is approved by the Board of Directors and reviewed on periodic basis.

Insider Trading Policy

The Company has a defined policy on insider trading. The purpose of this policy is to set forth guidelines on purchase or sale of securities while in possession of inside information. It is the responsibility of the Company to inform the public as soon as possible of inside information which directly concerns the securities. However, it may delay the public disclosure of inside information in order not to prejudice legitimate interests, provided that such delay does not mislead the public and provided further that the company is able to ensure the confidentiality of the information. Decision to delay the public disclosure of inside information shall be communicated to SECP forthwith.

The policy requires all employees to maintain confidentiality of inside information at all times. The Company takes effective steps to maintain and update a list of employees who have access to inside information. Moreover, according to the policy no employee shall transact directly or indirectly in Company's securities while in possession of inside information.



Related Party Transactions

As required under Fourth Schedule to the Companies Act, 2017, detailed disclosures regarding related party transactions have been presented in note 35 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.

Approved Policy for Related Party Transactions

The Board of Directors has approved a policy for Related Party Transactions, which require that the Company shall carry out transactions with its related parties on an arm's length basis in the normal course of business. The term 'arm's length' requires conducting business on the same terms and conditions as the business between two unrelated / unconcerned persons. The policy specifies that all transactions entered into with related parties shall require Board's approval.

IT Governance

Tri-Pack believes that without strong IT Governance, the business value of IT is substantially impaired and the organization becomes subject to the inefficiencies of short-term, tactical IT deployments, unproductive use of human resources and IT assets, breaches of data security and regulatory requirements. IT Governance structure fully capable of meeting business and reporting challenges is in place.

The Board Audit Committee

The Committee meets at least once every quarter and assists the Board in fulfilling its oversight responsibilities, primarily in reviewing and reporting financial and non-financial information to shareholders, systems of internal control and risk management and the audit process. It has the power to call for information from management and to consult directly with the external auditors and other advisors as considered appropriate. The Chief Financial Officer regularly attends the Audit Committee meetings by invitation to present the accounts. After each meeting, the Chairman of the Committee reports to the Board the committee recommendations.

Directors

The Board is comprised of two Non-Executive Independent Director and six Non-Executive Directors. The Board has the collective responsibility for ensuring that the affairs of the company are managed competently and with integrity. All Board members are given appropriate documentation in advance of each Board meeting. This normally includes a detailed analysis on businesses and full papers on matters where the Board requires to make a decision or give its approval.

Directors' Training

Three of our Directors, Syed Aslam Mehdi, Mr. Kimihide Ando and Mr. Khurram Raza Bakhtayari have obtained the prescribed certifications under the Directors Training Program. Mr. Yukio Hayasawa and Mr. Nasir Jamal (Deemed Director) have yet to obtain certification under the Directors Training Program. The remaining Directors have a minimum of 14 years of education and 15 years or more experience on the Boards of listed companies, and hence are exempt from the Directors Training Program.

Female Director

The requirement for a female Director on the board of a listed company has been recently mandated by the new Company laws. Tri-Pack Films Limited has inducted a Female Director on its Board in the election of Directors conducted during the year.

Independence, Conflict of Interest & Material Interest

As per the requirements of law the Board includes two Non-Executive Independent Director out of which one is the Chairman of Board Audit Committee and Human Resource & Remuneration Committee. Material interests are reviewed regularly to avoid any conflict of interest. Every employee and executive is expected to be honest and ethical in dealings with each other, with customers, suppliers, contractors in order to avoid compromises on the ability of transacting business on competitive basis.

The Directors of the Company disclose their memberships / directorships in other corporate bodies as per the requirements of Companies Act 2017.

Moreover, a vigorous mechanism to report exceptions, if any to the office of Internal Audit Function has been established within the Company to ensure that Company's resources are utilized in the shareholders best interest.

Role of the Board

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.

Remuneration Policy of Non-Executive, Including Independent Directors

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 based on market trend. Nominee directors from Group Companies and Mitsubishi Corporation, Japan shall not be entitled to receive board/committee meeting fees. If a director is resident out of the place at which any board/committee 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.

Governance Practices Exceeding Legal Requirements

Tri-pack Films Limited has always believed in going the extra mile and staying ahead of the game. 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. We have also carried out the following activities in addition to the legal requirements;

- a. Other information: The management reports various other essential information in this annual report which is not required by law.
- b. Dispersal of information: the Company has always ensured that all material information is communicated to the PSX, the SECP and the Company's shareholders as soon as it becomes available. At all times we

have ensured that such information is sent out much before the deadlines set out in the laws.

- c. Implementation of SHE: the company has developed and implemented aggressive SHE strategies at its Plants to ensure 100% safety of its people and equipment.

Statement of Management's Responsibility towards the Preparation and Presentation of Financial Statements

The Company, its Board of Directors and the management have always been keen to follow the standards set down by governing institutions. In light of the same strict compliance of all standards set out by ICAP, the Companies Act, the International Financial Reporting Standards have been made.

Annual Evaluation of the Board

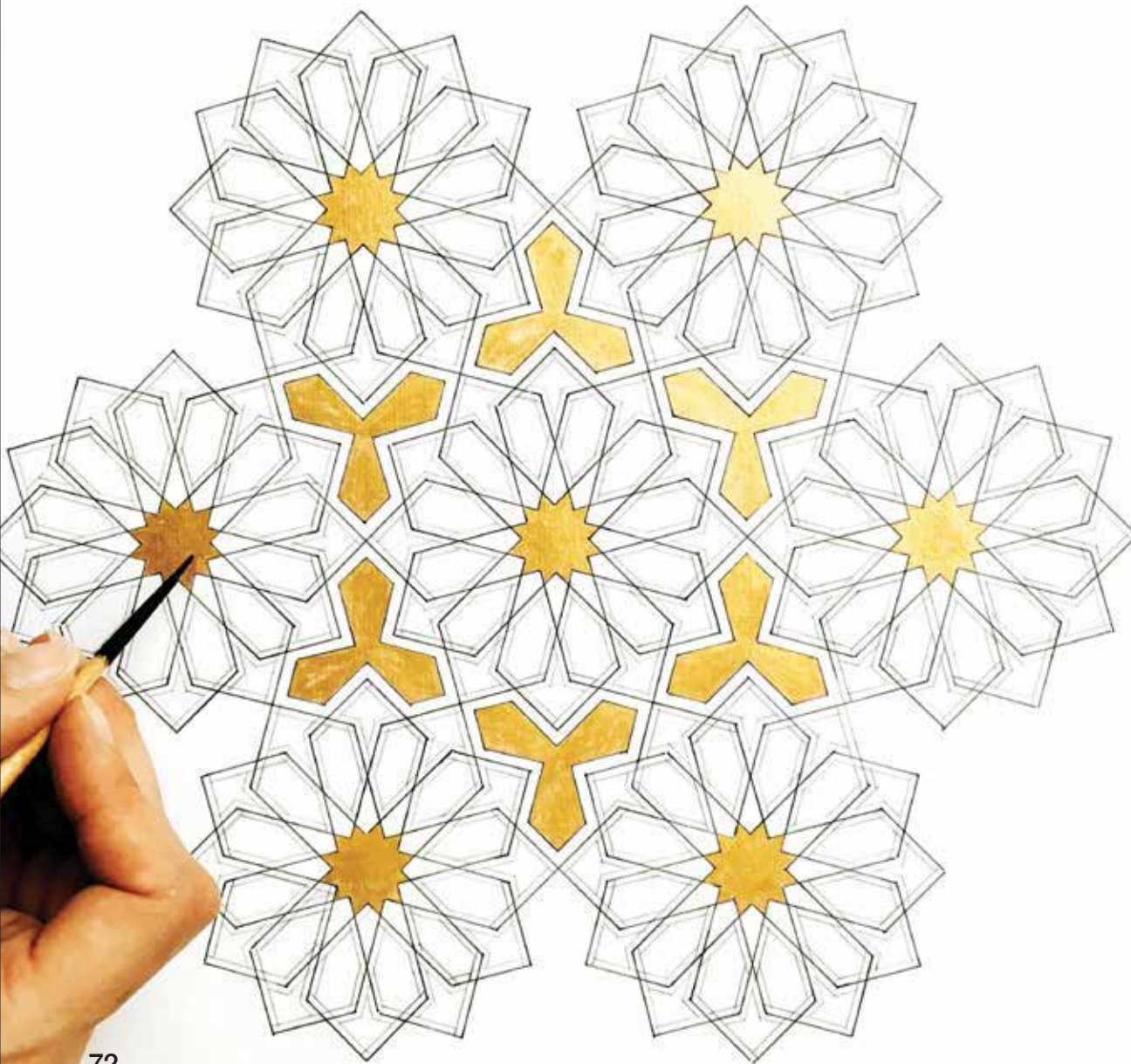
The Board evaluation mechanism recognizes the effectiveness and efficiency of the board in meeting their objectives and to evaluate their performance for providing strategic direction and oversight to the management.

For this purpose, on an annual basis a questionnaire is circulated amongst the board members, which is filled and submitted anonymously to the board. The effectiveness of the Board's performance is evaluated against following criteria:

- **Objectives, Strategy and Remits**
The Board devotes quality time in ensuring that their objectives are in lines with those of the organization and adopts the concept of 'Goal Congruence'. It helps in identifying whether goals are being achieved and strategically implemented during the year.
- **Performance Measurement**
The Board has a good understanding of the performance of the organization and takes collective responsibility as a team.
- **Propriety, Fraud and Other Leakage**
The Board ensures that the 'Whistle Blowing Policy' as set out is implemented throughout the organization and takes step to address, if any, failure or perceived weakness.
- **Risk Management**
The Board has a sound process for identifying and reviewing any significant risk and continuously the performance of the company, keeping an eye on economical factors that might adversely affect the performance of the Company.



Board of Directors



Syed Babar Ali - Chairman

Mr. Ali is the founder of various industries and social welfare institutions. He is the Chairman of Board of Directors since inception of the Company. Besides Tri-Pack, he is the Chairman of Ali Institute of Education, Babar Ali Foundation, Coca Cola Beverages Pakistan Limited, IGI Holdings Limited, Industrial Technical & Educational Institute, National Management Foundation, Sanofi-Aventis Pakistan Limited, Syed Maratib Ali Religious and Charitable Trust Society and Tetra Pak Pakistan Limited. Mr. Ali is also a Director in Nestle Pakistan Limited, Pro-Chancellor of Lahore University of Management Sciences (LUMS) and a Board member of Gurmani Foundation.



Syed Hyder Ali

Mr. Ali is a Non-Executive Member of the Board since inception. He has done his Masters in Sciences from Institute of Paper Chemistry. He holds Directorships in several other companies including Bulleh Shah Packaging (Private) Limited, Flexible Packages Convertors (Pty) Limited, IGI General Insurance Limited, IGI Holdings Limited, IGI Investments (Private) Limited, IGI Life Insurance Company Limited, Nestle Pakistan Limited, Packages Construction (Private) Limited, Packages Lanka (Private) Limited, Packages Limited, Sanofi-Aventis Pakistan Limited and Tetra Pak Pakistan Limited. He is also serving on the Boards of certain philanthropic, educational, charitable and business support organizations including Babar Ali Foundation, Pakistan Centre for Philanthropy, World Wide Fund for Nature, National Management Foundation, Packages Foundation, Syed Maratib Ali Religious and Charitable Trust Society, Ali Institute of Education, International Chamber of Commerce, Pakistan and Lahore University of Management Sciences (LUMS).



Mr. Kimihide Ando

Mr. Ando is associated with the Company as Non-Executive Director. He is the General Manager for Mitsubishi Corporation of Japan's operations in Pakistan. He has a degree in liberal arts from the International Christian University, Tokyo, Japan and has been with Mitsubishi Corporation for around 31 years. He has a diverse experience in chemicals. He joined the Tri-Pack Board in 2010 and is also on the Boards of Engro Polymer & Chemicals Limited, Punjab Board of Investment and Trade and Vice President of Pakistan Japan Business Forum. He is also a Member Governing Body - Liaquat National Hospital.



Mr. Khurram Raza Bakhtayari

Mr. Bakhtayari, currently the Chief Financial Officer of Packages Limited, is 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 16 years of experience in Pakistan in the field of corporate finance, accountancy, treasury, auditing, corporate affairs and administration. He holds Directorships in several other companies including Anemone Holdings Limited, Bulleh Shah Packaging (Private) Limited, DIC Pakistan Limited, Flexible Packages Convertors (Pty) Limited, IGI Life Insurance Company Limited, IGI General Insurance Limited, IGI Investments (Private) Limited, Maxim International (Private) Limited, OmyaPack (Private) Limited, Packages Construction (Private) Limited, Packages Lanka (Private) Limited and Tetra Pak Pakistan Limited.





Syed Aslam Mehdi

Mr. Mehdi serves on the Board of Directors of Tri-Pack Films Limited. Formerly, he was the General Manager at Packages Limited. He has been affiliated with the Packages Group since 1980 from where there was no looking back. Having a Master's Degree from IBA, Mr. Mehdi brings with him a wealth of management experience, especially in the areas of Marketing, Operational Excellence and People Management. Currently, Mr. Mehdi is also serving on the Boards of Bulleh Shah Packaging (Private) Limited, DIC Pakistan Limited, Packages Construction (Private) Limited, Packages Foundation, Packages Limited, Package Lanka (Private) Limited, Pakistan Japan Business Forum, Printcare Plc, Sri Lanka, Tetra Pak Pakistan Limited, and Member - National Management Foundation (LUMS).



Mr. Asif Qadir

Mr. Qadir holds a degree in Chemical Engineering from Columbia University, New York, USA. He was elected as Non-Executive Independent Director of the Company on October 03, 2012. He serves on the Boards of Descon Oxychem Limited, Thal Limited and Cherat Cement Limited. He is Chairman of the Board for Unicol Limited and Member Governing Body - Liaquat National Hospital.



Mr. Yukio Hayasawa

Mr. Hayasawa is a Non-Executive Member of the Board. A graduate from Nagoya University, he joined Mitsubishi Corporation of Japan in 1991. He has trading experience in a variety of chemical products, such as industrial/coating chemicals and plastics. He has work experience at Mitsubishi Corporation Plastics Ltd (a Japanese plastics trading house), a subsidiary of Mitsubishi Corporation.

Currently, he is serving as a General Manager at the Plastics Department of Mitsubishi Corporation.



Ms. Nermeen Chinoy

Ms. Chinoy began her career in corporate banking at Bank of America NT & SA. She went on to work at the Dawn Media Group in 2005 where her primary responsibility was as Chief Executive of the radio network, City FM89. Since 2012 Ms. Chinoy has been based in Dubai running her own trading company dealing in products from United Arab Emirates, Italy, and Pakistan. Ms. Chinoy did her schooling in Karachi and subsequently earned her undergraduate degree in Economics from Smith College, USA. She has over twenty years of experience in the varied fields of banking, media, manufacturing, and trading.

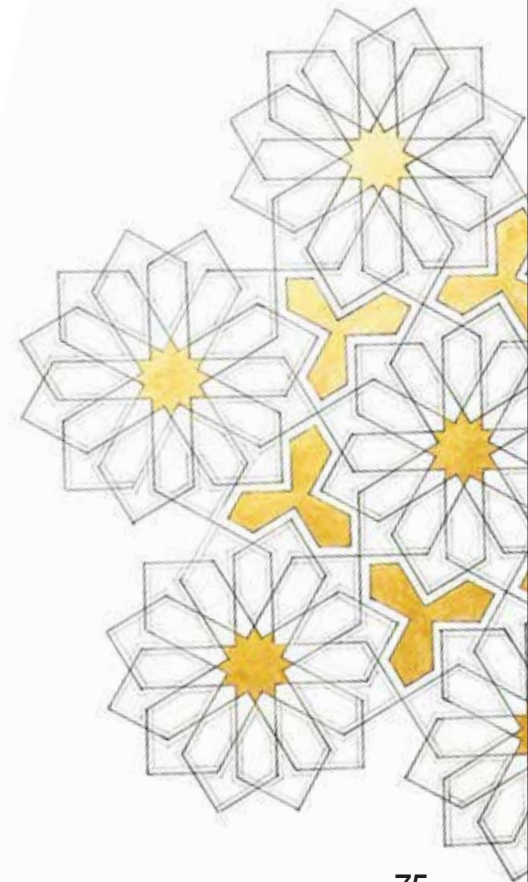


Mr. Nasir Jamal

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 multitude of senior positions at different financial and manufacturing organizations, with his last 8 years of service at ICI Pakistan Limited as General Manager Finance. Mr. Jamal is a fellow member of the Institute of Chartered Accountants of Pakistan.





Principal Board Committees

Executive Committee

- Mr. Kimihide Ando (Chairman)
- Syed Hyder Ali
- Mr. Khurram Raza Bakhtayari
- Syed Aslam Mehdi

The Executive Committee ensures effective and efficient operations of the Company. They meet periodically to assess the progress of the Company against the set targets. The Committee is authorized to conduct every business except the business carried out by the Board of Directors as required by Section 183 of the Companies Act, 2017.

Audit Committee

- Mr. Asif Qadir (Chairman)
- Mr. Kimihide Ando
- Mr. Khurram Raza Bakhtayari
- Ms. Nermeen Chinoy
- Mr. Yukio Hayasawa

Terms of Reference of Board 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 quarterly, half-yearly and annual 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;
 - Compliance with applicable accounting standards;
 - Compliance with regulations and other statutory and regulatory requirements; and
 - All related party transactions.
- c) Review of preliminary announcements of results prior to 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 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 characterised 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 system 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;
- 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. 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; and
- p) Consideration of any other issue or matter as may be assigned by the Board of Directors.

Functional Responsibilities

The Committee shall have the following responsibilities:

Financial statements

- Review of preliminary announcements of the Company's results prior to publication and consider whether they are complete and consistent with the information known to Committee members.
- Review of the quarterly, half-yearly and annual financial statements of the Company prior to their approval by the Board of Directors. The review should focus on:
 - Major judgmental areas
 - Complex or unusual transactions or significant adjustments resulting from the audit
 - Going concern assumption
 - Changes in accounting policies and practices
 - Compliance with applicable accounting / reporting standards
 - Compliance with listing regulations and other statutory / regulatory requirements
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- If necessary and as determined by the Board Audit Committee, review with management, internal auditors and with Legal department, any litigation, claims or other contingency, including tax assessments that could have a material effect on the Company's financial position or operating results.

Compliance, risk & internal control

- Monitor compliance with best practices of corporate governance by the Company under its management control as well as identification and steps to correct significant violations thereof.
- Review reports on violations of business ethics and conflicts of interest issues at the Company under its management control and monitor compliance with the Company's relevant policies.
- Review and handle complaints according to the Company's whistle blowing Policy.
- Monitor compliance with relevant statutory requirements and review findings of any examinations by regulatory agencies
- Determine the effectiveness of measures to safeguard Company's assets.
- Review business contingency plans for managing high risk areas.
- Review management's policies and practices and ascertain the adequacy and effectiveness of the Company's system of internal control, including financial and operational controls, accounting system and reporting structure, and information technology security and control.
- Review Company's statement on internal control systems prior to endorsement by Board of Directors, and deviations from this system which may cause material affects on its financial position and operating results
- Perform any other overseeing functions as requested by the Board of Directors.

Internal audit

- Review the organizational structure, qualifications, skills set and experience of the Internal Audit function and ensure that it has adequate resources to effectively carry out its role.
- Review the overall internal audit scope and extent, the annual audit plans and all major changes thereto at the Company and monitor implementation.
- Review and concur in the appointment, remuneration and performance of Company's Head of Internal Audit.



- Review internal auditors' findings and recommendations including major findings of internal investigations and management's responses/corrective actions. Report matters of audit significance to the Company's Board.

External audit

- Facilitate the external audit and ensure external auditor's coordination with internal audit including review of internal audit reports by external auditors.
- Review the performance of the Company's external auditors and recommend to the Board on matters regarding their appointment, fees or discharge.
- Review and confirm the independence of the external auditors by obtaining written statements from them regarding any interests, other than auditing fees, that they may have in the Company and nature of their relationship with the Company, including non-audit services or employment of former employees of the external auditors.
- Examine external auditor's internal control memorandum / management letters on internal accounting controls and other audit findings and also review management's responses thereto.

Reporting responsibilities

- Annually report to the Board of Directors about committee activities, issues, and related recommendations.

Human Resource and Remuneration (HR&R) Committee

- Mr. Asif Qadir (Chairman)
- Mr. Kimihide Ando
- Syed Aslam Mehdi
- Mr. Khurram Raza Bakhtayari

As per the requirement of the Clause (xxv) of the Code of Corporate Governance 2012 a Human Resource and Remuneration (HR&R) Committee was formulated in 2012.

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) Recommend 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 name, qualifications and major terms of 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; and
- f) Where human resource and remuneration consultants are appointed, their credentials shall be known by the Committee and a statement shall be made by them as to whether they have any other connection with the Company.



Executive Management Team



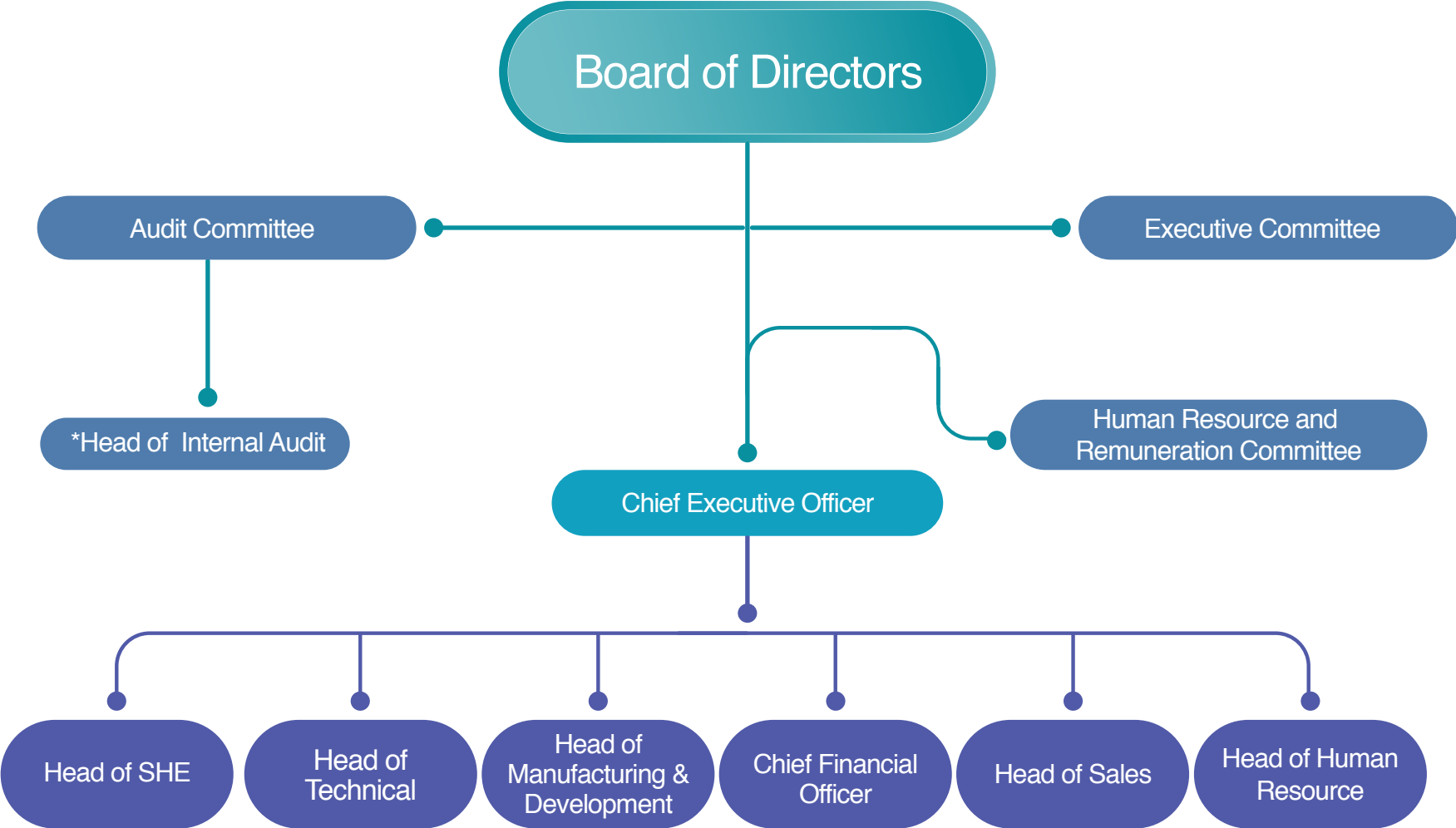
Seated Left to Right:

Mr. Ahmad Akhtar Rehman – Head of SHE
Mr. Mohammad Monir Khan – Head of Technical

Standing Left to Right:

Mr. Shafiq Afzal Khan – Chief Financial Officer
Mr. Adnan Sultan – Head of Manufacturing & Development
Mr. Nasir Jamal – Chief Executive Officer
Mr. Taimoor Ahmed – Head of Human Resource
Mr. Mohammad Omar Khan – Head of Sales

Organizational Structure



*Coordinator. Internal Audit is outsourced to M/s Ernst & Young Ford Rhodes, Chartered Accountants

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulations, 2017

The Company has complied with the requirements of 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:
 - a) Independent Directors 2
 - b) Other Non-executive Directors 6
 - c) Executive Directors -

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 Board of Directors was elected on October 02, 2018 including the two Independent Directors. The Company has sought clarification from the SECP in respect of another Independent Director in the composition of the Board of Directors taking into account the rounding off factor.

3. The Directors have confirmed that none of them is serving as a director on more than five listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by 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. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board of Directors have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.

9. The Company arranged one orientation course for its Directors during the year to apprise them of their duties and responsibilities.

With the exception of Mr. Yukio Hayasawa and Mr. Nasir Jamal (Deemed Director), all Directors have either obtained certification under the Directors Training Program or have minimum of 14 years of education and 15 years or more experience on the Board of listed companies.

10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the Board.
12. The Board has formed Committees comprising of members given below:

a) Audit Committee:

Mr. Asif Qadir (Independent Director)	-	Chairman
Mr. Kimihide Ando (Non-Executive Director)	-	Member

Mr. Khurram Raza Bakhtayari - Member
(Non-Executive Director)

Mr. Yukio Hayasawa - Member
(Non-Executive Director)

Ms. Nermeen Towfiq Chinoy - Member
(Independent Director)

b) Human Resource and Remuneration Committee (HR&R):

Mr. Asif Qadir - Chairman
(Independent Director)

Mr. Kimihide Ando - Member
(Non-Executive Director)

Mr. Khurram Raza Bakhtayari - Member
(Non-Executive Director)

Syed Aslam Mehdi - Member
(Non-Executive Director)

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 (quarterly/half yearly/ yearly) of the Committees were as per following:

a) Audit Committee Quarterly

b) Human Resource and Remuneration Committee (HR&R) As and when required

15. The Board has set up an effective internal audit function.

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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

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 other requirements of the Regulations have been complied with.



Karachi:
Date: February 26, 2019

Syed Babar Ali
Chairman

Review Report to the Members

Review Report on the Statement of Compliance contained in Listed Companies
(Code of Corporate Governance) Regulations, 2017



A·F·FERGUSON&CO.

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Tripack Films Limited for the year ended December 31, 2018 in accordance with the requirements of regulation 40 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

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, 2018.

Further, we highlight below the instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:

S. No.	Paragraph Reference	Description
(i)	2	The minimum number of independent directors required to be elected.

Chartered Accountants
Karachi
Dated: March 11, 2019

*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
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>*

Critical Performance Indicators

Financial Indicators

	2018	2017			2018	2017	
Sales Revenue (Rs in Million)	13,224	12,256	↑	Shareholders equity (Rs in Million)	3,731	3,954	↓
Operating Profit (Rs in Million)	689	1,176	↓	EBITDA (Rs in Million)	1,333	1,794	↓
Profit before taxation (Rs in Million)	220	811	↓	Price Earning Ratio (in Times)	26.37	9.48	↑
Profit after taxation (Rs in Million)	157	573	↓	No of Employees	322	335	↓
Earning per share (EPS) (Rupees)	4.06	14.76	↓	Production (in Metric Tons)	48,528	51,371	↓
Fixed Assets (Rs in Million)	6,076	6,179	↓	Net Cash Generated from Operations (Rs in Million)	(360)	110	↓

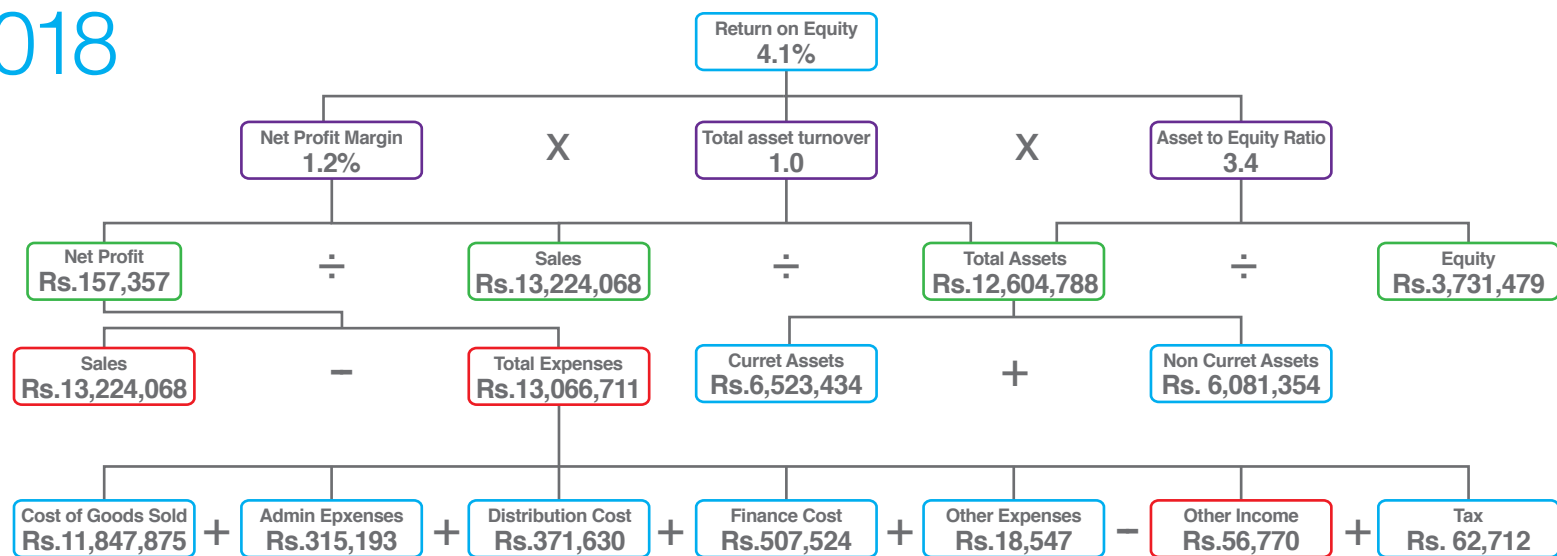
NON – FINANCIAL INDICATORS

Capital Forms	Objective	KPI Monitored
Human Capital	Employee engagement level	Employee Engagement Score (ESS)
	Training needs	Number of training man-hours
	Health and safety	Zero Lost Time Injury, No. of near misses, unsafe acts etc.
Manufactured Capital	Maintain market share	Market share, customer retention ratio
	Overall Equipment Effectiveness (OEE)	Monitoring of availability, performance and quality against benchmarks
	Focus on quality	Number of customer complaints
Intellectual Capital	Upgraded automated systems	Timely upgradation of automated systems and conversion of manual workflows to automated workflows.
	Product development and innovation	Share of specialized films against commodity film volumes
Relationship Capital	Stock value	Analysis of market price with company's performance
	Customer relationship	Quality of product, OTIF delivery, number of complaints and customer feedback
	Supplier relationship	Timely payments and supplier feedback
Natural Capital	Compliance with all environmental regulations	Full compliance of all the relatable laws

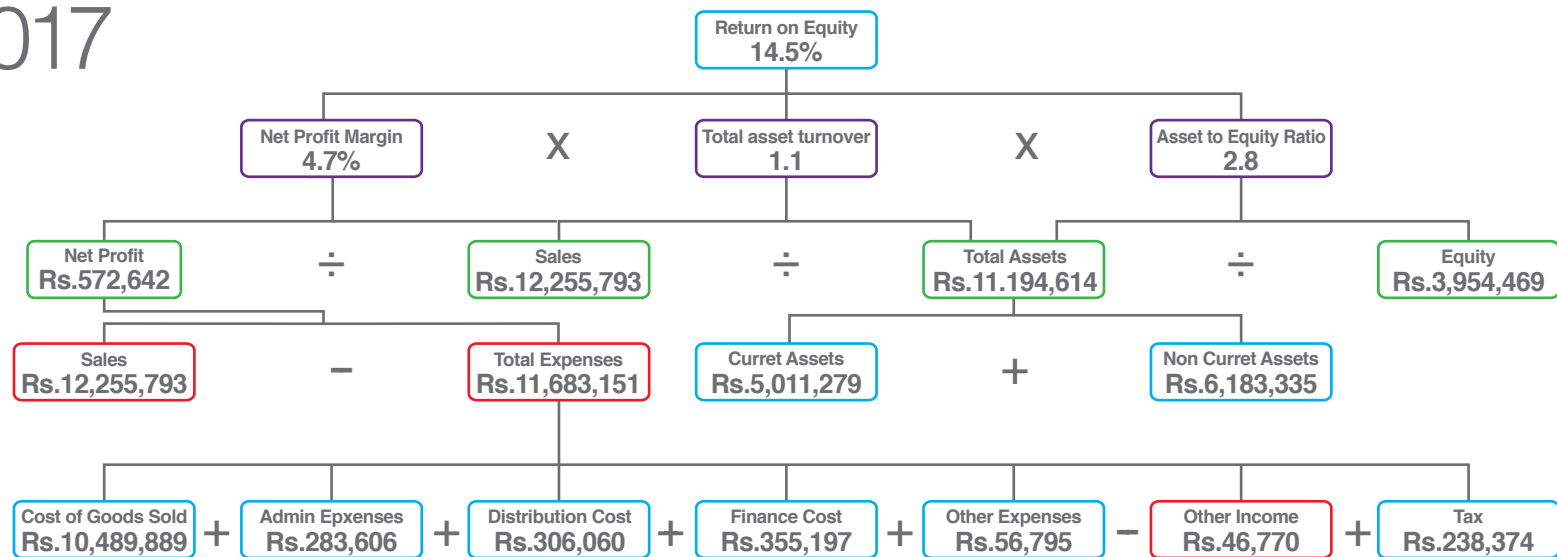


DuPont Analysis

2018



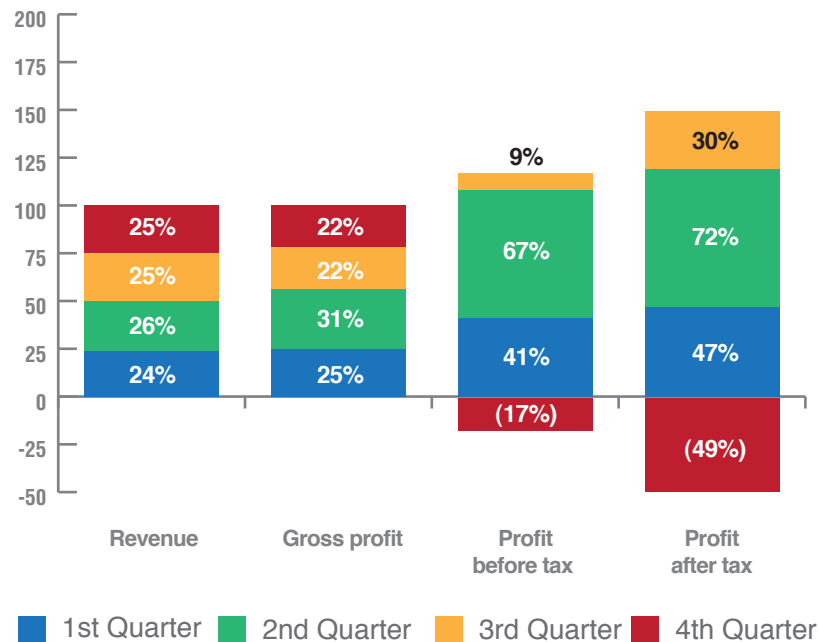
2017



Quarterly Analysis

Particulars	2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
	Rupees in '000				
Revenue	3,117,639	3,389,558	3,343,951	3,372,920	13,224,068
Cost of Sales	(2,771,391)	(2,961,945)	(3,036,177)	(3,078,362)	(11,847,875)
COS to Sales Ratio	89%	87%	91%	91%	90%
Gross Profit	346,248	427,613	307,774	294,558	1,376,193
Gross Profit Margin	11%	13%	9%	9%	10%
Distribution Costs	(88,372)	(98,811)	(90,628)	(93,819)	(371,630)
Administrative Expenses	(71,853)	(72,414)	(84,115)	(86,811)	(315,193)
Operating Profit	186,023	256,388	133,031	113,928	689,370
Operating Profit to Sales %	6%	8%	4%	3%	5%
Other Income	11,312	17,310	10,799	17,349	56,770
Finance Costs	(100,940)	(113,799)	(123,120)	(169,665)	(507,524)
Other Expenses	(6,740)	(12,901)	(1,555)	2,649	(18,547)
Profit / (Loss) before income tax	89,655	146,998	19,155	(35,739)	220,069
Less: Taxation	16,452	33,331	(27,871)	40,800	62,712
Profit / (Loss) for the year	73,203	113,667	47,026	(76,539)	157,357
Net profit to sales ratio	2%	3%	1%	-2%	1%





Comments / Analysis

Quarter 1: Sales as compared to last quarter of 2017 declined due to decrease in volumes by 7%.

Increase in admin and distribution cost was witnessed on account of reversal of bad debt in last year and increase in fuel prices. Consequently, net profit for the quarter stood at Rs. 73 million.

Quarter 2: Volumes in Q2 remained in line with Q1. However overall margins improved on the back of decrease in cost of sales as a result of operational efficiencies and increase in sales price.

The increase in policy rate of 50 bps in Q2 coupled with increased working capital requirements resulted in higher in finance cost for Q2 2018.

Further levy of super tax resulted in increase in tax expense. Consequently profit for the quarter was higher by 55% as compared to Q1 2018.

Quarter 3: Decrease in sales volumes was witnessed in Q3 with the end of peak season and due to production loss as planned shutdown was done for upgrade of BOPP Line 4.

Margins affected significantly mainly due to abrupt changes and volatility in Pak Rupee value against US Dollar.

The hike in policy rate by 100 bps in Q3 resulted in further increase in finance cost.

The above impacts were slightly offset by tax benefit due to change in rate of deferred tax from 30% to 25%.

Resultantly, profit for Q3 2018 decreased significantly as compared to Q2 2018.

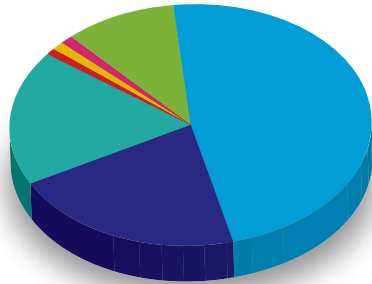
Quarter 4: Decrease in sales volumes was witnessed compared to Q3, 2018 on account of volatility in prices restricting customers to place orders in anticipation of price stability and lower production on account of planned maintenance of another BOPP line. However, margins for Q4 was in line with Q3 2018.

Policy rate was jacked up by 250 bps in Q4 resulted in significant increase in finance cost.

Resultantly, the Company suffered a loss in Q4 2018 as compared to profit of Q3 2018.

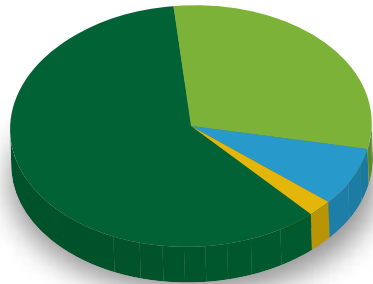
Balance Sheet Composition

2018



Fixed Assets and Current Assets

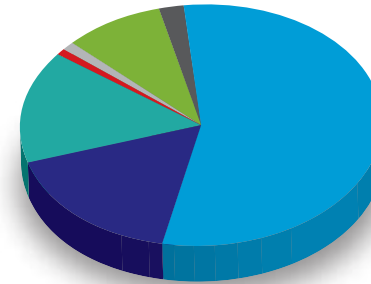
Property, plant and equipment	48%	Other receivables	1%
Intangibles	0%	Refunds due from government - sales tax	1%
Long term deposits	0%	Income tax - refundable	10%
Inventories	21%	Cash and bank balances	0%
Trade debts - net	18%		
Advances and prepayments	1%		100%



Equities and Liabilities

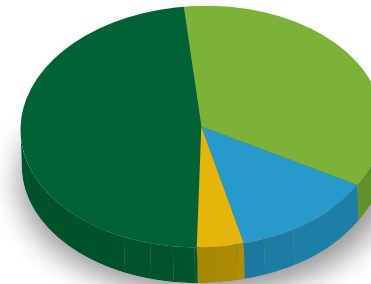
Equity & Reserves	30%
Long-term Finances	8%
Deferred Liability	2%
Current Liabilities	60%

2017



Fixed Assets and Current Assets

Property, plant and equipment	55%	Other receivables	1%
Intangibles	0%	Refunds due from government - sales tax	0%
Long term deposits	0%	Income tax - refundable	9%
Inventories	17%	Cash and bank balances	2%
Trade debts - net	15%		
Advances and prepayments	1%		100%



Equities and Liabilities

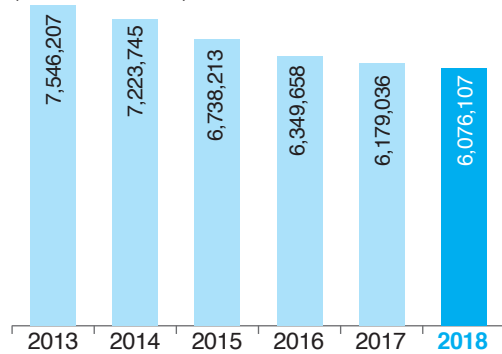
Equity & Reserves	35%
Long-term Finances	13%
Deferred Liability	4%
Current Liabilities	48%



Analytical Review

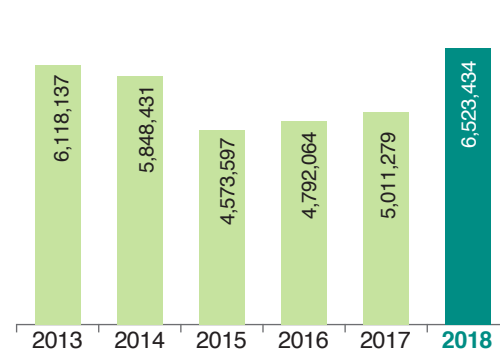
Fixed Assets

(Rs. in thousand)



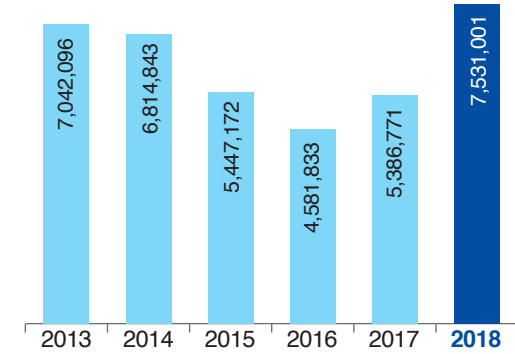
Current Assets

(Rs. in thousand)



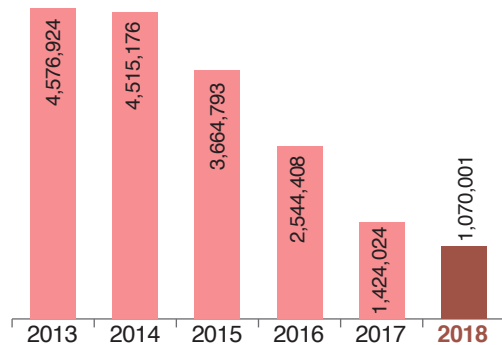
Current Liabilities

(Rs. in thousand)



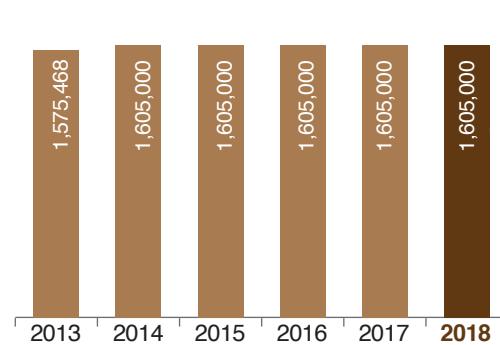
Long Term Finance

(Rs. in thousand)



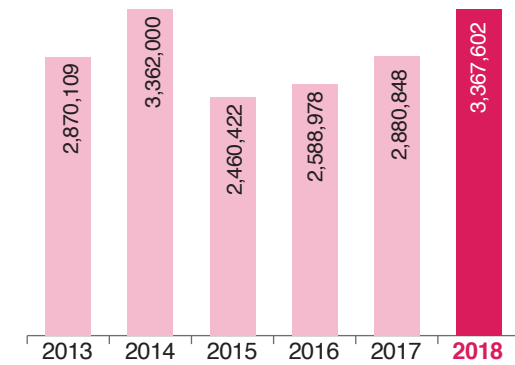
General Reserves

(Rs. in thousand)



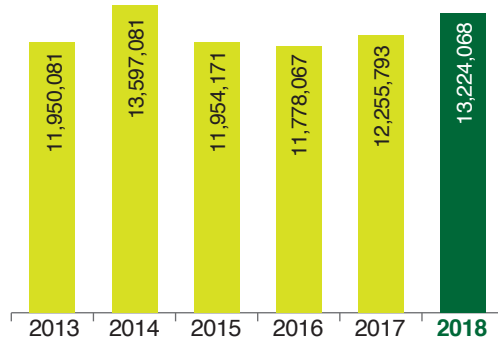
Contribution to National Exchequer

(Rs. in thousand)



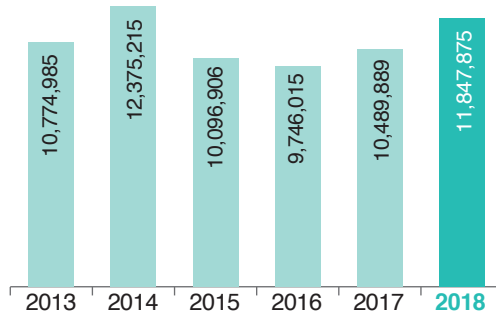
Net Sales

(Rs. in thousand)



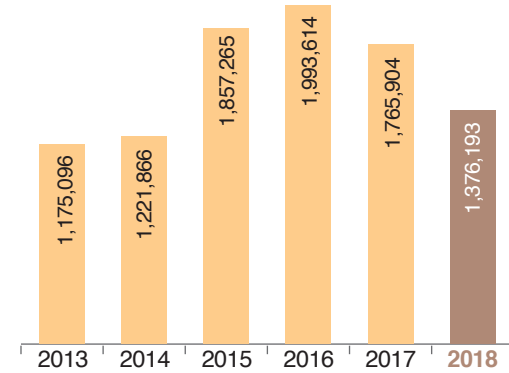
Cost of Sales

(Rs. in thousand)



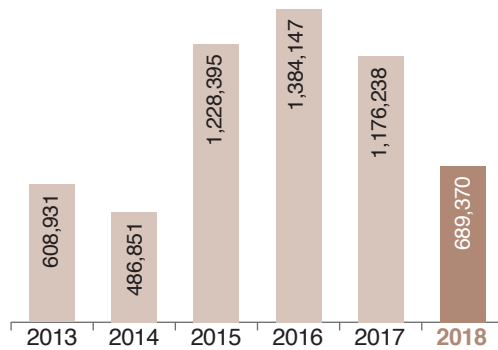
Gross Profit

(Rs. in thousand)



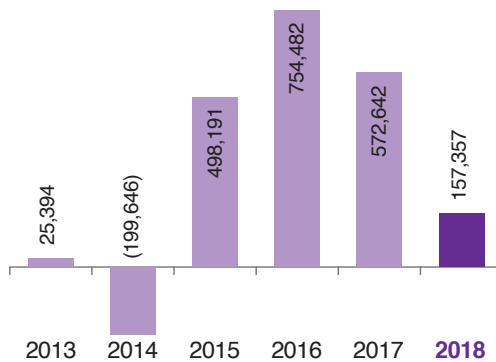
Operating Profit

(Rs. in thousand)



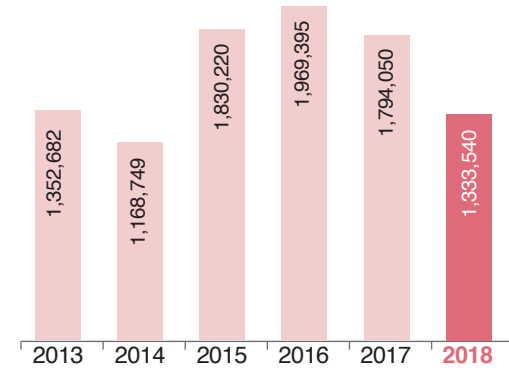
Net Profit

(Rs. in thousand)



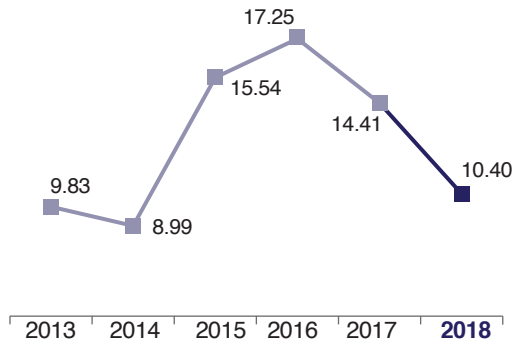
EBITDA

(Rs. in thousand)



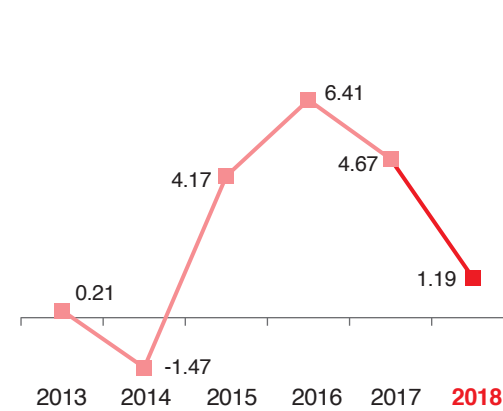
Gross Profit Margin

(In Percentage)



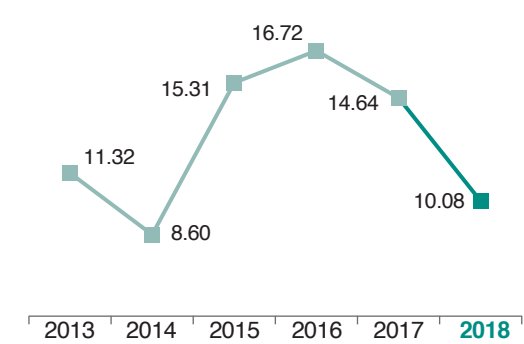
Net Profit Margin

(In Percentage)



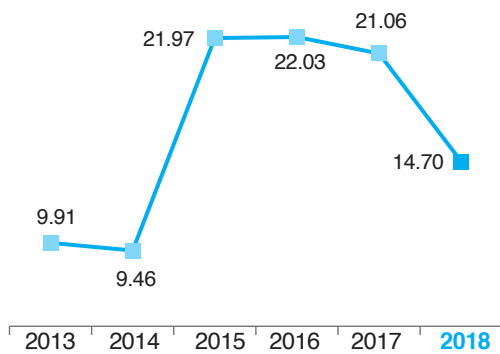
EBITDA Margin to Sales

(In Percentage)



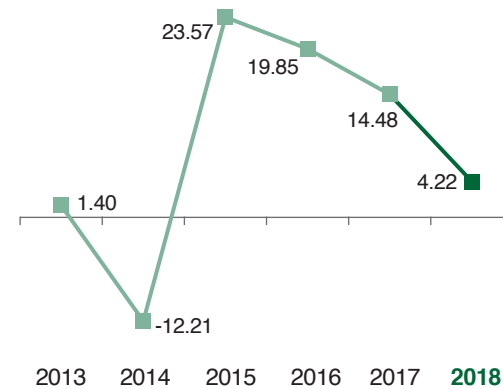
Return on Capital Employed

(In Percentage)



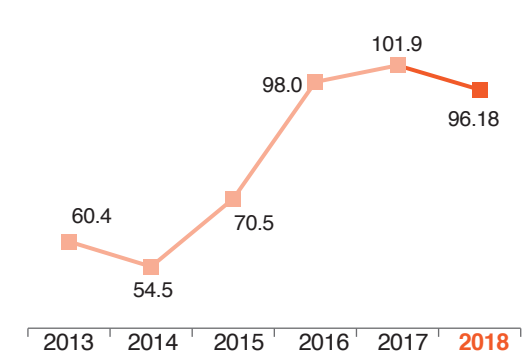
Return on Equity

(In Percentage)



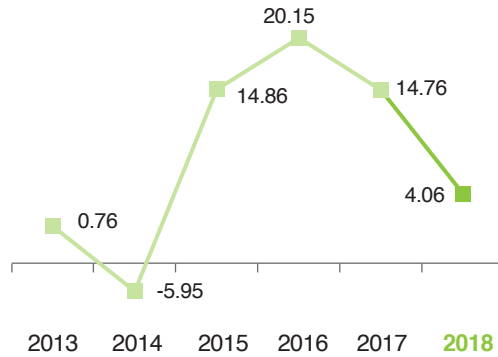
Breakup Value Per Share

(Rupees)



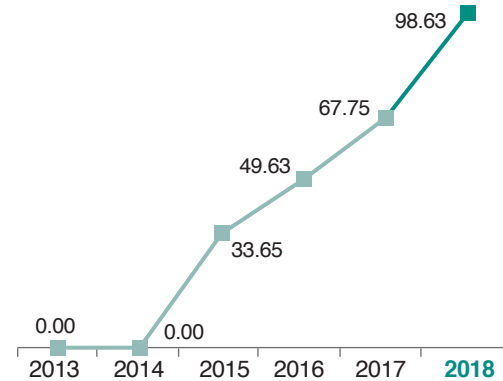
Earning Per Share

(Rupees)



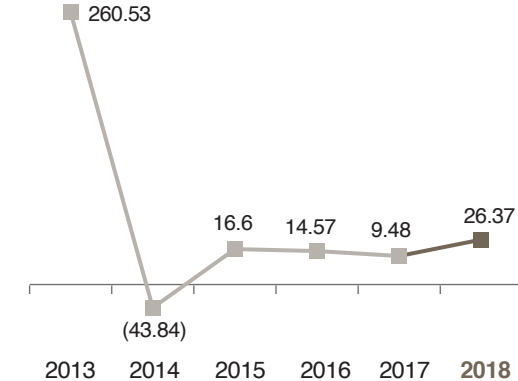
Dividend Payout

(In Percentage)



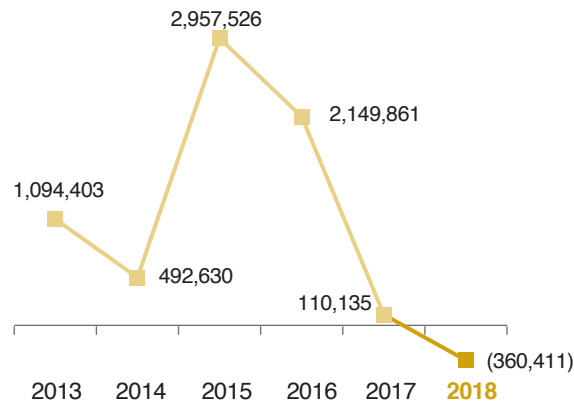
Price Earning Ratio

(In Times)



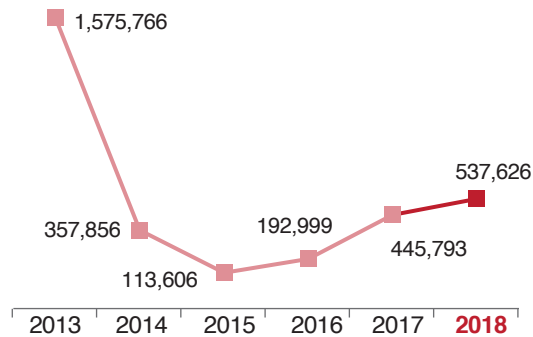
Cash (Outflows)/Inflows from Operating Activities

(Rs in Thousands)



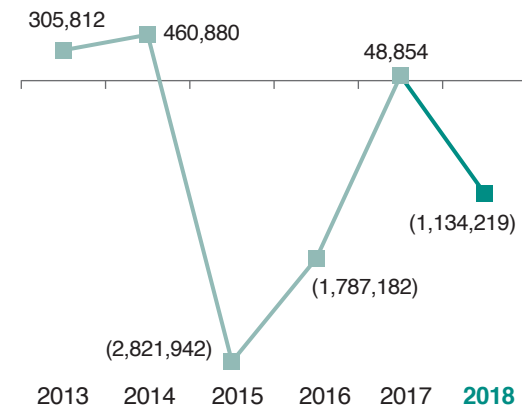
Cash Outflows from Investing Activities

(Rs in Thousands)



Cash (Outflows)/Inflows from Financing Activities

(Rs in Thousands)



Horizontal Analysis - Comments / Analysis

	2018		2017		2016		2015		2014		2013	
	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	3,731,479	(5.6)	3,954,469	4.0	3,800,818	79.8	2,113,802	29.3	1,634,453	(9.8)	1,813,217	(14.6)
Long term financing facilities	1,070,001	(24.8)	1,424,024	(44.0)	2,544,408	(30.6)	3,664,793	(18.8)	4,515,176	(1.3)	4,576,924	11.6
Non Current Liability	272,307	(36.6)	429,350	96.9	218,021	144.5	89,158	(20.5)	112,102	(52.3)	235,106	(1.9)
Current Liabilities	7,531,001	39.8	5,386,771	17.6	4,581,833	(15.9)	5,447,172	(20.1)	6,814,843	(3.2)	7,042,096	39.7
	<u>12,604,788</u>	<u>12.6</u>	<u>11,194,614</u>	<u>0.4</u>	<u>11,145,080</u>	<u>(1.5)</u>	<u>11,314,925</u>	<u>(13.4)</u>	<u>13,076,574</u>	<u>(4.3)</u>	<u>13,667,343</u>	<u>18.8</u>
Property Plant and Equipment	6,073,755	(1.6)	6,174,706	(2.7)	6,346,761	(5.7)	6,731,234	(6.7)	7,215,407	(4.2)	7,535,042	14.8
Intangibles	2,352	(45.7)	4,330	49.4	2,897	(58.5)	6,979	(16.3)	8,338	(25.3)	11,165	35.0
Long term deposits	5,247	22.0	4,299	28.0	3,358	7.8	3,115	(29.2)	4,398	46.6	2,999	30.2
Inventories	2,575,128	38.9	1,854,103	3.6	1,788,829	8.9	1,642,767	(20.3)	2,062,331	(22.2)	2,651,441	6.8
Trade debts-net	2,324,698	40.6	1,653,372	9.6	1,508,480	22.8	1,227,890	(19.4)	1,523,529	(14.4)	1,778,982	47.7
Advances and prepayments	104,392	6.4	98,112	(0.6)	98,761	64.5	60,024	(39.0)	98,440	(64.3)	275,592	62.8
Refunds due from government - sales tax	151,956	363.8	32,762	-	-	-	-	-	112,219	44.3	77,747	9,167
Other receivables	135,853	20.9	112,346	(5.8)	119,261	4.1	114,540	(48.1)	108,566	139.1	45,403	(61.1)
Income tax refundable	1,187,537	12.5	1,055,560	(4.0)	1,099,992	(4.4)	1,150,343	(7.6)	1,245,700	100.0	622,937	333.1
Cash and bank balances	43,870	(78.6)	205,024	16.0	176,741	(53.2)	378,033	(45.8)	697,646	4.7	666,035	7.6
	<u>12,604,788</u>	<u>12.6</u>	<u>11,194,614</u>	<u>0.4</u>	<u>11,145,080</u>	<u>(1.5)</u>	<u>11,314,925</u>	<u>(13.5)</u>	<u>13,076,574</u>	<u>(4.3)</u>	<u>13,667,343</u>	<u>18.8</u>

Long term financing liability:

Long term debt to equity ratio of 34:66 in 2018 as compared to 40:60 in 2017 and 77:23 in 2016 depicts the decreasing trend in long term loan over the last five years largely due to timely repayments.

Non-Current Liability:

Change in rate of deferred tax from 30% to 25% resulted in decrease in non-current liability.

Current liabilities:

The declining trend of current liability till 2016 was affected by the increase in short term borrowing on account of increased working capital requirements and increase in capital expenditure.

Property Plant and Equipment:

Mainly sustainability related capital expenditure except for addition of BOPP Line 4 in 2013 and CPP Line 2 in 2014. Further, additions incurred during the year includes upgrade of BOPP Line 4.

Inventories and Trade Debts:

Increasing trend can be witnessed since 2015 due to increase in operations and volumes sold, coupled with higher sales price and increase value of raw materials resulted in major increase during the year.

Refund due from government:

Increased due to unclaimed GD's which will be claimed subsequently.

	2018		2017		2016		2015		2014		2013	
	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %	Rs '000	variance %
Profit & Loss												
Net Sales	13,224,068	7.9	12,255,793	4.1	11,778,067	(1.5)	11,954,171	(12.1)	13,597,081	13.8	11,950,081	16.7
Cost of sales	11,847,875	13.0	10,489,889	7.2	9,784,453	(3.1)	10,096,906	(18.4)	12,375,215	14.9	10,774,985	22.4
Gross profit	1,376,193	(22.1)	1,765,904	(11.4)	1,993,614	7.3	1,857,265	52.0	1,221,866	4.0	1,175,096	(18.2)
Administration and selling expenses	686,823	16.5	589,666	(3.3)	609,467	(3.1)	628,870	(14.4)	735,015	29.8	566,165	24.3
Operating profit	689,370	(41.4)	1,176,238	(15.0)	1,384,147	12.7	1,228,395	152.3	486,851	(20.0)	608,931	(37.9)
Other income	56,770	21.4	46,770	(24.2)	61,705	1.7	60,675	(42.5)	105,446	119.9	47,956	46.1
Financial charges	507,524	42.9	355,197	(21.9)	454,983	(41.8)	781,916	(15.3)	923,038	50.3	614,150	258.4
Other charges	18,547	(67.3)	56,795	(26.4)	77,211	120.7	34,976	100.0	-	(100.0)	6,836	(88.1)
Profit before taxation	220,069	(72.9)	811,016	(11.2)	913,658	93.5	472,178	242.8	(330,741)	(1,021.3)	35,901	(95.4)
Provision for taxation	62,712	(73.7)	238,374	49.8	159,176	711.9	(26,013)	(80.2)	(131,095)	(1,347.7)	10,507	(96.3)
Profit after taxation	157,357	(72.5)	572,642	(24.1)	754,482	51.4	498,191	349.5	(199,646)	(886.2)	25,394	(95.0)

Sales:

Sales volume has shown an upward trend in the past five years, however, decrease in volumes in the current year was offset by increase in sales price.

Gross Profit:

With high volumes, gross profit increased over the years. However, during the year increase in raw material prices, depreciation of Pak Rupee against major currencies and supply overhang resulted in decrease in Gross profit.

Admin and Selling expense:

Increase in HSD prices by an average of 30% resulted in increase in admin and selling expenses.

Financial Charges:

Declining trend was witnessed since 2014 till 2017 due to positive cashflows. However, during the year, with increase in working capital requirements coupled with increase in policy rate by 425 bps, finance cost increased.

Profit after Taxation:

Due to the factors mentioned above, the profit for the year reduced significantly. The decline in tax charges is in line with decrease in profits.



Vertical Analysis - Comments / Analysis

	2018		2017		2016		2015		2014		2013	
	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
Statement of Financial Position												
Equity and Reserves	3,731,479	29.6	3,954,469	35.3	3,800,818	34.1	2,113,802	18.7	1,634,453	12.5	1,813,217	13.3
Long term financing facilities	1,070,001	8.6	1,424,024	12.7	2,544,408	22.8	3,664,793	32.4	4,515,176	34.5	4,576,924	33.5
Non Current Liability	272,307	2.1	429,350	3.8	218,021	2.0	89,158	0.8	112,102	0.9	235,106	1.7
Current Liabilities	7,531,001	59.7	5,386,771	48.1	4,581,833	41.1	5,447,172	48.1	6,814,843	52.1	7,042,096	51.5
	<u>12,604,788</u>	<u>100.0</u>	<u>11,194,614</u>	<u>100.0</u>	<u>11,145,080</u>	<u>100.0</u>	<u>11,314,925</u>	<u>100.0</u>	<u>13,076,574</u>	<u>100.0</u>	<u>13,667,343</u>	<u>100.0</u>
Property Plant and Equipment	6,073,755	48.2	6,174,706	55.2	6,346,761	56.9	6,731,234	59.5	7,215,407	55.2	7,535,042	55.1
Intangibles	2,352	0.0	4,330	0.0	2,897	0.0	6,979	0.1	8,338	0.1	11,165	0.1
Long term deposits	5,247	0.0	4,299	0.0	3,358	0.0	3,115	0.0	4,398	0.0	2,999	0.0
Inventories	2,575,128	20.4	1,854,103	16.6	1,788,829	16.1	1,642,767	14.5	2,062,331	15.8	2,651,441	19.4
Trade debts-net	2,324,698	18.4	1,653,372	14.8	1,508,480	13.5	1,227,890	10.9	1,523,529	11.7	1,778,982	13.0
Advances and prepayments	104,392	0.8	98,112	0.9	98,761	0.9	60,024	0.5	98,440	0.8	275,592	2.0
Refunds due from government - sales tax	151,956	1.2	32,762	0.3	-	-	-	-	112,219	0.9	77,747	0.6
Other receivables	135,853	1.1	112,346	1.0	119,261	1.1	114,540	1.0	108,566	0.8	45,403	0.3
Income tax refundable	1,187,537	9.4	1,055,560	9.4	1,099,992	9.9	1,150,343	10.2	1,245,700	9.5	622,937	4.6
Cash and bank balances	43,870	0.3	205,024	1.8	176,741	1.6	378,033	3.3	697,646	5.3	666,035	4.9
	<u>12,604,788</u>	<u>100.0</u>	<u>11,194,614</u>	<u>100.0</u>	<u>11,145,080</u>	<u>100.0</u>	<u>11,314,925</u>	<u>100.0</u>	<u>13,076,574</u>	<u>100.0</u>	<u>13,667,343</u>	<u>100.0</u>

Long term financing liability:

Scheduled repayment of Rs 1.2 billion offset by acquisition of new loan of Rs 0.5 billion resulted in net decrease in long term financing liability.

Non-Current Liability:

Change in rate of deferred tax from 30% to 25% resulted in decrease in non current liabilities.

Current liabilities:

Increase in current liability is mainly on account of increase in short term debt due to increase in working capital requirement and increase in capital expenditure.

Inventories:

Increase in inventories was due to higher in raw material prices by 12% and Pak Rupee depreciation against major currencies.

Trade debt:

Increase in trade debts was due to overall increase in sales prices by 14%, coupled with slow recoveries on account of poor liquidity in the market.

	2018		2017		2016		2015		2014		2013	
	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
Profit & Loss												
Net Sales	13,224,068	100.00	12,255,793	100	11,778,067	100	11,954,171	100	13,597,081	100.0	11,950,081	100.0
Cost of sales	11,847,875	89.59	10,489,889	85.6	9,784,453	83.1	10,096,906	84.5	12,375,215	91.0	10,774,985	90.2
Gross profit	1,376,193	10.41	1,765,904	14.4	1,993,614	16.9	1,857,265	15.5	1,221,866	9.0	1,175,096	9.8
Administration and selling expenses	686,823	5.19	589,666	4.8	609,467	5.2	628,870	5.3	735,015	5.4	566,165	4.7
Operating profit	689,370	5.21	1,176,238	9.6	1,384,147	11.8	1,228,395	10.3	486,851	3.6	608,931	5.1
Other income	56,770	0.43	46,770	0.4	61,705	0.5	60,675	0.5	105,446	0.8	47,956	0.4
Financial charges	507,524	3.84	355,197	2.9	454,983	3.9	781,916	6.5	923,038	6.8	614,150	5.1
Other charges	18,547	0.14	56,795	0.5	77,211	0.7	34,976	0.3	-	0.0	6,836	0.1
Profit before taxation	220,069	1.66	811,016	6.6	913,658	7.8	472,178	3.9	(330,741)	(2.4)	35,901	0.3
Provision for taxation	62,712	0.47	238,374	1.9	159,176	1.4	(26,013)	-0.2	(131,095)	(1.0)	10,507	0.1
Profit after taxation	157,357	1.19	572,642	4.7	754,482	6.4	498,191	4.2	(199,646)	(1.5)	25,394	0.2

Gross Profit:

Gross profit decreased on account of increase in raw material prices, depreciation of Pak Rupee against major currencies and supply overhang.

Administrative and selling expenses:

Administrative and selling expenses increased in line with inflation and increase in fuel prices.

Financial Charges:

Financial charges were higher on account of increase in policy rate by 425 bps during the year coupled with increase in short term borrowing.

Profit after taxation:

On account of above mentioned factors, the Company witnessed a decrease in profit after tax.



Ratio Analysis - Comments / Analysis

	Year to December 31 2018	Year to December 31 2017	Year to December 31 2016	Year to December 31 2015	Year to December 31 2014	Year to December 31 2013
Profitability Ratios						
Gross profit to sale %	10.4	14.4	17.3	15.5	9.0	9.8
Net profit/Loss to sale %	1.2	4.7	6.4	4.2	(1.5)	0.2
EBITDA to sale %	10.1	14.6	16.7	15.3	8.6	11.3
Operating leverage %	(5.2)	(3.7)	(8.6)	(12.6)	(1.4)	(2.3)
Return on equity %	4.2	14.5	19.9	23.6	(12.2)	1.5
Return on capital employed %	14.7	21.1	22.0	22.0	9.5	10.0
Liquidity Ratios						
Current ratio	0.9	0.9	1.1	0.8	0.9	0.9
Quick / Acid test ratio	0.6	0.7	0.8	0.6	0.6	0.5
Cash to Current Liabilities	(0.3)	(0.0)	0.0	(0.0)	(0.0)	(0.1)
Cash flow from Operations to Sales	(0.0)	0.0	0.2	0.2	0.0	0.1
Activity / Turnover Ratios						
Inventory turnover	5.5	7.2	7.1	7.8	7.4	4.7
No. of Days in Inventory	66.0	50.6	51.7	46.8	49.5	78.2
Debtor turnover ratio	6.9	8.9	9.4	11.3	10.3	7.8
No. of Days in Receivables	53.0	41.0	39.0	32.2	35.3	46.9
Payables turnover ratio	27.3	22.9	4.6	5.1	57.9	101.5
No. of Days in payables	13.4	15.9	78.8	71.6	35.6	63.2
Total Assets turnover ratio	1.05	1.10	1.1	1.1	1.0	0.9
Total Assets to equity ratio	3.4	2.8	2.9	5.3	8.0	7.8
Fixed Assets turnover ratio	2.2	2.0	1.9	1.8	1.9	1.6
Operating Cycle	93.6	68.3	33.6	26.9	38.7	44.5
Investment / Market Ratios						
Earnings per share (EPS)	4.1	14.8	20.1	14.9	(5.9)	0.8
Price earning ratio	26.4	9.5	14.6	16.6	(43.8)	261.4
Price to Book ratio	33.0	48.5	98.7	73.1	66.9	48.6
Dividend %	40.0	100.0	100.0	50.0	-	-
Dividend Yield ratio	3.7	7.1	3.4	2.0	0.0	0.0
Dividend Payout ratio	98.6	67.8	49.6	33.6	0.0	0.0
Dividend Cover ratio	1.0	1.5	2.0	3.0	0.0	0.0
Break-up Value per share	96.2	101.9	101.5	63.0	48.7	52.2
Highest Market value per share during the year	183.2	327.0	320.0	299.0	285.0	230.0
Lowest Market value per share during the year	99.9	130.0	169.0	159.0	145.0	159.0
Market value per share	107.1	140.0	294.0	247.0	261.0	198.0

	Year to December 31 2018	Year to December 31 2017	Year to December 31 2016	Year to December 31 2015	Year to December 31 2014	Year to December 31 2013
Capital Structure Ratios						
Net assets per share	96.2	101.9	101.5	63.0	48.7	52.2
Financial Leverage ratio	1.9	1.3	1.1	3.2	5.6	4.8
Weighted average cost of debt	7.5	6.8	10.9	11.5	10.0	7.3
Debt to equity ratio	34 : 66	40 : 60	49 : 51	69 : 31	77 : 23	74 : 26
Interest coverage	1.5	3.4	3.2	1.6	0.6	1.1

Profitability Ratios

The Company has been performing profitably with healthy EBITDA to sales ratio that remained over 10% over the last six years, which is a benchmark for similar commodity industries. The return on capital employed also remained healthy. In the year 2018, however due to decline in profitability on account of volatile raw material prices, slow business conditions, prices and exchange rate hike and supply overhang situation in the market, these ratios slid downwards. Company being cognizant of the challenges will endeavor to keep up with growth momentum whilst remaining focused on operational efficiency and reduction in cost of production.

Liquidity Ratios

The liquidity position of the Company is in line with last year and is expected to increase in the upcoming year with effective working capital management.

Activity/Turnover Ratios

The inventory turnover of the Company decreased due to increase in raw material prices. Further, an additional stock was kept because of planned maintenance of BOPP Lines. Further, debtor turnover ratio has declined due to slow recoveries throughout the year. Payable turnover days decreased due to conversion of LC terms from usance to sight.

Investment/Market Ratios

The overall investment and market ratios declined as compared to last year mainly due to decline in profitability of the Company as a result of aforementioned reason.

Capital Structure Ratio

The Debt to equity ratio has improved due to timely repayments of loans. However, interest coverage has reduced on account of lower profitability and higher mark-up rates.



Sources and Application of Funds

	2018	2017	2016	2015	2014	2013
	(Rupees in thousand)					
Cash Flows from Operating Activities						
Cash generated from operations	60,171	333,674	2,209,093	2,921,863	1,184,733	1,627,523
Payment on account of accumulated compensated absences	(7,741)	(11,648)	(7,427)	(2,555)	(17,588)	(9,192)
(Decrease)/Increase in Long-term deposits	(948)	(941)	(243)	1,283	(1,399)	(696)
Staff retirement benefits paid	(145,752)	(96,798)	(69,158)	(58,422)	(50,353)	(42,684)
Income taxes (paid)/received	(266,141)	(114,152)	17,596	95,357	(622,763)	(480,548)
Net cash (outflow)/inflow from operating activities	(360,411)	110,135	2,149,861	2,957,526	492,630	1,094,403
Cash Flows from Investing Activities						
Fixed capital expenditure	(544,461)	(448,553)	(207,770)	(119,589)	(363,445)	(1,570,759)
Acquisition of intangible	(348)	(4,337)	(495)	(3,662)	(3,017)	(10,182)
Profit on bank balances received	708	914	264	1,095	456	345
Sale proceeds on disposal of fixed assets	6,475	6,183	15,002	8,550	8,150	4,830
Net cash outflow from investing activities	(537,626)	(445,793)	(192,999)	(113,606)	(357,856)	(1,575,766)
Cash Flows from Financing Activities						
Proceeds from rights issue - net of issuance cost	-	-	1,087,107	-	-	-
Long-term finances paid	(1,224,249)	(1,016,521)	(950,385)	(761,747)	(1,225,000)	(125,000)
Long-term finances acquired	500,000	-	-	-	1,500,000	1,000,000
Short term financing - net	420,000	1,742,000	(1,300,000)	(1,290,735)	1,115,735	475,000
Finance cost & bank charges paid	(444,738)	(290,141)	(475,780)	(769,460)	(929,855)	(744,506)
Dividends paid	(385,232)	(386,484)	(148,124)	-	-	(299,682)
Net cash (outflow)/inflow from financing activities	(1,134,219)	48,854	(1,787,182)	(2,821,942)	460,880	305,812
Net cash (outflow)/inflow	(2,032,256)	(286,804)	169,680	21,978	595,654	(175,551)

Comments / Analysis

Cash Flow from Operating Activities

Decrease in operating cash flows of the Company from a net inflow of Rs. 1.1 billion to a net outflow of Rs 0.4 billion. Cash flow from operations decreased from FY 2013 to FY 2014 mainly due to decrease in profitability of the Company. However, the Company witnessed growth from FY 2015 to FY 2017 mainly on account of improved profitability of the Company. The Company did witness significant decrease in Cash inflow in FY 2017 which was mainly as a result of discontinuation of supplier financing arrangement and conversion of usance LCs to sight terms to avoid foreign currency risk. This was further aggravated in 2018, due to increase in trade debts and stock in trade, resulting in cash outflow of Rs 0.4 bn.

Cash Flow from Investing Activities

Cash outflow in FY 2013 was as a result of significant investments for the installation and commissioning of new BOPP Line. From there on the fluctuation in cash flow from investment activities was in the normal course of business. In 2017, capital expenditure was incurred for sustenance and maintenance of machine and in 2018, due to upgrading of manufacturing line expenditure has increased.

Cash Flow from Financing Activities

Cash inflow in the years 2013 and 2014 was mainly on account of long-term and short-term financing obtained for the projects and working capital requirements. Further, there have been cash outflow from 2015 onwards due to repayment of short term and long term financing which was offset by cash inflows from operations and issuance of right share in 2017 and 2018, long term loan repayments and working capital requirements were financed from short term financing.

	2018	2017
	Rupees in million	
Cash and Cash Equ. - Closing	(222)	65
Loan Acquired/(Paid) - net	(724)	(1,017)
Short term financing - net	420	1,742
Finance Cost	(445)	(290)
Dividends	(385)	(386)
Capital Expenditure	(538)	(446)
Cash inflow from Operations	(360)	110
Cash and Cash Equ. - Opening	(2,254)	(222)

Cash Flow - Direct Method

	2018	2017
	Rupees in million	
Cash Flows from Operating Activities		
Cash received from customers	14,996	14,216
Cash paid to vendors	(15,089)	(13,992)
Net income tax paid	(266)	(114)
Net cash (used in)/generated from operating activities	(360)	110

Cash Flows from Investing Activities

Purchase of property, plant and equipment	(544)	(449)
Purchase of intangibles	(0)	(4)
Profit received on bank balances	1	1
Sale proceeds on disposal of operating fixed assets	6	6
Net cash used in investing activities	(538)	(446)

Cash Flows from Financing Activities

Dividend paid	(385)	(386)
Long term finances paid	(1,224)	(1,017)
Long term financing acquired	500	-
Short term financing - net	420	1,742
Cash Paid for finance cost	(445)	(290)
Net cash (used in)/generated financing activities	(1,134)	49
Net (decrease) in cash and cash equivalents	(2,032)	(287)
Cash and cash equivalents at beginning of the year	(222)	65
Cash and cash equivalents at end of the year	(2,254)	(222)



Wealth Generated & Distributed

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

Wealth Generated

Sales

Other Income

Wealth Distributed

Bought-in-material & services

To Employees

Remuneration, benefits and facilities

To Government

Income Tax, Sales Tax, Custom & Excise
Duties, WPPF, WWF, EOBI, Social Security,
Professional & Local Taxes

To Providers of Capital

Cash dividend

To Lenders

Mark up & finance cost

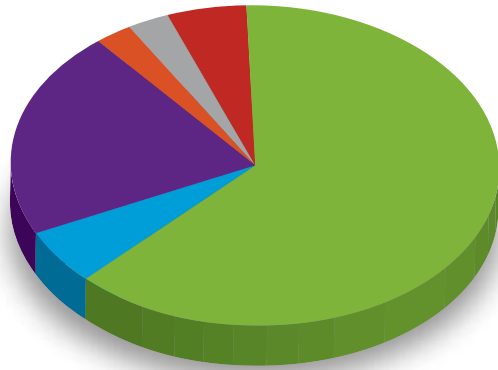
To Society

Donations

Retained for Reinvestment & Future Growth

Unappropriated Profit, Depreciation & Amortization

2018		2017	
(Rs in '000)	%	(Rs in '000)	%
15,994,718	99.6	14,706,804	99.7
56,770	0.4	46,770	0.3
<u>16,051,488</u>	<u>100.0</u>	<u>14,753,574</u>	<u>100.0</u>
10,102,975	62.9	9,121,266	61.9
902,291	5.6	902,185	6.2
3,367,602	21.0	2,880,848	19.4
388,000	2.5	388,000	2.6
479,204	3.0	301,141	2.0
2,236	0.0	671	0.0
809,180	5.0	1,159,463	7.9
<u>16,051,488</u>	<u>100.0</u>	<u>14,753,574</u>	<u>100.0</u>



2018

Amount	%
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(Rs in '000)

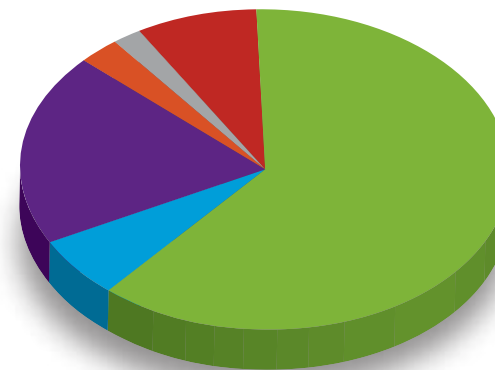
■ Bought-in-material & services	10,102,975	62.9
■ To Employees	902,291	5.6
■ To Government	3,367,602	21.0
■ To Shareholders	388,000	2.5
■ To Lenders	479,204	3.0
■ To Society	2,236	0.0
■ Retained for Reinvestment & Future Growth	809,180	5.0
Total	16,051,488	100.0

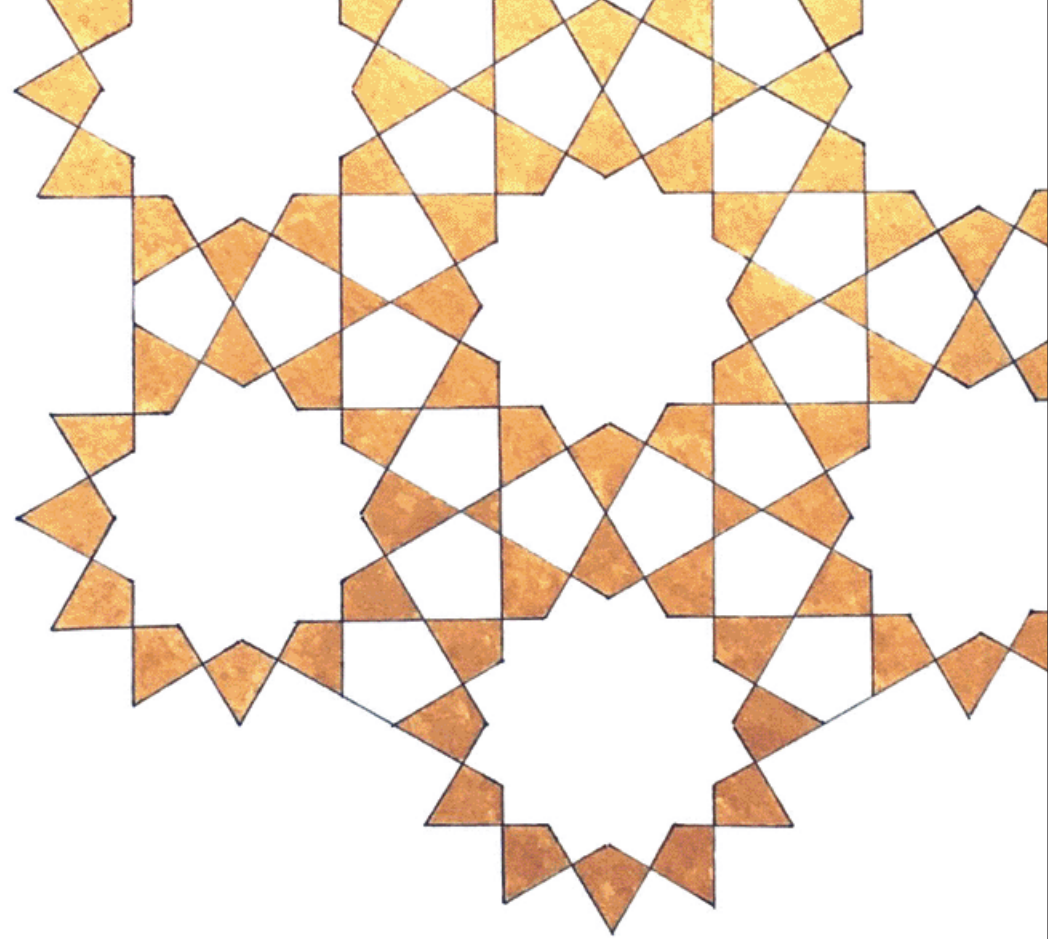
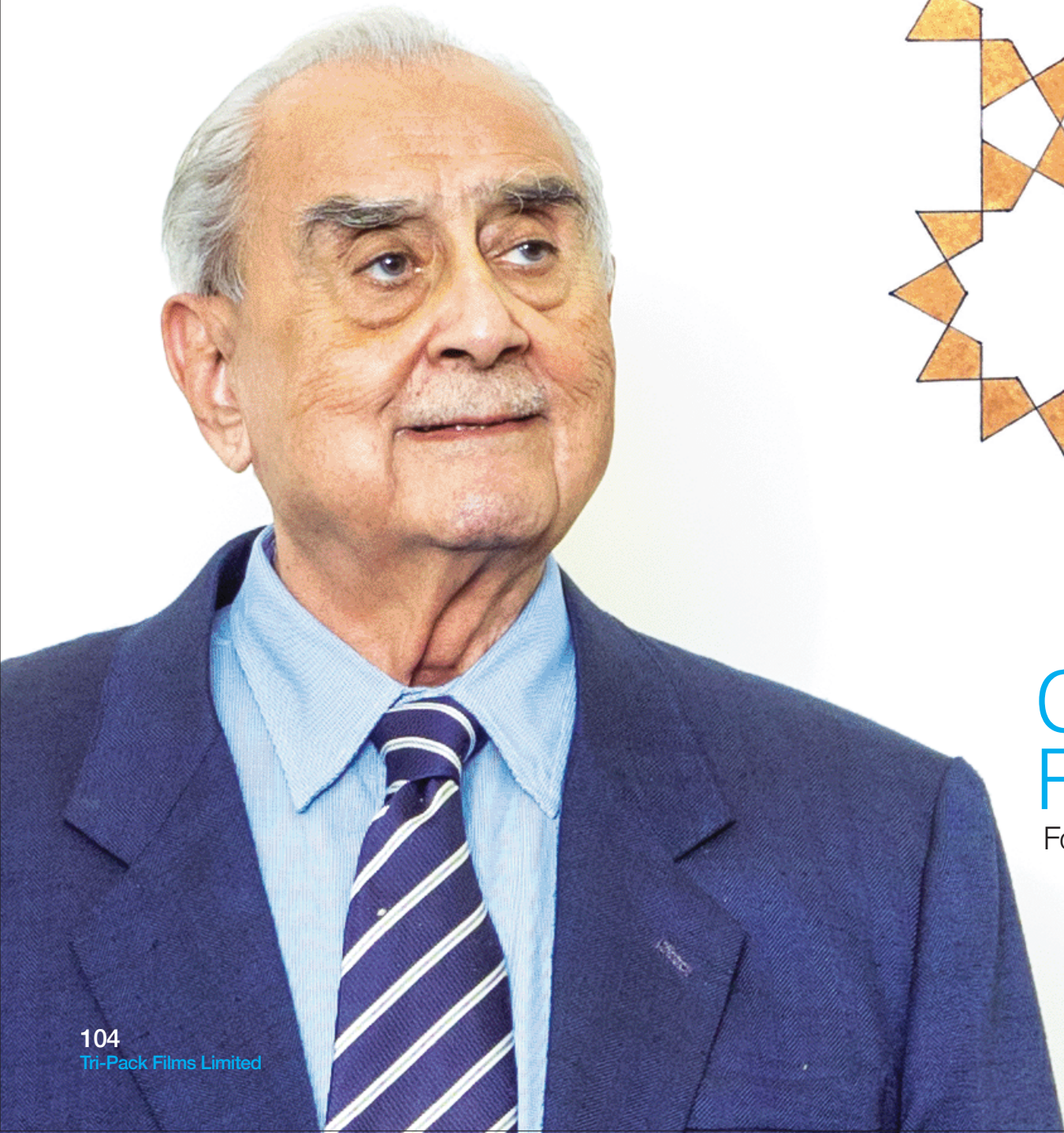
2017

Amount	%
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(Rs in '000)

■ Bought-in-material & services	9,121,266	61.9
■ To Employees	902,185	6.2
■ To Government	2,880,848	19.4
■ To Shareholders	388,000	2.6
■ To Lenders	301,141	2.0
■ To Society	671	0.0
■ Retained for Reinvestment & Future Growth	1,159,463	7.9
Total	14,753,574	100.0





Chairman's Review

For the year ended December 31, 2018

Dear Stakeholders,

I present to you the review on the financial results of Tri-Pack Films Limited for the year ended 2018.

Despite very challenging business environment, the Company has delivered profitable results for the fourth consecutive year, closing the Profit after Tax at Rs. 157 million; accordingly, the Board is recommending a final cash dividend of Rs. 4 per share.

The Board has reviewed the Company's strategy on an ongoing basis. To help the Board maintain its understanding of the business and to effectively assess management, directors have received regular reports and updates from the Chief Executive on relevant areas such as budgets, business plans, audit, risk management, investments, operating performance and cash flows.

Overall, the Board remains confident that the Company's profit generation and consequently its return on capital will steadily recover with the improvement in general economic conditions. This confidence is reflected in our unchanged commitment to grow the Company's operations through technological advancements and up-gradation.

We are confident that Tri-Pack will continue to leverage its strengths and differentiate itself through distinct, value added and specialized products and customer service.

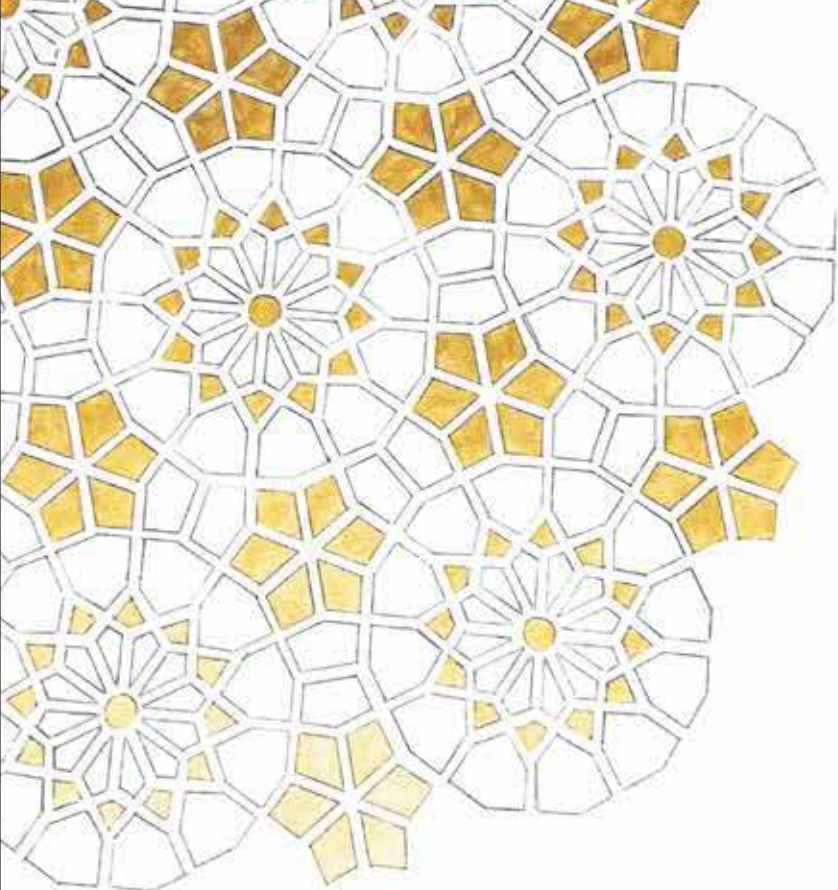
I would like to thank our valued customers, our employees for their efforts and contribution to Tri-Pack's progress, suppliers, bankers and other stake-holders for their support and trust in the Company.

Karachi:
February 26, 2019



Syed Babar Ali
Chairman





Chief Executive's Review

For the year ended
December 31, 2018

Dear Stakeholders,

I present to you the Annual Report on your Company's performance for the year 2018.

Your Company, despite difficult economic business conditions, stayed resilient in its intent to perform & deliver and posted an EBIT of Rupees 689 million.

Planned shut-down of our major line for upgradation affected our volumes and supply overhang situation kept the margins under pressure.

Constant vigilance and our swift turnaround response is what has kept us afloat against the potential odds. And we shall continue to do so by looking inwards and not rely on the external landscape.

We have remained at the forefront of innovation be it in technology, product or systems with our limited resources; we continue to provide our employees unique platforms for them to learn, grow and flourish; we have been steadfast in our commitment to improve our Employee Engagement Index in 2018 and we shall renew our stride as we take on 2019; elsewhere, we are thoroughly vested in creating a workplace that is truly autonomous and independent when it comes to safety and compliance; we have set forth foundations to deliver customer satisfaction; and we have embarked on a Group-level sustainability agenda to solidify our commitment to protecting the planet.

For 2018, we propose a dividend of Rupees 4 per share, which represents a 98.5% pay-out ratio and a 60% decrease.

It is pertinent to mention that our business fundamentals, strategic direction and positioning are intact and it is just a matter

of market and economy coming to routine for a significant improvement in performance.

We shall continue to pursue, with vigor, our strategic goals and medium-term financial objective to gradually improve our results, with focus on operational efficiencies and effectiveness.

We have a better outlook for 2019, as the upgrade of our BOPP line and other technological advancements are expected to deliver results and enable us to capture new market opportunities through value added and specialized films, however it would depend on the economic direction of the country.

In closing, I would like to thank all shareholders. Tri-Pack has been through a period of challenge and change with financial results that are below expectations. We expect better and more consistent results in the future that will reward your continued support.

I thank our customers for their continued trust, which motivates us to deliver & delight on a daily basis.

I also acknowledge the hard work of our employees who are committed to move expeditiously with the changing times.

Karachi:
February 26, 2019



Nasir Jamal
Chief Executive Officer





Directors' Report to the Members

The Directors of the Company are pleased to submit the report and the audited financial statements for the year ended December 31, 2018.

The Company remained committed to the safety, health & environment (SHE) policies and procedures.

Market and Business Overview

Business conditions during the year remained extremely difficult. Uncertain economic conditions, intermittent and sharp decline in Pak Rupee value against major currencies, hike in gas price and increase in policy rates, all had an adverse impact on the business.

Raw material supply remained consistent throughout the year, however the prices abruptly increased in the first quarter, which gradually normalized by year end.

The commissioning of new lines in the domestic market coupled with planned shutdown of our major line for up-gradation resulted in decrease in overall volumes by 6% compared to last year.

Your Company remained vigilant to all these potential odds and endeavored to minimize the impact through production efficiency, product development and minimizing foreign currency exposure as far possible.

Financial Highlights

Net Sales Income for the year was higher by 8% compared to last year on account of increase in sales prices on the back of higher feedstock prices.

Margins remained affected; cost of raw material and energy increased by on average 12% and 13% respectively compared to last year whereas film prices did not increase in the same proportion due to supply overhang situation. Resultantly, Gross Profit for the year was lower by 22% compared to last year.

Selling, Distribution and Administrative expenses together for the year were higher by 16% compared to last year on account of higher cartage.

Finance cost for the year was higher by 65% due to increase in short term loans on account of conversion of LC terms from usance to sight to avoid foreign exchange risk. Further increase in policy rate by 425 bps also impacted the finance cost of the Company.

Consequently, Profit before Tax at Rs 220 million was significantly lower compared to last year.

Profit after Tax was Rs 157 million compared to Rs 573 million in 2017.

Cash outflow from operating activities was at Rs 360 million compared to cash inflow of Rs 110 million last year. This is primarily on account of conversion of LC terms from usance to sight.

Key Financial Highlights are as follows:

	2018	2017
Sales Volume - (M. Tons) – Local	47,824	50,148
Sales Volume - (M. Tons) – Export	721	1,316
Net Sales Value - (Rs in Million)	13,224	12,256
Gross Profit - (Rs in Million)	1,376	1,766
Net Profit - (Rs in Million)	157	573
EPS - (Rs per share)	4.06	14.76

Dividend

The Directors have recommended a cash dividend of 40% i.e. Rs 4.00 per share (2017: Rs 10 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 of the annexed annual report.

Future Outlook

The business conditions are expected to remain challenging with speculations of further depreciation of Pak Rupee against major currencies and its impacts on overall cost of doing business, economic slowdown and supply overhang.



Feedstock prices that started to normalize in later part of the year are expected to decrease in line with crude prices staying low.

Your Company being cognizant of these challenges will endeavor to keep up the growth momentum whilst remaining focused on improving operational efficiencies and reducing cost of production.

Cash Flow Strategy

During the period under review, cash outflow from operations amounted to Rs 360 million (2017: Inflow of Rs 110 million) on account of conversion of LC terms from usance to sight and increase in stock in trade. The Company is evaluating the economic environment specifically the USD-Pak Rupee parity and accordingly the vendor credit strategy will be formulated to optimize cash flows.

During the year Rs 1.4 billion were utilized in servicing of long term debt, which is as per the repayment plan.

Risks and Uncertainties

The current political uncertainty in the country may impact overall business environment. The political turmoil in the Middle East is keeping pressure on demand and supply of crude and its derivatives including polypropylene granules used in the manufacturing of our film. Depreciation of Pak Rupee against major currencies was a constant financial threat during the year.

Your Company is cognizant of the foreign exchange risk on account of uncertainty hovering over Pak Rupee value against major currencies and appropriate steps are being taken to minimize the impact of any depreciation in Rupee value.

A detailed Risks and Opportunities analysis is appended as part of the Annual Report.

Major Developments / Changes in the Nature of the Business

There have been no significant changes in the nature of the business being conducted by the Company during the year. A major BOPP line

was upgraded during the year to 5 layers extrusion which will enhance the product portfolio.

Internal Financial Controls

The Company has a thorough internal controls framework in place. Detailed finance control manuals are in place, which have been prepared with the assistance of internal auditors. 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 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. 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 appointed, which includes five directors including two independent directors. 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 in line with the guidelines provided in the Code of Corporate Governance. These terms of reference include but 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) has been the top priority of the Company. A sound system has been developed to ensure compliance with internal SHE Framework, external benchmarks and third party requirements.

In addition to the safety and health of our employees, we equally realize the importance of the environment we operate in. Strict monitoring is done of all Environmental Protection Agency (EPA) standards and it is ensured that all the effluents and emissions are within the acceptable parameters of EPA. Moreover, our plants both in Karachi and Hattar provides natural habitat to various plantations and animals, which is sufficient evidence of our eco-friendly facilities.

Corporate Social Responsibility

The A to Z of CSR at Tri-Pack is essentially about finding better ways to embody social responsibility in our operations and to ensure that we make a positive contribution to our community.

Tri-Pack's commitments towards social responsibility are focused mainly towards protecting human health and the local community. We have, therefore, always sought partnerships with organizations that are invested in supporting health, wellbeing, social welfare and diversity & inclusion of differently abled people.

This year in particular, we further solidified our alliances with NOWPDP and Pakistan Foundation Fighting Blindness (PFFB) by supporting their various projects:

For NOWPDP, we have funded Retro-fitted Hand-Controlled Rickshaws that support job creation for differently abled people; crowd funded for a

Braille Printer (for the BINA Foundation) for printing of school textbooks and donated Laptops to NOWPDP classrooms for Training / Skill-Development purposes.

And our efforts do not stop there; we have been avid supporters of PFFB for over 4 years now, a platform that educates, trains, counsels and provides medical treatment to individuals with visual impairments. Each year, we support them in-kind.

Our intent is simple & two-fold – we want to uplift our community and we want to encourage other institutions to come forward and support such innovations for the collective good of our nation.

Management Information Systems

Focus on enhancement of ERP utilization continued with full utilization of plant maintenance module and capital expenditure monitoring and approval process added this year. Our focus will remain on maximum utilization of our ERP to achieve a paperless work environment and to ensure robust internal controls. We have a dedicated team of ERP specialist who constantly strive to give out of the box solutions to all stakeholders.

Human Resource

The Company's growth is reliant upon the growth of its people. Hence, our strategy is to facilitate uplifting of our people by developing functional skills and maximizing satisfaction.

This year also, we worked towards enhancing overall Engagement of our people by focusing on the improvement of the Employee Engagement Index through action planning & activities. We have rolled-out a robust form of performance assessment and data recording for our non-management staff and introduced various rewards & recognition program for our Operations & Technical teams. Further, we have taken initiatives to support women at work and made efforts in the area of Industrial Relations to sustain harmony at the workplace.



Quality Management

Quality has been the essence of our product. We ensure compliance with the requirements of all applicable quality standards through a sound system of key performance indicators (KPIs) and both on-job and external trainings.

To further improve productivity through machine efficiency and reduce process wastages, focus continued on TPM, engagement with consultants from equipment suppliers and industry experts.

Related Parties

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 minimum information required for approval of related party transactions. The details of related party transactions as per Fourth Schedule of Companies Act 2017 have been provided in note 35 of the annexed audited financial statements.

Code of Corporate Governance

The requirements of the Code of Corporate Governance set out in the listed Companies (Code of Corporate Governance Regulation 2017) have been adopted by the Company and have been duly complied with. A statement to this effect is included in 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 ten years is annexed.
- viii) Information about the taxes and levies is given in the notes to the financial statements.
- 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 listing regulations.
- xi) The value of investments of provident and gratuity funds, as at June 30, 2018 based on their un-audited accounts is as follows:

	Rs '000
Provident Fund	121,320
Gratuity Fund	56,886

xii) Syed Aslam Mehdi, Mr. Kimihide Ando and Mr. Khurram Raza Bakhtayari have obtained the prescribed certifications under the Directors Training Program. Mr. Yukio Hayasawa and Mr. Nasir Jamal (deemed director) have yet to obtain certification under the Directors Training Program. The remaining directors have a minimum of 14 years of education and 15 years or more experience on the boards of listed companies, and hence are exempt from the Directors Training Program.

Trading of Shares by CEO / Directors and Executives

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

Purchase of shares	No. of shares
Director	1,000
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/Donation of shares	
Donation of shares by Chairman	76,711

Changes in the Board

Election of Directors took place on October 2, 2018. Eight Directors, as fixed by the Board under Section 159 (1) of the Companies Act, 2017, were elected in the Election of Directors for a period of three years. Ms. Nermeen Towfiq Chinoy is the new female director elected on the Board.

Composition of Board

The Board of directors of the company consists of following eight directors:

Independent Directors	2
Non-Executive Directors	6
Executive Directors	-
Out of which 7 are male and 1 is female	

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 Board of Directors was elected on October 02, 2018 including the two Independent Directors. The Company has sought clarification from the SECP in respect of another Independent Director in the composition of the Board of Directors taking into account the rounding off factor.

Meetings of Board of Directors

During the year 2018, six (6) meetings of the Board of Directors were held. The attendance of each Director is as follows:

S. No.	Name of directors	No. of meetings attended
1	Syed Babar Ali (Chairman)	6
2	Mr. Nasir Jamal (Chief Executive Officer) - Deemed Director	6
3	Mr. Asif Qadir	5
4	Syed Hyder Ali	5
5	Syed Aslam Mehdi	6
6	Mr. Khurram Raza Bakhtayari	6
7	Mr. Kimihide Ando	5
8	Mr. Yukio Hayasawa	4
9	Ms. Nermeen Towfiq Chinoy (Elected on 2 October 2018)	2
10	Mr. Shigeru Hagiwara (Alternate to Mr. Yukio Hayasawa left October 3,2018)	1
11	Mr. Ali Raza (Alternate to Mr. Yukio Hayasawa joined on October 3,2018)	1



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

Audit Committee

During the year 2018, four (4) meetings of the Audit Committee were held. The attendance of each member is given hereunder:

S.No.	Name of directors	No.of meetings attended
1	Mr. Asif Qadir (Chairman – Independent Director)	4
2	Mr. Kimihide Ando	2
3	Mr. Khurram Raza Bakhtayari	4
4	Ms. Nermeen Towfiq Chinoy – Independent Director (Elected on October 2, 2018)	1
5	Mr. Yukio Hayasawa	Nil
6	Mr. Shigeru Hagiwara (Alternate to Mr. Yukio Hayasawa – left on October 3,2018)	1
7	Mr. Ali Raza (Alternate to Mr. Yukio Hayasawa – joined on October 3,2018)	1

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, 2017.

Human Resource & Remuneration (HR&R) Committee

During the year 2018, three (3) meetings of the HR&R Committee were held. The attendance of each member is given hereunder:

S.No.	Name of directors	No.of meetings attended
1	Mr. Asif Qadir (Chairman - Independent Director)	3
2	Syed Aslam Mehdi	1
3	Mr. Khurram Raza Bakhtayari	3
4	Mr. Kimihide Ando	3

Leave of absence was granted to the members who could not attend the meetings of the HR&R Committee.

The Human Resource and Remuneration Committee has adopted its terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2017.

Directors' Remuneration

The Company has approved the Director's Remuneration Policy. The objective of this policy is to have a transparent procedure for fixing the remuneration of the directors including remuneration for extra/technical services provided by non-executive directors. Revision in the remuneration shall, from time to time, be determined by the Board of directors upon recommendation by the Human Resource and Remuneration (HR&R) Committee.

Further, detail of aggregate amount of remuneration of executive and non-executive directors is mentioned in the Financial Statements, note 30.

Contribution to National Exchequer

Your Company's contribution to the national exchequer in the form of Sales Tax, Custom Duties and Income Taxes etc. is approximately Rs 3.4 billion in the year 2018.

Pattern of Shareholding

A statement of the pattern of shareholding of certain class of shareholders as at December 31, 2018, whose disclosure is required under the reporting framework, is included in the annexed shareholders' information.

External Auditors

The present auditors M/s A. F. Ferguson & Co., Chartered Accountants are retiring and being eligible, offer 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.

Acknowledgement

We are thankful to our valued stakeholders including customers, banks, suppliers, contractors, and shareholders, for their excellent support and confidence. We also thank our employees for their focused dedication and hard work throughout this period.



Nasir Jamal
Chief Executive
Karachi, February 26, 2019



Asif Qadir
Director



Financial Statements



The given analysis... current situation both in all mo... rately. It will allow to predict mo... ects of development of the company... eration of positive dynamics of growth... As a result of investigation of period to do next, raise a break-even sales level, increase incomes of direct sales, reduce costs to transportation, strengthen sale divisions, carry out personnel training.

Physical report allows to estimate the full... both in all company, and in its divisions sep... to predict the company at the account of pres... positive dynamics of growth. To increase incomes of direct sales, reduce costs to transportation, strengthen sale divisions, carry out personnel training.

Product placement in different regions... Main company... Subdivisions... Competitors... Others

Subdivision 1
Subdivision 2
Subdivision 3

Detailed information
Changing business activity of subdivisions of main company

Company and subdivisions
Data and prognosis of activity

Auditors' Report to the Members



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, 2018, and 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 a summary of significant 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, 2018 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

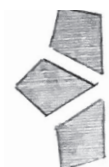
Basis for Opinion

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 judgement, 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.

*A.F.FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>*



Following are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
i.	<p>Trade Debtors (Refer note 8 to the Financial Statements)</p> <p>The Company's trade debtors as at December 31, 2018 amounts to Rs 2.33 billion. 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.</p> <p>Moreover, as at December 31, 2018 trade debts of Rs. 1.13 billion 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 increase in sales prices and difficult market conditions there is delay in customer repayment.</p> <p>The trade debtors' area in view of the significance of amount involved and increased credit risk is identified as higher risk and therefore we considered this a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained understanding of sales and trade debts process. Obtained the system generated ageing report and checked its correctness involving our system and process assurance personnel. Also tested the controls on trade debts and it's clearing process. Inspected customer confirmation obtained by company as part of their internal confirmation process. Checked, on sample basis, trade debts ageing report ensuring the due invoices are classified within the appropriate ageing bracket with underlying documentation. Reviewed the credit limit and period on evaluation form of various customers groups. Checked, on a sample basis, subsequent cash receipts from the customers relating to year end balances and their underlying documentation. For sales orders breaching the credit limit, reviewed approvals from authorised personnel on sample basis. Reviewed the history of past payments trends and credit defaults of customers in the company and ensured compliance to debtors provisioning policy. Confirmed customer balances on sample basis and performed alternate testing on those balances against which we have not received the balance confirmation. Reviewed the adequacy of the disclosures made by the Company in this area with regard to applicable accounting and reporting standards

S.No.	Key audit matters	How the matter was addressed in our audit
ii.	<p>Companies Act, 2017 (Refer note 3.1.1 to the financial statements)</p> <p>The Fourth Schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of these annexed financial statements.</p> <p>As part of this transition to the requirements, the management performed a gap analysis to identify differences between the previous and current fourth schedules and as a result certain amendments relating to presentation and disclosures have been made in the Company's annexed financial statements.</p> <p>In view of the various additional disclosures in the annexed financial statements due to first time application of the fourth schedule to the Companies Act, 2017, we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <p>We reviewed and understood the requirements of the Fourth Schedule to the Companies Act, 2017. Our audit procedures included the following:</p> <p>Considered the management's process to identify the additional disclosures required in the Company's annexed financial statements;</p> <p>Obtained relevant underlying supports for the additional disclosures and assessed their appropriateness for the sufficient audit evidence; and</p> <p>Verified on test basis the supporting evidence for the additional disclosures and ensured appropriateness of the disclosures made.</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 reports 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 the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of the 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.



The 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 judgement 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 Farrukh Rehman

Chartered Accountants
Karachi
Date: March 12, 2019



EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Share capital
Capital Reserves
Share premium
Revenue reserves
General reserve
Unappropriated profit

LIABILITIES

NON CURRENT LIABILITIES

Long term finances
Deferred taxation - net
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 finances

TOTAL LIABILITIES

CONTINGENCIES AND COMMITMENTS

TOTAL EQUITY AND LIABILITIES

The annexed notes 1 to 41 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Asif Qadir
Director



Shafiq Afzal Khan
Chief Financial Officer

Note	2018	2017
	(Rupees in thousand)	
12	388,000	388,000
	999,107	999,107
	1,605,000	1,605,000
	739,372	962,362
	<u>3,731,479</u>	<u>3,954,469</u>
13	1,070,001	1,424,024
14	193,484	264,936
15	47,357	130,254
16	31,466	34,160
	<u>1,342,308</u>	<u>1,853,374</u>
17	1,705,841	1,519,721
	16,540	13,772
18	94,485	60,019
19	4,860,114	2,569,012
13	854,021	1,224,247
	<u>7,531,001</u>	<u>5,386,771</u>
	<u>8,873,309</u>	<u>7,240,145</u>
20		
	<u>12,604,788</u>	<u>11,194,614</u>



Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2018

	Note	2018	2017
(Rupees in thousand)			
Revenue	21	13,224,068	12,255,793
Cost of sales	22	(11,847,875)	(10,489,889)
Gross profit		1,376,193	1,765,904
Distribution costs	23	(371,630)	(306,060)
Administrative expenses	24	(315,193)	(283,606)
		(686,823)	(589,666)
Operating Profit		689,370	1,176,238
Other income	25	56,770	46,770
		746,140	1,223,008
Other expenses	26	(18,547)	(56,795)
Finance cost	27	(507,524)	(355,197)
		(526,071)	(411,992)
Profit before income tax		220,069	811,016
Income tax - net	28	(62,712)	(238,374)
Profit for the year		157,357	572,642
Other comprehensive income / (loss) for the year:			
Items that will not be reclassified subsequently to Profit or Loss			
Remeasurement of staff retirement benefits	15.3.6	7,653	(30,991)
Total comprehensive income for the year		165,010	541,651
Earnings per share - basic and diluted (Rupees)	29	4.06	14.76

The annexed notes 1 to 41 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Asif Qadir
Director



Shafiq Afzal Khan
Chief Financial Officer

Statement of Changes in Equity

For the year ended December 31, 2018

	Issued, subscribed and paid-up share capital	Reserves			Total	
		Capital	Revenue			
			Share premium	General reserve		Unappropriated profit
(Rupees in thousand)						
Balance as at January 1, 2017	388,000	999,107	1,605,000	808,711	3,412,818	3,800,818
Final cash dividend for the year ended December 31, 2016 @ Rs 10.00 per share	-	-	-	(388,000)	(388,000)	(388,000)
Total comprehensive income for the year ended December 31, 2017						
Profit after taxation for the year ended December 31, 2017	-	-	-	572,642	572,642	572,642
Other comprehensive loss	-	-	-	(30,991)	(30,991)	(30,991)
	-	-	-	541,651	541,651	541,651
Balance as at December 31, 2017	388,000	999,107	1,605,000	962,362	3,566,469	3,954,469
Final cash dividend for the year ended December 31, 2017 @ Rs 10.00 per share	-	-	-	(388,000)	(388,000)	(388,000)
Total comprehensive income for the year ended December 31, 2018						
Profit after taxation for the year ended December 31, 2018	-	-	-	157,357	157,357	157,357
Other comprehensive income	-	-	-	7,653	7,653	7,653
	-	-	-	165,010	165,010	165,010
Balance as at December 31, 2018	388,000	999,107	1,605,000	739,372	3,343,479	3,731,479

The annexed notes 1 to 41 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Asif Qadir
Director



Shafiq Afzal Khan
Chief Financial Officer

Statement of Cash Flows

For the year ended December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations
Payment on account of accumulated compensated absences
Increase in long term deposits
Staff retirement benefits paid
Income taxes paid
Net cash (used in) / generated from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment
Purchase of intangibles
Profit received on bank balances
Sale proceeds on disposal of operating fixed assets
Net cash used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid
Long term finances paid
Long term financing acquired
Short term financing - net
Finance cost paid
Bank charges paid
Net cash (used in) / generated from financing activities

Net decrease in cash and cash equivalents

Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year

The annexed notes 1 to 41 form an integral part of these financial statements.



Nasir Jamal
Chief Executive Officer



Asif Qadir
Director



Shafiq Afzal Khan
Chief Financial Officer

Note	2018	2017
	(Rupees in thousand)	
31	60,171	333,674
	(7,741)	(11,648)
	(948)	(941)
	(145,752)	(96,798)
	(266,141)	(114,152)
	<u>(360,411)</u>	<u>110,135</u>
	(544,461)	(448,553)
	(348)	(4,337)
	708	914
	6,475	6,183
	<u>(537,626)</u>	<u>(445,793)</u>
	(385,232)	(386,484)
	(1,224,249)	(1,016,521)
	500,000	-
	420,000	1,742,000
	(428,395)	(270,055)
	(16,343)	(20,086)
	<u>(1,134,219)</u>	<u>48,854</u>
	<u>(2,032,256)</u>	<u>(286,804)</u>
	(221,988)	64,816
32	<u>(2,254,244)</u>	<u>(221,988)</u>

Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2018

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 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, North Western Industrial Zone, Port Qasim Authority, Karachi; and
- Plot No. 78/1, Phase IV, Hattar Industrial Estate, Hattar, Khyber Pakhtunkhwa.

Regional Offices are situated as under:

- Plot No. 5 FC. C, Maratib Ali Road, Gulberg II, Lahore; and
- House No. 18, Sir Abdullah Haroon Road, Near Marriott Hotel, Karachi.

2. SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING YEAR

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting year:

- Increase in borrowings amounting to Rs. 1.56 billion was primarily due to increase in working capital requirement - Refer note 13 and 19;
- The Company has incurred significant capital expenditure during the year ended December 31, 2018, which primarily comprise of the upgrade of manufacturing line amounting to Rs. 298.81 million - Refer note 5.1.1; and
- During the year due to change in policy rate from 6% to 10% and additional borrowing, the finance cost of the company increased by Rs. 181.81 million - Refer note 27.

3. SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

3.1 Accounting convention

These financial statements have been prepared under the historical cost convention, as modified by re-measurement of certain financial assets and financial liabilities at fair value and recognition of certain staff retirement and other service benefits at present value.

3.2 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 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; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.3 Changes in accounting standards, interpretations and pronouncements

- a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

The Fourth Schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of these financial statements. The Companies Act, 2017 (including its Fourth Schedule) forms an integral part of the statutory financial reporting framework applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements.

The Companies Act, 2017 has also brought certain changes with regard to preparation and presentation of annual and interim financial statements of the Company.

Further, the disclosure requirements contained in the Fourth Schedule to the Companies Act, 2017 have been revised, resulting in the: elimination of duplicative disclosures with the IFRS disclosure requirements; and incorporation of significant additional disclosures.

- b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

There are other new standards, amendments and interpretations that are mandatory for accounting period beginning on or after January 1, 2018 are considered not to be relevant for Company's financial statements and hence have not been detailed here.

- c) Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following are the new standards, amendments to existing approved accounting standards and new interpretations that will be effective for the periods beginning January 1, 2019 that may have an impact on the financial statements of the Company.

IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

IFRS 15 'Revenue from contracts with customers' - IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognise revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.

The management is in the process of assessing the impact of changes laid down by these standards on its financial statements.

3.4 Staff retirement benefits

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

3.4.1 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.

3.4.2 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, 2018. 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 - 13.75% (2017: 9.50%) per annum;
- Expected rate of increase in salary levels - 11.75% (2017: 8.50%) 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 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.

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 (associated undertaking) and it currently operates two different plans for its employees:

- Defined contribution plan for all active employees; 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 - 13.25% (2017: 8.25%) per annum;
- Expected rate of increase in pension level - 0% for first year and at 5.5% thenceforth (2017: 0% for first year and at 1% 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 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 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 statement of profit or loss and other comprehensive income.

3.4.3 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 - 13.75% (2017: 9.50%) per annum; and
- Expected rate of increase in salary levels - 11.75% (2017: 8.50%) 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 immediately.

3.5 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in statement of 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.

3.5.1 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.

3.5.2 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 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.



3.6 Trade and Other Payables

Liabilities for trade and other payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

3.7 Provisions

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.

3.8 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.

3.9 Property, Plant and Equipment

Operating fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for leasehold land and capital work in progress which are stated at cost. Cost of leasehold land is amortised using the straight line method over the period of lease term.

Operating fixed assets having cost exceeding the minimum threshold as determined by the management are capitalised. All other assets are charged to income in the year when acquired. Depreciation is charged to statement of profit or loss and other comprehensive income on straight line method at the following rates:

Nature of property, plant and equipment	Annual rate of depreciation (%)
- Leasehold land	1.03 to 2.22
- 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	5 to 50
- Vehicles	20

Depreciation on additions and deletions during the year is charged from the month when asset is put into 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.

The Company assesses at each statement of financial position date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment charge is recognised in statement of profit or loss and other comprehensive income currently.

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 statement of profit or loss and other comprehensive income 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. Minor repairs and renewals are charged to statement of profit or loss and other comprehensive income.

Profit or loss on disposal of operating fixed assets are included in statement of profit or loss and other comprehensive income in the year in which it is realised.

3.10 Capital Work in Progress

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.

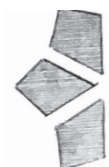
3.11 Intangible Assets

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 (i.e. computer software) includes purchase cost and directly attributable expenses incidental to bring the asset for 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.



The carrying amount of the intangible assets is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the intangible asset's carrying amount exceeds its recoverable amount in statement of profit or loss. Reversal of impairment losses are also recognised in statement of profit or loss and other comprehensive income, however, is restricted to the original cost of the intangible asset.

3.12 Inventories

Stock in trade is valued at the lower of cost and estimated net realisable value. Cost is determined as follows:

Stages of stock in trade	Basis of valuation
Raw materials, work in process and finished goods	Weighted average cost
Raw materials in transit	Invoice value and other related charges as at statement of financial position date

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.

Stores and spares are valued at weighted average cost less allowance for obsolete and slow moving items.

Stores and spares in transit are stated at cost comprising invoice value and other related charges incurred up to the statement of financial position date.

3.13 Trade Debts

Trade debts are recognised initially at original invoice amount which is the fair value of consideration to be received in future and subsequently measured at amortised cost less an estimate made for impairment based on a review of all outstanding amounts at the year end. A provision for impairment of trade debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Bad debts are written off when identified.

3.14 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 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 or within a period of 3 months from the reporting date. Further, contractual borrowings are not part of cash and cash equivalents and are part of financing activities.

3.15 Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities.

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company and specific criteria has been met for each of the Company's activities as described below:

- i) Sales revenue is recognised at the time the Company has transferred the significant risks and rewards of ownership of the goods; and
- ii) Returns on bank deposits are accrued on a time proportion basis by reference to the principal outstanding amount and the applicable rate of return.

3.16 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 statement of profit or loss and other comprehensive income in the period in which they are incurred.

3.17 Foreign Currency Transactions and Translation

Foreign currency transactions are recognised or accounted for into Pakistan Rupees using the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted into Pakistan 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 Pakistan Rupees, which is the Company's functional and presentation currency.



3.19 Financial Instruments

3.19.1 The Company Classifies its Financial Assets in the Following Categories:

(a) Investments at 'fair value through profit or loss'

- Held for trading

These include financial instruments acquired principally for the purpose of generating profit from short term fluctuations in prices or dealers' margins or are securities included in portfolio in which a pattern of short term profit taking exists. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, these are classified as non-current assets.

- Financial assets designated at 'fair value through profit or loss' upon initial recognition

These include investments that are designated as investments at 'fair value through profit or loss' upon initial recognition.

Gains / (losses) arising on sale of investments are included in the statement of profit or loss and other comprehensive income currently on the date when the transaction takes place.

Unrealised gains / (losses) arising on revaluation of securities classified as financial assets at 'fair value through profit or loss' are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are included in current assets, except for maturities greater than 12 months after the statement of financial position date, which are classified as non-current assets. The Company's loans and receivables comprise 'long term deposits', 'trade debts', 'advances and prepayments', 'other receivables' and 'cash and bank balances' in the statement of financial position.

(c) Held to maturity

Held to maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity with a positive intention to hold them up to maturity.

(d) Available-for-sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. These are included in non-current assets unless the investment matures or management intends to dispose of the financial assets within 12 months of the statement of financial position date.

3.19.2 Recognition

Regular way purchases and sales of financial assets are recognised on the trade date - the date on which the Company commits to purchase or sell the asset.

3.19.3 Measurement

Financial instruments are measured initially at fair value (transaction price) plus, in case of a financial asset or financial liability other than those at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on 'financial assets and financial liabilities at fair value through profit or loss' are charged to the profit or loss immediately.

Subsequent to initial recognition, instruments classified as financial assets at 'fair value through profit or loss' and 'available for sale' are measured at fair value. Gains / (losses) arising from changes in the fair value of the financial assets at 'fair value through profit or loss' are recognised in the statement of profit or loss. Changes in the fair value of instruments classified as 'available for sale' are recognised in other comprehensive income until derecognised or impaired when the accumulated fair value adjustments recognised in other comprehensive income are transferred to the statement of profit or loss.

Financial assets classified as 'loans and receivables' and 'held to maturity' are carried at amortised cost using the effective yield method, less impairment losses, if any.

Financial liabilities, other than those at 'fair value through profit or loss' are measured at amortised cost using the effective yield method.

3.19.4 Impairment

Impairment loss on investment other than 'available for sale' is recognised in the profit or loss account whenever the carrying amount of investment exceeds its recoverable amount. If in a subsequent period, the amount of an impairment loss recognised decreases the impairment is reversed through the statement of profit or loss and other comprehensive income.

In case of investment classified as 'available for sale', a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for 'available for sale' financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the profit or loss is removed from other comprehensive income and recognised in the profit or loss account. However, any decrease in impairment loss on securities classified as 'available for sale' is reversed through the statement of profit or loss and is recognised in other comprehensive income.

3.19.5 Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IAS 39, 'Financial instruments: Recognition and measurement'.

The Company uses the weighted average method to determine realised gains and losses on derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

3.20 Derivatives Financial Instruments and Hedging Activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates derivatives as either fair value hedge or cash flow hedge.



The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in off-setting changes in fair values or cash flows of hedged items.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit or loss and other comprehensive income, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit or loss.

Amounts accumulated in equity are reclassified to statement of profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in cost of goods sold in the case of inventory or in depreciation in the case of fixed assets.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the profit or loss.

3.21 Off-setting of Financial Assets and Financial Liabilities

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.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

4.1 The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. There were no significant judgements involved in the application of Company's accounting policies. The management has made the following estimates which are significant to the financial statements:

4.2 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.

4.3 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 3.4 and 15.

4.4 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 5) and intangible assets (note 6) with a corresponding effect on the depreciation charge, amortisation charge and impairment.

4.5 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.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	2018	2017
		(Rupees in thousand)	
Operating fixed assets	5.1	5,895,087	5,924,129
Capital work in progress	5.2	151,590	230,483
Major spare parts and stand-by equipments	5.3	27,078	20,094
		<u>6,073,755</u>	<u>6,174,706</u>



5.1 Operating fixed assets

5.1.1 The following is the statement of operating fixed assets.

	Leasehold land	Buildings on leasehold land	Plant and machinery	Electrical installations	Furniture and fittings	Office and other equipment	Vehicles	Total
(Rupees in thousand)								
Year ended December 31, 2018								
Opening net book value	180,181	831,469	4,691,326	158,196	39,860	11,089	12,008	5,924,129
Additions	-	21,281	574,651	-	7,507	12,931	-	616,370
Disposals - note 5.16	-	-	(1,183)	-	(174)	(92)	(2,119)	(3,568)
Depreciation/Amortisation charge	(4,804)	(63,779)	(544,182)	(12,412)	(9,148)	(6,655)	(864)	(641,844)
Closing net book value	175,377	788,971	4,720,612	145,784	38,045	17,273	9,025	5,895,087
At December 31, 2018								
Cost	221,187	1,339,950	10,658,806	315,453	96,238	95,762	28,086	12,755,482
Accumulated Depreciation/Amortisation	(45,810)	(550,979)	(5,938,193)	(169,669)	(58,194)	(78,489)	(19,061)	(6,860,395)
Net book value	175,377	788,971	4,720,613	145,784	38,044	17,273	9,025	5,895,087
Year ended December 31, 2017								
Opening net book value	182,544	871,741	4,952,884	170,794	33,714	7,522	19,952	6,239,151
Additions	2,426	23,737	255,622	-	14,605	9,101	95	305,586
Disposals	-	-	-	-	-	(48)	(5,652)	(5,700)
Depreciation/Amortisation charge	(4,789)	(64,009)	(517,180)	(12,598)	(8,459)	(5,486)	(2,387)	(614,908)
Closing net book value	180,181	831,469	4,691,326	158,196	39,860	11,089	12,008	5,924,129
At December 31, 2017								
Cost	221,187	1,318,669	10,092,865	315,453	89,083	83,015	34,552	12,154,824
Accumulated Depreciation/Amortisation	(41,006)	(487,200)	(5,401,539)	(157,257)	(49,223)	(71,926)	(22,544)	(6,230,695)
Net book value	180,181	831,469	4,691,326	158,196	39,860	11,089	12,008	5,924,129

5.1.2 Depreciation charge for the year has been allocated as follows:

Note	2018	2017
	(Rupees in thousand)	
Cost of goods manufactured	633,091	605,928
Distribution costs	847	997
Administrative expenses	7,906	7,983
	<u>641,844</u>	<u>614,908</u>

5.1.3 Operating fixed assets include assets having cost of Rs 3.65 billion (2017: Rs 2.90 billion) which were fully depreciated as at the year end.

5.1.4 The land is leasehold to be used for production and operational purposes.

5.1.5 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, North Western Industrial Zone, Port Qasim Authority, Karachi	Production & operational facility	39
Plot No. 78/1, Phase IV, Hattar Industrial Estate, Hattar, Khyber Pakhtunkhwa	Production & operational facility	12

5.1.6 The following operating fixed assets were sold during the year:

Particulars	Sold to	Mode of Disposal	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain/ (loss)
(Rupees in thousand)							
Plant and Machinery	Sosafe Traders	Tender	8,720	7,538	1,183	696	(487)
Vehicles	Zohaib Ali Shah	Tender	870	585	285	460	175
	Zohaib Ali Shah	Tender	726	488	238	440	202
	Muhammad Umer	Tender	1,497	1,007	490	1,003	513
	Muhammad Waqas	Tender	749	503	246	505	259
	Muhammad Waqas	Tender	712	479	233	457	224
	Akbar Khan Afridi	Tender	712	479	233	383	150

5.2 Capital Work in Progress

	2018	2017
	(Rupees in thousand)	
Plant and machinery	128,454	17,701
Building and civil works	15,989	11,483
Advances to suppliers and contractors	7,147	201,299
	<u>151,590</u>	<u>230,483</u>

5.3 Major spare parts and stand-by equipments

Balance at the beginning of the year
 Additions during the year
 Transfers made during the year
 Balance at the end of the year

	2018	2017
	(Rupees in thousand)	
	20,094	27,918
	10,134	1,226
	(3,150)	(9,050)
	<u>27,078</u>	<u>20,094</u>

6. INTANGIBLES

Computer softwares

At January 1

Cost
 Accumulated amortisation
 Net book value
 Additions during the year
 Amortisation for the year
 Net book value as at December 31

	53,071	48,734
	(48,741)	(45,837)
	<u>4,330</u>	<u>2,897</u>
	348	4,337
	(2,326)	(2,904)
	<u>2,352</u>	<u>4,330</u>

At December 31

Cost
 Accumulated amortisation
 Net book value

	53,419	53,071
	(51,067)	(48,741)
	<u>2,352</u>	<u>4,330</u>

6.1 Amortisation charge for the year has been allocated to administrative expenses.

7. INVENTORIES

Stores and spares
 Raw materials
 In hand
 In transit

Packing materials
 Work in process
 Finished goods

Note	2018	2017
	(Rupees in thousand)	
7.1	431,231	399,846
	1,444,216	599,461
	68,364	267,042
	<u>1,512,580</u>	<u>866,503</u>
	1,943,811	1,266,349
	23,464	24,343
	304,655	314,965
	303,198	248,446
	<u>2,575,128</u>	<u>1,854,103</u>

7.1	Stores and Spares	Note	2018	2017
			(Rupees in thousand)	
	Stores		55,681	47,648
	Spares		359,958	347,852
	Stores and spares in transit		15,592	4,346
			<u>431,231</u>	<u>399,846</u>
8.	TRADE DEBTS - NET			
	Unsecured			
	Considered good			
	Due from related parties	8.1	40,712	102,907
	Others		2,263,103	1,511,600
			<u>2,303,815</u>	<u>1,614,507</u>
	Considered doubtful - others	8.4	61,943	92,066
	Secured			
	Considered good			
	Due from related parties	8.1	-	-
	Others		20,883	38,865
			<u>20,883</u>	<u>38,865</u>
			2,386,641	1,745,438
	Less: Provision for doubtful debts	8.4	(61,943)	(92,066)
			<u>2,324,698</u>	<u>1,653,372</u>
8.1	Represents amounts due from following related parties in the normal course of business and are interest free:			
	Packages Limited		37,802	102,907
	Chantler Packages Inc.		2,910	-
			<u>40,712</u>	<u>102,907</u>
8.2	Amount due from export customers on confirmed Letter of credits.			
	Region of Sales			
	Middle East		10,980	38,921
	Europe		5,853	-
	North America	8.1	2,910	2,250
	East Asia		694	66
	South Asia		67	10,717
			<u>20,504</u>	<u>51,954</u>



8.3 The maximum amount receivable from any related party during the year was Rs 439.58 million (2017: Rs 145.28 million).

8.4 Provision for Doubtful Debts

	Note	2018	2017
(Rupees in thousand)			
Balance at beginning of the year		92,066	96,666
Provision for the year	24	3,907	20,064
Reversal during the year	24 & 8.5	(1,192)	(24,664)
Written off during the year		(32,838)	-
Balance at end of the year		<u>61,943</u>	<u>92,066</u>

8.5 This reversal has been made because of subsequent receipt of the respective amount.

8.6 As at December 31, 2018, trade debts of Rs 1,129.06 million (2017: Rs 537.70 million) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The ageing analysis of these trade debts is as follows:

	2018	2017
(Rupees in thousand)		
Upto 2 months	1,006,952	491,362
Over 2 - 4 months	82,152	25,042
Over 4 - 6 months	32,461	7,498
More than 6 months	7,499	13,799
	<u>1,129,064</u>	<u>537,701</u>

8.7 As at December 31, 2018, trade receivables of Rs 61.94 million (2017: Rs 92.07 million) were impaired and provided for. These receivables are over-due by more than 365 days.

9. ADVANCES AND PREPAYMENTS

Considered good

Due from employees	9.1	5,042	6,256
Advances to suppliers	9.2	33,189	23,754
Advances to clearing agents		24,957	60,975
Prepaid minimum tax	9.3	29,570	-
Other prepayments		11,634	7,127
		<u>104,392</u>	<u>98,112</u>

9.1 These advances primarily include advance against travelling and house rent given to executives as per terms of employment. The maximum amounts due at the end of any month during the year from the Chief Executive and other executives were Rs Nil (2017: Rs 0.50 million) and Rs 1.24 million (2017: Rs 0.93 million) respectively.

9.2 This amount includes due from following related parties in the normal course of business and are interest free.

	2018	2017
	(Rupees in thousand)	
Packages Limited	1,102	1,284
IGI Life insurance Limited	13	-
	1,115	1,284

9.3 Represents prepaid minimum tax on import of plastic raw material under Section 148 (8) (d) of the Income Tax Ordinance, 2001 on the closing stock of raw material. This accounting treatment is based on the selected opinion of the Institute of Chartered Accountants of Pakistan (ICAP) on 'IAS 12 Income Taxes'.

10. OTHER RECEIVABLES

	Note	2018	2017
		(Rupees in thousand)	
Rebate recoverable against exports		21,466	23,352
Rebate receivable against purchases		66,898	37,037
Car advances to employees	10.1	41,352	46,201
Others		6,137	5,756
		135,853	112,346

10.1 This represents advance to employees against purchase of vehicles for a period of five years. During this tenure, the salvage value of the vehicle is recovered from an employee in equal monthly installments. In case an employee leaves earlier, the outstanding amount is recovered.

11. CASH AND BANK BALANCES

	2018	2017
	(Rupees in thousand)	
Cash with banks in		
Current accounts		
Local currency	30,192	195,309
Foreign currency	13,379	9,329
Cash in hand	299	386
	43,870	205,024

12. SHARE CAPITAL

Number of shares
Authorised

100,000,000 Ordinary shares of Rs 10 each

Issued, subscribed and paid-up

2018	2017
(Number of Shares)	

38,800,000 38,800,000 Ordinary shares of Rs 10 each fully paid in cash

2018	2017
(Rupees in thousand)	
1,000,000	1,000,000

388,000 388,000

12.1 Packages Limited, Mitsubishi Corporation of Japan and IGI Investments (Private) Limited held 12,933,333 (2017: 12,933,333), 7,499,000 (2017: 7,499,000) and 3,750,417 (2017: 3,750,417) ordinary shares of the Company respectively, as at December 31, 2018.

12.2 There is a shareholder agreement signed between Packages Limited and Mitsubishi Corporation which includes clauses related to voting rights, board selection, rights of first refusal, and block voting.

13. LONG TERM FINANCES

Secured

Finance - 1
Finance - 2
Finance - 3
Finance - 4
Finance - 5
Finance - 6

2018	2017
(Rupees in thousand)	
100,000	300,000
500,000	700,000
291,522	790,771
62,500	187,500
470,000	670,000
500,000	-
1,924,022	2,648,271
(854,021)	(1,224,247)
1,070,001	1,424,024

Less: Current portion of long term finances

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
Disbursements during the year
Repayment
Balance as at December 31

2,648,271	3,664,791
500,000	-
(1,224,249)	(1,016,520)
1,924,022	2,648,271

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)	2018	2017			
Finance 1	Term-loan	10	Semi-annual (Grace period : 2 years)	Semi-annually	6 month Kibor + 0.75%	7.38%	6.89%	1,000,000	June 1, 2012	June 2019
Finance 2	Term-loan	10	Semi-annual (Grace period : 2 years)	Quarterly	3 month Kibor + 0.75%	7.72%	6.87%	1,000,000	April 1, 2014	April 2021
Finance 3	Term-loan	10	Semi-annual (Grace period : 2 years)	Quarterly	3 month Kibor + 0.45%	7.61%	6.61%	2,000,000	June 29, 2012	October 2019
Finance 4	Term-loan	8	Semi-annual (Grace period : 1 year)	Quarterly	3 month Kibor + 0.45%	7.12%	6.66%	500,000	February 14, 2014	March 2019
Finance 5	Term-loan	20	Quarterly (Grace period : 2 years)	Quarterly	3 month Kibor + 0.30%	7.53%	6.69%	1,000,000	November 8, 2013	June 2021
Finance 6	Term-loan	20	Quarterly (Grace period : 2 years)	Quarterly	3 month Kibor + 0.10%	9.99%	0.00%	500,000	November 1, 2018	November 2023

13.3 The above facilities have been obtained from commercial 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.

14. DEFERRED TAXATION-NET

	Accelerated tax depreciation	Amortisation allowance	Tax loss	Provision for accumulated compensated absences	Provision for doubtful debts	Minimum Tax	ACT (Alternative corporate Tax) 17% of Acc income	Total
	(Rupees in thousand)							
January 1, 2018	754,247	(5,674)	(21,300)	(9,824)	(28,384)	(380,326)	(43,803)	264,936
Charge / (credit) to profit or loss for the year	(109,295)	1,478	21,300	2,167	12,898	-	-	(71,452)
December 31, 2018	<u>644,952</u>	<u>(4,196)</u>	<u>-</u>	<u>(7,657)</u>	<u>(15,486)</u>	<u>(380,326)</u>	<u>(43,803)</u>	<u>193,484</u>
January 1, 2017	754,706	(6,234)	(252,202)	(8,706)	(29,000)	(229,614)	(43,803)	185,147
Charge / (credit) to profit or loss for the year	(459)	560	230,902	(1,118)	616	(150,712)	-	79,789
December 31, 2017	<u>754,247</u>	<u>(5,674)</u>	<u>(21,300)</u>	<u>(9,824)</u>	<u>(28,384)</u>	<u>(380,326)</u>	<u>(43,803)</u>	<u>264,936</u>

14.1 The deferred tax asset on minimum tax and alternative corporate tax will be recoverable based on the estimated future taxable income and approved business plans and budgets.

14.2 Under the Finance Act, 2018, a change in corporate tax rate from 30% to 29% was enacted for the year 2019. The said tax rate will gradually decrease by 1% over a period of 4 years. Therefore, deferred tax assets and liabilities have been recognised accordingly using the expected applicable rate.

15. STAFF RETIREMENT BENEFITS

15.1 As stated in note 3.4.2 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, 2018.

15.2 Plan assets held in trust are governed by local regulations which mainly include Trust Act, 1882; the repealed Companies Ordinance, 1984; 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.

15.3 The latest actuarial valuations of the Plans as at December 31, 2018 were carried out using the Projected Unit Credit Method. Details of the Funds as per the actuarial valuations are as follows:

	Note	2018	2017	2018	2017
		Pension Fund		Gratuity Fund	
(Rupees in thousand)					
15.3.1 The amounts recognised in the statement of financial position are as follows:					
Present value of defined benefit obligation	15.3.3	60,722	62,178	113,056	119,888
Fair value of plan assets	15.3.4	(38,235)	(44,803)	(93,492)	(7,402)
Payables to Employees		-	-	5,306	393
Net liability as at December 31		<u>22,487</u>	<u>17,375</u>	<u>24,870</u>	<u>112,879</u>

15.3.2	Net liability as at January 1
	Charge to statement of profit or loss
	Loss / (Gain) charged to other comprehensive income
	Contribution by the Company
	Net liability as at December 31

2018	2017	2018	2017
Pension Fund		Gratuity Fund	
(Rupees in thousand)			
17,375	3,268	112,879	139,634
1,432	261	20,517	13,057
3,680	13,846	(11,333)	17,145
-	-	(97,193)	(56,957)
<u>22,487</u>	<u>17,375</u>	<u>24,870</u>	<u>112,879</u>

15.3.3 The movement in the present value of defined benefit obligation is as follows:

Present value of defined benefit obligation as at January 1
Current service cost
Cost for Voluntary Separation Scheme
Interest cost on defined benefit obligation
Employee's Contribution during the year
Past service cost for employee rejoined during the year
Benefits due but not paid (payables)
Benefits paid
Actuarial gains from changes in financial assumptions
Experience loss
Present value of defined benefit obligation as at December 31

62,178	62,808	119,888	100,672
-	-	14,696	12,032
-	-	-	(2,931)
4,860	4,770	10,558	9,057
-	-	-	1,049
-	-	-	1,651
-	-	(5,306)	(393)
(6,542)	(6,354)	(12,261)	(10,281)
-	-	(21,723)	-
226	954	7,204	9,032
<u>60,722</u>	<u>62,178</u>	<u>113,056</u>	<u>119,888</u>



15.3.4 The movement in fair value of plan assets is as follows:

Fair value as at January 1	44,803	59,540	7,401	69,715
Contributions made by employer	-	-	97,193	56,957
Contributions made by employee	-	-	-	1,049
Income on plan assets	3,428	4,509	4,738	6,752
Return on plan assets excluding interest income	(3,454)	(12,892)	(3,186)	(8,113)
Benefits paid	(6,542)	(6,354)	(12,654)	(118,958)
Fair value of as at December 31	<u>38,235</u>	<u>44,803</u>	<u>93,492</u>	<u>7,402</u>

15.3.5 The amounts recognized in the statement of profit or loss are as follows:

Current service cost	-	-	14,696	12,032
Cost for Voluntary Separation Scheme	-	-	-	(2,931)
Past service cost for employee rejoined during the year	-	-	-	1,651
Interest cost on defined benefit obligation	4,858	4,770	10,558	9,057
Interest income on plan assets	(3,426)	(4,509)	(4,737)	(6,752)
	<u>1,432</u>	<u>261</u>	<u>20,517</u>	<u>13,057</u>

15.3.6 The amounts recognized in the other comprehensive income are as follows:

Experience loss	226	954	(14,519)	9,032
Return on plan assets excluding interest income	3,454	12,892	3,186	8,113
	<u>3,680</u>	<u>13,846</u>	<u>(11,333)</u>	<u>17,145</u>

15.3.7 Plan assets are comprised as follows:

Debt	22,050	19,422	30,974	-
Equity	15,799	23,858	6,311	6,720
Cash	386	1,268	56,207	682
Other	-	255	-	-
	<u>38,235</u>	<u>44,803</u>	<u>93,492</u>	<u>7,402</u>

	2018	2017	2018	2017
	Pension Fund		Gratuity Fund	
	(Rupees in thousand)			
	44,803	59,540	7,401	69,715
	-	-	97,193	56,957
	-	-	-	1,049
	3,428	4,509	4,738	6,752
	(3,454)	(12,892)	(3,186)	(8,113)
	(6,542)	(6,354)	(12,654)	(118,958)
	<u>38,235</u>	<u>44,803</u>	<u>93,492</u>	<u>7,402</u>
	-	-	14,696	12,032
	-	-	-	(2,931)
	-	-	-	1,651
	4,858	4,770	10,558	9,057
	(3,426)	(4,509)	(4,737)	(6,752)
	<u>1,432</u>	<u>261</u>	<u>20,517</u>	<u>13,057</u>
	226	954	(14,519)	9,032
	3,454	12,892	3,186	8,113
	<u>3,680</u>	<u>13,846</u>	<u>(11,333)</u>	<u>17,145</u>
	22,050	19,422	30,974	-
	15,799	23,858	6,311	6,720
	386	1,268	56,207	682
	-	255	-	-
	<u>38,235</u>	<u>44,803</u>	<u>93,492</u>	<u>7,402</u>

- 15.4 The Company ensures asset / liability matching by investing in government securities, bank deposits, mutual funds and does not use derivatives to manage its risk.
- 15.5 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	56,929	102,068
Discount rate	- 100 bps	65,007	125,794
Salary increase	+ 100 bps	65,024	126,190
Salary increase	- 100 bps	56,872	101,554

- Average expected remaining working life time of gratuity management employees is 10 years.
- Average expected remaining life time of pension management employees is 7 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.

16. ACCUMULATED COMPENSATED ABSENCES

	2018	2017
(Rupees in thousand)		
Opening balance	34,160	32,875
Expense recognised	5,047	12,933
Payments made during the year	(7,741)	(11,648)
Closing balance	31,466	34,160

17. TRADE AND OTHER PAYABLES

	Note	2018	2017
(Rupees in thousand)			
Creditors - bills payable	17.1	39,438	45,285
Accrued liabilities	17.3 & 17.4	1,233,427	1,039,125
Liability for imported goods	17.5	329,492	308,785
Advances from customers		49,708	46,731
Retention money		853	853
Workers' profits participation fund	17.6	-	30,511
Workers' welfare fund		52,923	48,431
		<u>1,705,841</u>	<u>1,519,721</u>

17.1 Creditors include Rs 2.31 million (2017: Rs 5.65 million) payable to associated undertakings.

17.2 The maximum amount due to any related party during the year was Rs 34.3 million (2017: Rs 80.04 million).

17.3 This includes Rs 764.45 million (2017: Rs 627.48 million) in respect of Gas Infrastructure Development Cess (GIDC) which has not been paid as stay order has been obtained by the Company in the Honourable High Courts of Sindh and Peshawar against demand and collection under GIDC Act, 2015.

17.4 This includes Rs 143.38 million (2017: 87.04 million) levied through The Sindh development and maintenance of Infrastructure Cess, 2017, which superseded the previous levy under Sindh Finance Act, 1994. The said amount has not been paid as stay order has been obtained by the Company in the Honourable High Court of Sindh.

17.5 This includes Rs Nil (2017: Rs 4.08 million) payable to associated undertakings.

17.6 Workers' profits participation fund

	2018	2017
(Rupees in thousand)		
Payable at the beginning of the year	(30,511)	(39,590)
Allocation for the year	(11,819)	(40,656)
Payments during the year	42,330	(80,246)
	42,688	49,735
Receivable / (Payable) at the end of the year	<u>358</u>	<u>(30,511)</u>

18. ACCRUED MARK-UP	Note	2018	2017
		(Rupees in thousand)	
On long term finances		39,157	36,149
On short term finances		55,328	23,870
		<u>94,485</u>	<u>60,019</u>

19. SHORT TERM BORROWINGS

Secured

Short term running finance	19.2	2,298,114	427,012
Short term money market loans	19.3	2,562,000	2,142,000
		<u>4,860,114</u>	<u>2,569,012</u>

19.1 Following are the changes in the short term money market loans (i.e. for which cash flows have been classified as financing activities in the statement of cash flows):

	2018	2017
	(Rupees in thousand)	
Balance as at January 1	2,142,000	400,000
Disbursements during the year	18,100,000	4,926,200
Repayment	(17,680,000)	(3,184,200)
Balance as at December 31	<u>2,562,000</u>	<u>2,142,000</u>

19.2 Short term running finances have been obtained under mark-up arrangements from commercial banks payable on various maturity dates up to September 21, 2019. These facilities are secured by joint hypothecation by way of first floating charge over current assets including but not limited to inventories and trade debts. Rate of mark-up applicable to these facilities ranges between 6.27% to 11.40% (2017: 6.09% to 6.81%) per annum.

19.3 Short term money market loans have been arranged as a sub-limit of the running finance facility. Rate of mark-up applicable to these facilities ranges between 6.16% to 10.01% (2017: 6.08% to 6.57%) per annum. The facilities are available for the maximum period of one year from the date of agreement with the latest facility expiring on September 21, 2019.

19.4 Total short-term facilities available under mark-up arrangements aggregated Rs 6.81 billion (2017: Rs 7.10 billion) out of which the amount unavailed at the year end was Rs 1.95 billion (2017: Rs 4.53 billion). Running finance amounting to Rs 0.5 billion (2017: Rs 1.40 billion) is sub-limit of Letter of credit.

20. CONTINGENCIES AND COMMITMENTS

Contingencies

Guarantees issued by banks on behalf of the Company

Commitments

- for purchase of raw materials and spares

- capital expenditure

2018	2017
(Rupees in thousand)	
404,745	354,605
670,881	757,189
204,800	118,310

20.1 Aggregate commitments in respect of ijarah arrangements of motor vehicles amounted to Rs 14.37 million (2017: Rs 25.5 million) payable as follows:

Not later than 1 year

Later than 1 year but not later than 5 years

2018	2017
(Rupees in thousand)	
5,174	9,339
9,198	16,164
14,372	25,503

20.2 The facilities for opening of letter of credits and for guarantees as at December 31, 2018 amount to Rs 10.62 billion (2017: Rs 10.77 billion) and Rs 1.08 billion (2017: Rs 1.08 billion) respectively, of which the amount remaining unutilised was of Rs 9.45 billion (2017: Rs 9.75 billion) and Rs 670.26 million (2017: Rs 720.4 million) respectively. Letter of guarantee is sub-limit of running finance except for Rs. Nil (2017: Rs 50 million) which is sub-limit of letter of credit.

20.3 In respect of tax year 2008 and 2011, the Commissioner Inland Revenue (Appeals) through appellate order dated April 30, 2015 and May 19, 2015 has disposed off the appeals of the company maintaining the disallowances on account of the taxation of tenderable gains amounting to Rs. 5.66 million and provisions for post retirement benefit funds amounting to Rs. 6.73 million (tax year 2008) and Rs. 21.27 million (tax year 2011). Further adjustment of minimum tax liability carried forward amounting to Rs. 42.93 million was disallowed. The Company has filed an appeal before the Appellate Tribunal Inland Revenue in respect of the matters maintained. The management of the Company, based on the advise of its consultants, is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.

20.4 In respect of tax year 2009, the Commissioner Inland Revenue (Appeals) through appellate order dated May 19, 2015 has 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. Company has filed an appeal before Appellate Tribunal Inland Revenue in respect of the issue maintained by the Commissioner (Appeals) and the management of the Company, based on the advise of its consultant, is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.

20.5 In respect of tax year 2016, the Deputy Commissioner Inland Revenue through order dated October 31, 2018 has disallowed the deductions of unrealised exchange loss of Rs. 29.28 million, added in taxable income various provisions amounting to Rs. 316.22 million and tax gain on sale of vehicles Rs. 5.58 million. The DCIR while computing the tax liability has erroneously included workers welfare fund. Further, the tax credit under the 65-B amounting to Rs. 114 million has also been disallowed. Company has filed an appeal before Commissioner Inland Revenue (Appeals) in respect of the matters mentioned. The management of the Company, based on the advise of its tax consultant, is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.

21. REVENUE

Note	2018	2017
	(Rupees in thousand)	
Sale of goods less returns:		
- Local	15,816,455	14,467,079
Less: Discounts	(433,782)	(345,552)
Sales tax	(2,336,868)	(2,105,459)
	<u>13,045,805</u>	<u>12,016,068</u>
- Export	178,263	239,725
	<u>13,224,068</u>	<u>12,255,793</u>

22. COST OF SALES

Opening stock of finished goods		248,446	241,214
Cost of goods manufactured	22.1	11,902,627	10,497,121
Less: Closing stock of finished goods		(303,198)	(248,446)
		<u>11,847,875</u>	<u>10,489,889</u>

22.1 Cost of Goods Manufactured

Opening stock of work in process		314,965	226,807
Raw materials consumed	22.2	9,090,428	7,794,844
Packing materials consumed	22.3	321,225	336,349
Repairs and maintenance	22.4	327,226	307,342
Salaries, wages and other benefits	22.5	630,996	643,686
Fuel, power and water		762,741	762,355
Insurance		45,619	48,056
Vehicle running and maintenance	22.6	43,382	40,214
Travelling		6,487	13,039
Depreciation	5.1.2	633,091	605,928
Staff training and development		4,882	9,096
Legal and professional services		6,966	17,505
Other expenses		19,274	6,865
		<u>12,207,282</u>	<u>10,812,086</u>
Less: Closing stock of work in process		(304,655)	(314,965)
		<u>11,902,627</u>	<u>10,497,121</u>

	2018	2017
22.2 Raw Materials Consumed	(Rupees in thousand)	
Opening stock	866,503	892,076
Purchases	9,736,505	7,769,271
Less: Closing stock	(1,512,580)	(866,503)
	9,090,428	7,794,844
22.3 Packing Materials Consumed		
Opening stock	24,343	19,965
Purchases	320,346	340,727
Less: Closing stock	(23,464)	(24,343)
	321,225	336,349
22.4	This includes stores and spares consumed amounting to Rs 126.81 million (2017: Rs 124.55 million).	

22.5 This includes Rs 11.19 million (2017: Rs 9.58 million) in respect of contribution to provident fund, Rs 27.74 million (2017: Rs 4.84 million) in respect of gratuity fund, Rs 16.43 million (2017: Rs 15.75 million) in respect of pension fund, Rs 3.28 million (2017: Rs 8.73 million) in respect of compensated absences.

22.6 This includes Rs 2.14 million (2017: Rs 2.22 million) in respect of rentals under ijarah arrangements.

	Note	2018	2017
23. DISTRIBUTION COSTS		(Rupees in thousand)	
Salaries, wages and other benefits	23.1	78,478	63,595
Outward freight		253,363	194,114
Travelling		4,900	7,018
Rent, rates and taxes		17,579	23,406
Repairs and maintenance		2,432	1,358
Vehicle running and maintenance	23.2	3,832	3,190
Insurance		1,388	1,533
Depreciation	5.1.2	847	997
Staff training and development		416	3,939
Legal and professional services		395	266
Other expenses		8,000	6,644
		371,630	306,060

23.1 This includes Rs 1.99 million (2017: Rs 1.4 million) in respect of contribution to provident fund, Rs 2.02 million (2017: Rs 1.24 million) in respect of gratuity fund, Rs 4.43 million (2017: Rs 2.8 million) in respect of pension fund and Rs 0.53 million (2017: Rs 1.2 million) in respect of compensated absences.

23.2 This includes Rs 1.38 million (2017: Rs 1.12 million) in respect of rentals under ijarah arrangements.

24. ADMINISTRATIVE EXPENSES

	Note	2018	2017
(Rupees in thousand)			
Salaries, wages and other benefits	24.1	192,817	194,904
Rent, rates and taxes		6,769	7,375
Printing, stationery and periodicals		4,967	5,789
Postage and telephone		5,198	5,294
Repairs and maintenance		10,688	11,201
Vehicle running and maintenance	24.2	15,174	13,630
Travelling and Entertainment		13,708	3,278
Insurance		3,211	3,469
Staff training and development		1,426	3,688
Provision for doubtful debts - net	8.4	2,715	(4,600)
Auditors' remuneration	24.3	6,444	6,030
Legal and professional expenses		35,079	17,268
Depreciation	5.1.2	7,906	7,983
Amortization	6.1	2,326	2,904
Electricity, gas and water		5,563	4,454
Advertisement		1,202	939
		<u>315,193</u>	<u>283,606</u>

24.1 Staff retirement benefits include Rs 5.25 million (2017: Rs 5.02 million) in respect of contribution to provident fund, Rs 6.06 million (2017: Rs 4.01 million) in respect of gratuity fund, Rs 10.72 million (2017: Rs 8.52 million) in respect of pension fund and Rs 1.24 million (2017: Rs 3.01 million) in respect of compensated absences.

24.2 This includes Rs 4.17 million (2017: Rs 3.53 million) in respect of rentals under ijarah arrangements.

24.3 Auditors' remuneration

	2018	2017
(Rupees in thousand)		
Audit fee	1,887	1,797
Review of half yearly accounts, review of statement of compliance on best corporate practices, audit of employees' retirement funds and other special reviews	1,235	1,176
Tax services	3,000	2,750
Out of pocket expenses	322	307
	<u>6,444</u>	<u>6,030</u>

25. OTHER INCOME

Income from financial assets
 Profit on bank balances
 Income from assets other than financial assets
 Profit on disposal of operating fixed assets
 Sale of scrap materials
 Others
 Commission earned on insurance premium from a related party

Note	2018	2017
	(Rupees in thousand)	
	708	914
	2,907	483
	48,970	40,808
	51,877	41,291
	4,185	4,565
	<u>56,770</u>	<u>46,770</u>

26. OTHER EXPENSES

Workers' profits participation fund
 Workers' welfare fund
 Donations

	11,819	40,656
	4,492	15,468
26.1	2,236	671
	<u>18,547</u>	<u>56,795</u>

26.1 During the year, donations were made to NOWPDP. None of the donations were made to parties where directors or their spouses are interested.

27. FINANCE COST

Mark-up on long term finances
 Mark-up on short term finances
 Bank and other charges
 Exchange loss

Note	2018	2017
	(Rupees in thousand)	
	155,931	216,469
	306,930	64,586
	16,343	20,086
	28,320	54,056
	<u>507,524</u>	<u>355,197</u>

28. INCOME TAX

Current
 Deferred
 Prior

28.3	126,749	132,347
	(71,452)	79,789
28.4	7,415	26,238
	<u>62,712</u>	<u>238,374</u>

28.1 In view of the management, sufficient tax provision has been made in the Company's financial statements. Comparison of tax provision as per the financial statements viz-a-viz tax assessment for last three years is as follows:

	2017	2016	2015-note 28.12
	(Rupees in thousand)		
Tax assessed as per most recent tax assessment / order	116,268	27,076	-
Provision in accounts for income tax - note 28.1.1	116,268	58,993	-

28.1.1 This amount include prior year charge / reversal.

28.1.2 No tax has been assessed due to availability of sufficient tax credit under section 65B of Income Tax Ordinance 2001.

28.2 Tax reconciliation

	Note	2018	2017
		(Rupees in thousand)	
Profit before income tax		220,069	811,016
Tax @ 29% (2017: 30%)		63,820	243,305
Effect of			
- Minimum tax	28.5	86,108	-
- Final tax regime		971	(2,231)
- Tax credit	28.3	(57,591)	(21,217)
- Income not subject to tax		(2,428)	(2,556)
- Inadmissible expenses		36,603	(5,165)
- Effect of super tax		23,494	26,238
- Rate change impact - deferred tax		(114,845)	-
- Deferred tax on temporary differences		43,397	-
- Prior year reversal		(16,079)	-
- Others		(738)	-
		62,712	238,374
Effective tax rate		28.50%	29.39%

28.3 The investment tax credit amounting to Rs 57.6 million (2017: Rs 21.2 million) available to the Company by virtue of investment in plant and machinery in accordance with section 65B of the Income Tax Ordinance, 2001 has been netted off against the current tax charge for the year.

28.4 This includes prior year charge for super tax amounting to Rs. 23.5 million (2017: Rs 26.24 million) imposed for rehabilitation of temporarily displaced persons under section 4B of the Income Tax Ordinance, 2001 which is set off with the prior year reversal amounting to Rs. 16.1 million that represents difference arising out of tax return and accounting provision.

28.5 During the year, Company had an impact of minimum tax at the rate 1.75% under Section 148 (8) (d) of the Income tax Ordinance, 2001 (the Ordinance) on import of plastic raw material amounting to Rs. 199.35 million out of which current year charge is amounting to Rs. 182.06 million. The difference between Normal tax liability and minimum tax on plastic raw material is Rs. 86.11 million.

29. EARNINGS PER SHARE - basic and diluted

	2018	2017
	(Rupees in thousand)	
Profit after taxation attributable to ordinary shareholders	157,357	572,642
	Number of shares (in thousand)	
Weighted average number of ordinary shares outstanding during the year - note 29.1	38,800	38,800
	(Rupees)	
Basic and diluted earnings per share	4.06	14.76

29.1 There were no convertible dilutive potential ordinary shares outstanding as at December 31, 2018 and 2017.

30. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Note	2018		2017	
		Chief Executive	Executives	Chief Executive	Executives - note 30.1
		(Rupees in thousand)			
Managerial remuneration		15,018	57,810	13,264	49,629
Bonus		-	-	11,235	19,724
Staff retirement benefits	30.2	5,757	20,777	5,084	17,051
Housing		7,509	37,118	6,632	31,464
Utilities		1,502	5,765	1,326	4,950
Leave fare assistance		1,252	4,804	1,105	4,125
Medical expenses		52	2,436	141	1,554
Other allowances and benefits		4,812	34,713	4,300	22,260
		35,902	163,423	43,087	150,757
Number of persons		1	33	1	25

30.1 Comparative figures have been restated to reflect changes in the definition of executive as per Companies Act, 2017.

30.2 Staff retirement benefits includes amount contributed towards various retirement benefit plans.

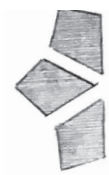
30.3 The Chief Executive and other executives are also provided with free use of Company's maintained cars or equivalent monetization, residential telephone reimbursement and other benefits.

30.4 Remuneration to non-executive director

Aggregate amount charged in these financial statements for meetings fee to One (2017: One) non-executive director was Rs 0.23 million (2017: Rs 0.25 million).

31. CASH GENERATED FROM OPERATIONS

	Note	2018	2017
		(Rupees in thousand)	
Profit before taxation		220,069	811,016
Adjustments for non-cash charges and other items:			
Depreciation		641,844	614,908
Amortization expense		2,326	2,904
Finance cost		479,204	301,141
Exchange (gain) / loss - unrealised		(11,357)	4,807
Profit on bank balances		(708)	(914)
Provision for accumulated compensated absences		5,047	12,933
Provision for staff retirement benefits		70,508	53,159
Gain on disposal of operating fixed assets		(2,907)	(483)
Working capital changes	31.1	(1,343,855)	(1,465,797)
		(159,898)	(477,342)
		<u>60,171</u>	<u>333,674</u>
31.1 Working capital changes			
(Increase) / Decrease in current assets:			
Inventories		(721,025)	(65,274)
Trade debts		(671,326)	(144,892)
Advances and prepayments		(6,280)	649
Refunds due from government - sales tax		(119,194)	(32,762)
Other receivables		(23,507)	6,915
		<u>(1,541,332)</u>	<u>(235,364)</u>
Increase / (Decrease) in trade and other payables		197,477	(1,230,433)
		<u>(1,343,855)</u>	<u>(1,465,797)</u>



32. CASH AND CASH EQUIVALENTS

Short term running finance
Cash and bank balances

Note	2018	2017
	(Rupees in thousand)	
19.2	(2,298,114)	(427,012)
11	43,870	205,024
	<u>(2,254,244)</u>	<u>(221,988)</u>

33. FINANCIAL INSTRUMENTS BY CATEGORY

Financial Assets

Loans and Receivables

Long term deposits
Trade debts - net
Advances and prepayments
Other receivables
Cash and bank balances

2018	2017
(Rupees in thousand)	
5,247	4,299
2,324,698	1,653,372
5,042	6,256
114,387	88,994
43,870	205,024
<u>2,493,244</u>	<u>1,957,945</u>

Financial Liabilities

Financial Liabilities at Amortised Cost

Long term finances
Trade and other payables
Accrued mark-up
Short term borrowings
Unclaimed dividend

1,924,022	2,648,271
1,603,210	1,394,048
94,485	60,019
4,860,114	2,569,012
16,540	13,772
<u>8,498,371</u>	<u>6,685,122</u>

34. 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:

34.1 Market Risk

34.1.1 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 finances (note 13), short term borrowings (note 19) and cash at bank in current accounts (note 11).

At December 31, 2018, 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:

	2018		2017	
	At higher interest rate	At lower interest rate	At higher interest rate	At lower interest rate
	(Rupees in thousand)			
Finance cost	(33,920)	33,920	(25,566)	25,566
Taxation	9,837	(9,837)	7,670	(7,670)
Net impact on profit after taxation	<u>(24,083)</u>	<u>24,083</u>	<u>(17,896)</u>	<u>17,896</u>

34.1.2 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 USD and Euros, cash and cash equivalents, deposits with banks (note 11), trade debts (note 8) in respect of export sales and trade and other payables (note 17) 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 affects, if any, of any adverse movement in exchange rates in USD can be passed on to the customers to some extent through increase in prices of its finished goods.

At December 31, 2018, if the Company's functional currency had weakened / strengthened by 5% against the USD with all other variables held constant, profit after taxation for the year would have been higher / lower by Rs 7.37 million (2017: Rs 6.68 million), mainly as a result of foreign exchange losses / gains on translation of financial assets and liabilities denominated in foreign currencies.

34.1.3 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 as at December 31, 2018 (2017: Nil).

34.2 Concentration of Credit

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail completely to perform as contracted.

Credit risk arises from cash and cash equivalents, deposits with banks as well as credit exposures to customers and other counterparties which include long term deposits, trade debts, advance to employees, rebate on export sales and other receivables. Out of the total financial assets, those that are subject to credit risk amounted to Rs 2.49 billion (2017: Rs 1.96 billion). The management of the Company believes that it is not exposed to major concentration of credit risk because of credit limit.

Total bank balance of Rs 43.57 million (2017: Rs 204.64 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.

34.3 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:

	Contractual cash flows	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years
	(Rupees in thousand)			
Long term finances	1,924,022	854,021	400,001	670,000
Accrued mark-up	94,485	94,485	-	-
Short term borrowings	4,860,114	4,860,114	-	-
Trade and other payables	1,603,210	1,603,210	-	-
	<u>8,481,831</u>	<u>7,411,830</u>	<u>400,001</u>	<u>670,000</u>

34.4 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 = Long term portion of debt plus current maturity divided by long term portion of debt (including current maturity) plus total equity.

The debt equity ratios as at December 31, 2018 and 2017 were as follows:

	Note	2018	2017
		(Rupees in thousand)	
Long term finances (including current maturity)	13	1,924,022	2,648,271
Total equity		<u>3,731,479</u>	<u>3,954,469</u>
Total		<u>5,655,501</u>	<u>6,602,740</u>
Debt equity ratio		34:66	40:60

The decrease in the debt equity ratio is mainly due to the repayment of long-term borrowing and profit after tax during the current year.

34.5 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 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.

35. 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	2018	2017
		(Rupees in thousand)	
Purchase of goods and services	Associated undertaking	438,814	380,472
Sale of goods	Associated undertaking	1,934,319	1,161,688
Dividend paid	Associated undertaking and Directorship	258,678	257,854
Contributions to staff retirement benefit funds	Retirement benefit funds	145,752	101,261
Commission earned	Associated undertaking	4,185	4,565
Salaries and other employee benefits	Key management personnel	96,016	112,385

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.

35.1 Following are the related parties including associated companies with whom the company had entered into transactions or have arrangement / agreement in place:

S.No	Company Name	Basis of relationship	Aggregate % of Shareholding
1.	Bulleh Shah Packaging (Private) Limited	Associated Company	N/A
2.	Chantler Packaging Inc.	Associated Company	N/A
3.	Flexible Packaging Converter (Pty.) Limited	Associated Company	N/A
4.	IGI General Insurance Limited	Associated Company	N/A
5.	IGI Investments (Private) Limited	Associated Company	9.67%
6.	IGI Life Insurance Company Limited	Associated Company	N/A
7.	Lahore University of Management Sciences	Associated Company	N/A
8.	Mitsubishi Corporation	Associated Company	19.33%
9.	Packages Lanka (Private) Limited	Associated Company	N/A
10.	Packages Limited	Associated Company	33.33%
11.	Tetra Pak Pakistan Limited	Associated Company	N/A
12.	Syed Maratib Ali Charitable Trust	Associated Company	N/A

35.2 Following is the information of the associated companies incorporated outside Pakistan:

S.No	Company Name	Country of Incorporation	Registered Address	Chief Executive	Operational Status	Auditor's Opinion
1.	Mitsubishi Corporation	Japan	Marunouchi 2-Chome, Chiyoda-ku, Tokyo	Takehiko Kakiuchi	Operational	Unqualified opinion
2.	Chantler Packaging Inc.	Canada	880 Lakeshore Rd E, Mississauga, ON L5E 1E1, Canada	Roy Ferguson	Operational	*N/A
3.	Packages Lanka (Private) Limited	Sri Lanka	148, Ekala-Kotadeniyawa Rd, Sri Lanka	Ali Aslam	Operational	*N/A
4.	Flexible Packaging Converter (Pty.) Limited	South Africa	316, Marks Strasse Waltloo Pretonia 0184 South Africa	Mohamed Timol	Operational	*N/A

* The above companies are private companies therefore no data available regarding auditor's opinion.

36. PLANT CAPACITY AND ACTUAL PRODUCTION

Operational capacity

Production

2018	2017
(Metric tons)	
83,800	83,800
48,528	51,371

36.1 Production of films during the year is based on market demand.

37. NUMBER OF EMPLOYEES

The total average number of employees during the year and as at December 31, 2018 and 2017 respectively are as follows:

Average number of employees during the year

* This include 287 (2017: 299) number of factory employees.

Number of employees as at December 31

* This includes 280 (2017: 295) number of factory employees.

2018	2017
330	340
322	335

38. 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.

39. CORRESPONDING FIGURES

Due to revision in Fourth Schedule to the Companies Act, 2017, following required changes have been made:

Stores and spares which were previously classified in the face of the statement of financial position have been presented under inventories.

Unclaimed dividend which was previously classified under the trade and other payables has been separately disclosed as unclaimed dividend on the face of statement of financial position.

Other corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan

40. SUBSEQUENT EVENTS

The Board of Directors in its meeting held on February 26, 2019 proposed a final cash dividend for the year ended December 31, 2018 of Rs. 4.00 per share amounting to Rs. 155.20 million. (2017: Rs. 388 million) subject to the approval of the Company in the forthcoming annual general meeting. Finance Act, 2018 introduced Income Tax at the rate of 5% on accounting profit before tax if at least 20% of after-tax profits are not distributed as cash dividend within six months of the end of the tax year. Liability in respect of such income tax, if any, is recognised when the prescribed time period for distribution of dividend expires.

41. DATE OF AUTHORISATION

These financial statements were authorised for issue on February 26, 2019 by the Board of Directors of the Company.



Nasir Jamal
Chief Executive Officer



Asif Qadir
Director



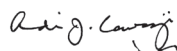
Shafiq Afzal Khan
Chief Financial Officer

Notice of Annual General Meeting

Notice is hereby given that the 27th Annual General Meeting of Tri-Pack Films Limited will be held on Tuesday, April 16, 2019 at 10.30 a.m. at the Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi to transact the following business :-

1. To confirm the Minutes of the Extraordinary General Meeting of the Company held on October 2, 2018.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2018 together with the Chairman's Review Report and Directors and Auditors Reports thereon.
3. To consider and approve payment of cash dividend at the rate of Rs. 4.00 per ordinary share of Rs.10.00 (40%) for the year ended December 31, 2018 as recommended by the Board of Directors [2017: Rs.10.00 per ordinary share of Rs.10.00 (100%)].
4. To appoint Auditors for the year 2019 and to fix their remuneration. The current Auditors, M/s A.F. Ferguson & Co., Chartered Accountants have consented to be appointed as Auditors for the Financial Year 2019 and the Board of Directors has recommended their appointment.

By Order of the Board



Adi J. Cawasji
Company Secretary

Karachi
February 26, 2019

Notes:

1. The Share Transfer Books of the Company will remain closed from April 03, 2019 to April 16, 2019 (both days inclusive). Transfers received in order at the office of the Company's Share Registrars, Messrs FAMCO ASSOCIATES (PVT.) LIMITED, 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400 by close of business on April 02, 2019 will be treated in time for payment of the final dividend to the transferees.

2. A Member entitled to attend and vote at the Meeting may appoint another person as his proxy to attend, vote and speak at the Meeting instead of him/her. A proxy need not be a member of the Company. The instrument appointing a proxy and the power of attorney or other authority / board resolution under which it is signed or a notarially attested copy of power of attorney must be deposited at the Registered Office of the Company at 4th Floor, The Forum, Suite # 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi-75600 at least forty-eight (48) hours before the time appointed for the Meeting.
3. Any individual beneficial owner having an account or sub-account with the CDC, entitled to vote at this Meeting, must bring his/her Computerized National Identity Card ("CNIC") with him/her to prove his/her identity, and in case of proxy must enclose an attested copy of his/her CNIC. The representatives of corporate bodies should bring attested copies of board of directors' resolution/powers of attorney and/or all such documents as are required under Circular No.1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan ("SECP") for the purpose.
4. Members are requested to submit copies of their CNICs and promptly notify any change in address by writing to the office of the Shares Registrar (for shares held in physical form) and to the CDC (for shares held in electronic form).
5. Under 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 bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested to provide their IBAN by filling the Electronic Mode Dividend Form available at Company's website (www.tripack.com.pk) containing prescribed details and send it duly signed along with a copy of CNIC to the Registrar of the Company, Messrs FAMCO ASSOCIATES (PVT.) LIMITED, 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400, in case of physical shares. In case of book-entry

securities, respective shareholders must get their respective records, including IBAN, updated as per the Electronic Mode Dividend Form with their Broker / Participant / CDC account services.

In the absence of a member's valid bank account details and/or IBAN, the Company will be constrained to withhold the payment of dividend to such members till provision of prescribed details.

6. Shareholders, who for any reason, could not claim their dividend are advised to contact our Shares Registrar, Messrs FAMCO ASSOCIATES (PVT.) LIMITED, 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400, to collect/inquire about their unclaimed dividend, if any.

Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited with the Federal Government.

7. The Government of Pakistan through Finance Act, 2017 has made certain amendments in the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by companies. These rates are as under:

- | | |
|---|-----|
| (a) For filers of income tax returns: | 15% |
| (b) For non-filers of income tax returns: | 20% |

Shareholders are advised to make sure that their names (and/or the name of their joint holders) are appearing in latest Active Taxpayers List (ATL) provided on the website of FBR, otherwise they (and/or joint holders) shall be treated as non-filers and tax on their cash dividend income will be deducted at the rate of 20% instead of 15%.

8. In order to enable the Company to follow the directives of the regulators to determine shareholding proportion in case of Joint account, all shareholders who hold shares with Joint shareholders, are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to our Share Registrar, in writing, as follows:

Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding Proportion (%)	Name and CNIC #	Shareholding Proportion (%)

NOTE: In the event of non-receipt of the information by April 02, 2019, each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

For any query/problem/information, the investors may contact the Company and/or the Share Registrar at the following phone numbers or email addresses:-

Contact persons:

Mr. Sifat Ahmad Khan

Tel. # 92 21 35831618 / 35831664 / 35833011

Email: sifat.ahmad@packages.com.pk

Mr. Ovais Khan

Tel. # 92 21 34380101-2

Email: ceo@famco.com.pk

9. The Individual Members who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Company / Share Registrar, are once again reminded to send the same at the earliest directly to Company's Share Registrar, Messrs FAMCO ASSOCIATES (PVT.) LIMITED, 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number with the copy of CNIC / NTN details. Reference is also made to the Securities and Exchange Commission of Pakistan (SECP) Notifications SRO 779(I)/2011 dated August 18, 2011 and SRO 831(I)/2012 dated July 5, 2012, SRO 19(I)/2014 dated January 10, 2014 and SRO 275(I)/2016 dated March 31, 2016 which mandates that the dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members.

In case of non-receipt of the copy of a valid CNIC, the Company would be unable to comply with aforementioned directives of SECP and therefore will be constrained under Section 243(2)(a) of the Companies Act, 2017 to withhold dispatch of dividend warrants of such shareholders.

Attention of corporate entities / legal persons is also invited towards SECP Circular Nos. 16 and 20 of 2018. Respective shareholders (corporate entities / legal persons) are advised to provide the information pertaining to ultimate beneficial owners and / or other information as prescribed in the subject SECP Circulars to the Share Registrar of the Company.

10. Section 473 of the Companies Act, 2017 requires that after a date notified by the Commission, the information, notices and accounts or any other document to be provided by the company to its members under this Act, shall only be provided electronically on the email address provided by the members. Members are therefore requested to update their respective records pertaining to email address with their Broker/Participant/CDC account services. Physical shareholders are required to provide their email addresses to the Share Registrar of the Company.
11. Shareholders are advised to ensure that they have provided their Passport/NTN/CNIC/Tax Exemption Certificates (for tax exemption, where applicable) and valid Zakat Declaration under Zakat & Ushr Ordinance, 1980 (for Zakat Exemption) to their respective Participant/CDC Investor Account Services/Company's Share Registrar.
12. Members can exercise their right to demand a poll subject to meeting requirements of Section 143 - 145 of Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018.
13. Shareholders may participate in the meeting via video-link facility. If the Company receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more

shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city.

Shareholders who wish to participate through video-link facility are requested to fill in Video Link Facility Form available at Company's website (www.tripack.com.pk) and send a duly signed copy to the Registered Address of the Company.

14. The audited financial statements of the Company for the year ended December 31, 2018 have been made available on the Company's website (www.tripack.com.pk) in addition to annual and quarterly financial statements for the prior years.

Further, in accordance with SRO 470(I)/2016 dated May 31, 2016, through which SECP has allowed companies to circulate the annual audited accounts to its members through CD/DVD/USB instead of transmitting the hard copies at their registered addresses, subject to consent of shareholders and compliance with certain other conditions, the Company has obtained shareholders' approval in the Annual General Meeting held on April 20, 2018.

Accordingly, Annual Report of the Company for the year ended December 31, 2018 is dispatched to the shareholders through CD. However, if a shareholder, in addition, requests for hard copy of Annual Audited Financial Statements, the same shall be provided free of cost within seven days of receipt of such request. For convenience of shareholders, a "Standard Request Form for provision of Annual Audited Accounts" have also been made available on the Company's website (www.tripack.com.pk).

15. The Form of Proxy in English and Urdu is attached in the Annual Report and should be witnessed by two persons whose names, addresses and CNIC Numbers should be mentioned on the Forms. The Form of Proxy is also available on the Company's website (www.tripack.com.pk).



Video-Link Facility

In this regard, please fill the following form and submit to registered address of the Company 7 days before holding of the Annual General Meeting.

If the Company receives consent from Members holding ten percent (10%) or more shareholding residing in a city, to participate in the Meeting through video- link at least [7] days prior to date of Meeting, the Company will arrange video- link facility in the city subject to availability of such facility in that city.

The Company will intimate Members regarding venue of video-link facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access the facility.

VIDEO-LINK CONSENT FORM

I/We, _____ of _____ being a member of
Tri-Pack Films Limited, holder of _____ Ordinary shares as per Register
Folio No. / CDC Account No. _____ hereby opt for video-link facility at _____.

Signature of member

Dated: _____



The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

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Electronic 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 Registrar of the Company M/s FAMCO Associates (Pvt.) Limited, 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

(Adi J. Cawasji)
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.



The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

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Glossary

AASHA	Alliance Against Sexual Harrassment	IFRS	International Financial Reporting Standards
ADD	Antidumping Duties	IMS	Integrated Management System
AGM	Annual General Meeting	ISO	International Standards Organization
ATL	Active Taxpayers List	IT	Information Technology
ATIR	Appellate Tribual Inland Revenue	ITO	Income Tax Ordinance
BCP	Business Continuity Planning	KIBOR	Karachi Inter Bank Offer Rate
BOD	Board of Directors	LC	Letter of Credit
BOPP	Biaxially Oriented Polypropylene	LTFF	Long Term Financial Facility
BSC	British Safety Council	LUMS	Lahore University of Management Sciences
CCG	Code of Corporate Governance	MMSCFD	Million Standard Cubic Feet Per Day
CCP	Competition Commission of Pakistan	NBV	Net Book Value
CDC	Central Depository Company of Pakistan	NEQS	National Environment & Quality Standard
CEO	Chief Executive Officer	NGO	Non-governmental Organization
CFO	Chief Financial Officer	NSI	Net Sales Income
CIR(A)	The Commissioner Inland Revenue (Appeals)	NTC	National Tarriff Commission
CPP	Cast Polypropylene	NTN	National Tax Number
CSR	Corporate Social Responsibility	OHS	Occupational Health and Safety
DCIR	Deputy Commissioner Inland Revenue	OHSAS	Occupational Health and Safety Assessment Specification
EBIT	Earnings Before Interest and Tax	PAT	Profit After Tax
EBITDA	Earnings Before Interest, Taxes, Depreciation and Ammortization	PBT	Profit Before Tax
EET	Employee Engagement Index	PET	Polyethylene Terephthalate
EOBI	Employee Old Age Benefit Institution	PKR	Pakistani Rupee
EPS	Earning Per Share	PSX	Pakistan Stock Exchange
ERP	Enterprise Resource Planning	R&D	Research and Development
ESSI	Employee Social Security Institution	Rs.	Rupees
FBR	Federal Board of Revenue	SAP	System Application and Products
GIDC	Gas Infrastructure Development Cess	SBP	State Bank of Pakistan
HR	Human Resources	SECP	Security Exchange Commission of Pakistan
HR&R	Human Resources and Remuneration Committee	SOP	Standard Operating Procedures
SHE	Safety, Health & Environment	SPLY	Same Period Last Year
HSEQ	Health, Safety, Environment & Quality	TPM	Total Productive Maintenance
IAS	International Accounting Standards	TRIR	Total Recordable Injury Rate
ICAP	Institute of Chartered Accountants of Pakistan	USD	United States Dollar
IFAC	International Federation of accountants	VSS	Vountary Separation Scheme
IFAS	Islamic Financial Accounting Standard	WPPF	Workers' Profit Participation Fund
IFRIC	International Financial Reporting Interpretations Committee	WWF	Workers Welfare Fund



جو شیئر ہولڈرز ویڈیولنک کے ذریعہ شرکت کرنا چاہیں، وہ کمپنی کی ویب سائٹ (www.tripack.com.pk) پر دستیاب ویڈیولنک فیسلٹی فارم پر کر کے اس کی دستخط شدہ کاپی کمپنی کے رجسٹرڈ پتہ پر ارسال کریں۔

14- کمپنی کے آڈٹ شدہ مالیاتی حسابات برائے سال تختہ 31 دسمبر 2018 مع گزشتہ سالوں کی سالانہ اور سد ماہی مالیاتی حسابات، کمپنی کی ویب سائٹ (www.tripack.com.pk) پر دستیاب ہیں۔

مزید برآں ایس آر اے 2016/1(470) مورخہ 31 مئی 2016 کے مطابق SECP نے کمپنیز کو سالانہ آڈٹ شدہ حسابات اپنے ممبرز کو ہارڈ کاپی کی بجائے بذریعہ سی ڈی/ ڈی وی ڈی/ یو ایس بی ان کے رجسٹرڈ پتوں پر ارسال کرنے کی اجازت دی ہے جو شیئر ہولڈرز کی رضامندی اور دیگر شرائط پر عمل درآمد سے مشروط ہے جس کی منظوری کمپنی نے 20 اپریل 2018 کو منعقدہ سالانہ اجلاس عام میں حاصل کر لی تھی۔

اس سلسلے میں، کمپنی کی سالانہ رپورٹ برائے سال تختہ 31 دسمبر 2018 شیئر ہولڈرز کو بذریعہ CD ارسال کر دی گئی ہے۔ تاہم اگر کوئی شیئر ہولڈر اس کے علاوہ سالانہ آڈٹ شدہ مالیاتی حسابات کی ہارڈ کاپی بھی حاصل کرنا چاہتا ہے تو وہ اس کی درخواست کی موصولی کے سات دن کے اندر اس کو بلا معاوضہ فراہم کر دی جائے گی۔ شیئر ہولڈرز کی سہولت کیلئے "میعاری درخواست فارم برائے سالانہ آڈٹ شدہ حسابات کا حصول" کمپنی کی ویب سائٹ (www.tripack.com.pk) پر دستیاب ہے۔

15- پراکسی فارم انگریزی اور اردو میں سالانہ رپورٹ کے ساتھ منسلک ہیں اور ان پر دو گواہان کے دستخط، جن کے نام، پتے اور سی این آئی سی نمبر فارم میں درج ہونے چاہئیں۔ پراکسی فارم کمپنی کی ویب سائٹ (www.tripack.com.pk) پر بھی دستیاب ہے۔





9- انفرادی ممبرز، جنہوں نے ابھی تک اپنے کارآمد کمپیوٹر انٹرنیٹ ڈومین شناختی کارڈ (CNIC) کی فوٹو کاپی کمپنی / شیئرز رجسٹرار کے پاس جمع نہیں کرائی ہے، ان کو ایک مرتبہ پھر یاد دہانی کرائی جاتی ہے کہ یہ فوٹو کاپی فوری طور پر براہ راست کمپنی کے شیئرز رجسٹرار میسرز ٹیمکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 8- ایف، متصل ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی-75400 کو بھجوائیں۔ کارپوریٹ اداروں سے درخواست ہے کہ وہ اپنا نیشنل ٹیکس نمبر (NTN) فراہم کریں۔ برائے مہربانی فوٹو نمبر CNIC/NTN کی کاپی اور تفصیلات جمع کرائیں۔ SECP کے نوٹیفیکیشن ایس آر او 779(I)/2011 مورخہ 18 اگست 2011 اور ایس آر او 831(1)/2012 مورخہ 5 جولائی 2012، ایس آر او 2014(I)/19 مورخہ 10 جنوری، 2014 اور ایس آر او

(اے) انکم ٹیکس کے گوشوارے جمع کرانے والوں کے لئے 15.0 فیصد
(بی) انکم ٹیکس کے گوشوارے جمع نہ کرانے والوں کے لئے 20.0 فیصد

شیئرز ہولڈرز کو ہدایت کی جاتی ہے کہ وہ فیڈرل بورڈ آف ریونیو کی ویب سائٹ پر فراہم کردہ فعال ٹیکس گزاروں کی تازہ ترین فہرست (اسے ٹی ایل) پر اپنے (اور / یا جوائنٹ ہولڈرز کے) ناموں کی موجودگی کو یقینی بنائیں، انہیں بصورت دیگر ان کو نام فائل سمجھا جائے گا اور ان کے نقد منافع منقسمہ پریکس کی کٹوتی 15.0 فیصد کے بجائے 20.0 فیصد کی شرح سے کی جائے گی۔

2016(I)/275 مورخہ 31 مارچ 2016 کے مطابق منافع منقسمہ کے وائنٹس پر رجسٹرڈ میمبرز کو مطلع کیا گیا ہے کہ ان کے سی این ایف نمبرز، ماسوائے نابالغ افراد اور کارپوریٹ ممبران، درج ہونے چاہئیں۔

کارآمد CNIC کی کاپی موصول نہ ہونے کی صورت میں کمپنی SECP کی مندرجہ بالا ہدایات پر عمل نہیں کر سکیگی اور کمپنی ایکٹ 2017 کے سیکشن 243(2)(a) کے تحت ایسے شیئرز ہولڈرز کے منافع منقسمہ کے وائنٹس کی ترسیل روکنے پر مجبور ہوگی۔

8- جوائنٹ شیئرز ہولڈرز کی صورت میں ریگولیشنز کی ہدایات کے مطابق کمپنی کو شیئرز ہولڈنگ کے تناسب کا تعین کرنے کیلئے، جوائنٹ شیئرز رکھنے والے شیئرز ہولڈرز سے درخواست ہے کہ وہ پرنسپل شیئرز ہولڈرز اور جوائنٹ شیئرز ہولڈرز (ز) کے پاس موجود شیئرز کے تناسب سے درج ذیل کے مطابق تحریری طور پر شیئرز رجسٹرار کو مطلع کریں:

کارپوریٹ اداروں / قانونی افراد کی توجہ SECP کے سرکلر نمبرز 16 اور 20 آف 2018 کی طرف دلائی جاتی ہے۔ متعلقہ شیئرز ہولڈرز (کارپوریٹ اداروں / قانونی افراد) کو ہدایت کی جاتی ہے کہ اپنے حقیقی بینیفیشیل اوز سے متعلق معلومات فراہم کریں اور / یا SECP سرکلرز میں درج دیگر مجوزہ معلومات کمپنی کے شیئرز رجسٹرار کو فراہم کریں۔

سی ڈی ایس اکاؤنٹ	کل شیئرز	پرنسپل شیئرز ہولڈرز		جوائنٹ شیئرز	
		نام اور CNIC نمبر	کا شیئرز ہولڈنگ (%)	نام اور CNIC نمبر	کا شیئرز ہولڈنگ (%)

10- کمپنیز ایکٹ 2017 کے سیکشن 473 کے مطابق کمیشن کی جانب سے مقرر کردہ تاریخ کے بعد اگر کمپنی اس ایکٹ کے تحت کوئی معلومات، نوٹس اور حسابات یا کوئی دیگر دستاویز اپنے میمبرز کو فراہم کرنا چاہے تو وہ صرف الیکٹرونک ذریعہ سے میمبرز کی طرف سے فراہم کردہ ان کے ای میل کے پتے پر ارسال کرے گی۔ لہذا میمبرز سے درخواست ہے کہ وہ اپنے بروکر / شریک / سی ڈی ایس اکاؤنٹ کے پاس موجود اپنے ای میل کے پتے سے متعلق متعلقہ ریکارڈ اپ ڈیٹ کریں۔ فزیکل شیئرز ہولڈرز اپنا ای میل پتہ کمپنی کے شیئرز رجسٹرار کو فراہم کریں۔

نوٹ: اگر 02 اپریل 2019 تک یہ معلومات وصول نہ ہوئیں تو ہر شیئرز ہولڈرز کا تناسب برابر برابر تصور کیا جائے گا اور اسی لحاظ سے ٹیکس کی کٹوتی کی جائے گی۔ کسی استفسار / مسئلے / معلومات کیلئے انوسٹر کمپنی اور ایسیٹس رجسٹرار سے درج ذیل فون نمبر یا ای میل پتے پر رابطہ کر سکتا ہے۔

11- شیئرز ہولڈرز کو ہدایت کی جاتی ہے کہ وہ اس بات کو یقینی بنائیں کہ اپنے پاسپورٹ / این ٹی این / سی این ایف سے اسٹیٹ کے سرٹیفیکیٹس (ٹیکس سے اسٹیٹ کیلئے، جہاں لاگو ہو) اور زکوٰۃ اور عشاء آرڈیننس 1980 (برائے زکوٰۃ سے اسٹیٹ) کے تحت کارآمد زکوٰۃ ڈیکلریشن، اپنے متعلقہ شریک / سی ڈی ایس انویسٹر اکاؤنٹ سرورس کمپنی کے شیئرز رجسٹرار کو فراہم کر دیا ہے۔

12- میمبرز پول کے لئے اپنا حق طلب استعمال کر سکتے ہیں اگر کمپنیز ایکٹ 2017 کے سیکشن 143-145 اور کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی لاگو شدہ شرائط کے مطابق ہو۔

13- شیئرز ہولڈرز اپنے ویڈیو لنک کی سہولت کے ذریعہ اجلاس میں شرکت کر سکتے ہیں۔ اگر کسی دوسرے شہر میں مقیم مجموعی ادا شدہ سرمائے کے دس (10) فیصد یا اس سے زیادہ کے حامل ممبران کی جانب سے اجلاس میں ویڈیو لنک کے ذریعے شرکت کی سہولت کا مطالبہ کیا گیا (اجلاس کی تاریخ سے کم از کم 7 دن پہلے) تو کمپنی اس شہر میں ویڈیو لنک کی سہولت کا انتظام کرے گی۔

رابطہ کار افراد
جناب صفات احمد خان
جناب اولیس خان
ٹیلی فون نمبر: 92-21-35831618/35831664/35833011
نمبر: 92-21-34380101-2
ای میل: sifat.ahmad@packages.com.pk
ceo@famco.com.pk

سالانہ اجلاس عام کی اطلاع

بذریعہ ہذا اطلاع دی جاتی ہے کہ ٹرائی پیک فلمز لمیٹڈ کا 27 واں سالانہ اجلاس عام بروز منگل مورخہ 16 اپریل 2019 صبح 10:30 بجے بہ مقام بیچ لگٹری ہوٹل، مولوی تمیز الدین خان روڈ، کراچی میں درج ذیل امور کی انجام دہی کے لئے منعقد کیا جائے گا۔

- 1- کمپنی کے غیر معمولی اجلاس عام منعقدہ 2 اکتوبر 2018 کی کارروائی کی توثیق۔
- 2- سال ختمہ 31 دسمبر 2018 کے لئے کمپنی کے آڈٹ شدہ مالیاتی حسابات مع ان پر چیئر مین کی جائزہ رپورٹ اور ڈائریکٹرز و آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
- 3- سال ختمہ 31 دسمبر 2018 کے لئے نقد منافع منقسمہ بشرح 10.00 روپے کے فی عمومی شیئر پر 4.00 روپے کی ادائیگی (40 فیصد) پر غور و خوض اور اس کی منظوری جیسا کہ بورڈ آف ڈائریکٹرز نے سفارش کی ہے [2017:10.00 روپے کے فی عمومی شیئر پر 10.00 روپے (100 فیصد)]۔

4- سال 2019 کے سال 2019 کے لئے آڈیٹرز کا تقرر اور ان کے معاوضے کا تعین۔ موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے مالی سال 2019 کے لئے آڈیٹرز کی حیثیت سے تقرری کی خواہش ظاہر کی ہے اور بورڈ آف ڈائریکٹرز نے ان کے تقرری کی سفارش کی ہے۔

حساب الحکم بورڈ

محمد سعید جند

عدی جے کاؤس جی

کمپنی سیکریٹری

کراچی

26 فروری 2019

تصریحات:

- 1- کمپنی کی شیئر ٹرانسفر بکس 03 اپریل 2019 تا 16 اپریل 2019 (بشمول دونوں دن) بند رہے گی۔ کمپنی کے شیئر رجسٹرار میسرز فیکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 8- ایف، متصل ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی-75400 میں 02 اپریل 2019 کو کاروباری اوقات کے اختتام تک موصول ہونے والے ٹرانسفرز جی منافع منقسمہ کی ٹرانسفریز کو ادائیگی کے لئے بروقت تصور کئے جائیں گے۔
- 2- اجلاس عام میں شرکت کرنے اور ووٹ دینے کا استحقاق رکھنے والا / والی ممبر اپنی جگہ اجلاس میں شرکت کرنے، ہونے اور ووٹ دینے کے لئے کسی دوسرے فرد کو اپنا پراسی مقرر کر سکتا / سکتی ہے۔ پراسی کے لئے کمپنی کا ممبر ہونا لازمی نہیں۔ پراسی کے تقرری کے دستاویز اور پاور آف اٹارنی یا دیگر اتھارٹی / بورڈ کی قرارداد جو باقاعدہ دستخط شدہ ہو یا پاور آف اٹارنی کی نوٹری سے تصدیق شدہ کا پی لازماً کمپنی کے رجسٹرز آفس واقع چوٹی منزل، دی فورم، سوئٹ نمبر 422-416، جی-20، بلاک-9، خیابان جامی کالشن، کراچی-75600 اجلاس کے

لئے مقررہ وقت سے کم از کم اڑتالیس (48) گھنٹے قبل جمع کرادی جائے۔

3- کوئی بھی بینیفیشیل اوزر جو سی ڈی سی کے پاس اکاؤنٹ یا ذیلی اکاؤنٹ رکھتے ہیں اور اجلاس ہذا میں ووٹ دینے کا استحقاق رکھتے ہیں وہ اپنی شناخت ثابت کرنے کے لئے لازماً اپنے کمپیوٹرائزڈ قومی شناختی کارڈ ("سی این آئی سی") ساتھ لائیں اور پراسی کی صورت میں لازمی طور پر اپنے سی این آئی سی کی مصدقہ کاپی منسلک کریں۔ کارپوریٹ اداروں کے نمائندے بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی کی مصدقہ نقول اور / یا سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("ایس ای سی پی") کی جانب سے اس مقصد کے لئے جاری سرکلر نمبر 1، مورخہ 26 جنوری 2000 کے تحت درکار ایسی تمام دستاویزات ہمراہ لائیں۔

4- ممبران سے درخواست ہے کہ وہ اپنے سی این آئی سی کی کاپی فراہم کریں اور اگر پتہ میں کوئی تبدیلی ہو تو اس کی اطلاع فوراً تحریری طور پر شیئر رجسٹرار کے دفتر میں (فزیبل شیئر ہولڈنگ کی صورت میں) اور سی ڈی سی کو (آرگنیزر الیکٹرونک کی صورت میں ہوں) پہنچائیں۔

5- کمپنیز ایکٹ 2017 کے سیکشن 242 کے مطابق لیکٹریز کیلئے لازمی ہے کہ منافع منقسمہ کی ادائیگی صرف الیکٹرونک طریقہ کار کے ذریعے براہ راست استحقاق کے حامل شیئر ہولڈرز کے بینک اکاؤنٹس میں کی جائے گی۔

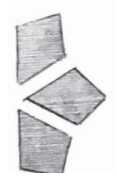
شیئر ہولڈرز سے درخواست ہے کہ منافع منقسمہ کی براہ راست اپنے بینک اکاؤنٹ میں وصولی کیلئے، کمپنی کی ویب سائٹ (www.tripack.com/pk) پر دستیاب الیکٹرونک موڈ ڈیویڈنڈ فارم، جس میں تمام مجوزہ تفصیلات موجود ہیں، پُر کر کے اپنا IBAN مع سی این آئی سی کی کاپی، کمپنی کے رجسٹرار میسرز فیکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 8- ایف، متصل ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی-75400 کو فراہم کریں، اگر شیئرز فیزیکل صورت میں ہیں۔ بک انٹری سیکورٹیز کی صورت میں متعلقہ شیئر ہولڈرز کو چاہئے کہ اپنا متعلقہ ریکارڈ مع IBAN، الیکٹرونک موڈ ڈیویڈنڈ فارم کے مطابق اپنے بروکر / اشریک اسی ڈی سی اکاؤنٹ سروسز میں اپ ڈیٹ کریں۔

ممبر کے کارآمد بینک اکاؤنٹ کی تفصیلات اور / یا IBAN موجود نہ ہونے کی صورت میں کمپنی ایسے شیئر ہولڈرز کے منافع منقسمہ کی ادائیگی روک لے گی تا وقتیکہ مجوزہ تفصیلات موصول نہ ہو جائیں۔

6- ان شیئر ہولڈرز سے، جو کسی وجہ سے اب تک اپنا منافع منقسمہ کلیم نہیں کر سکتے ہیں، درخواست ہے کہ اپنے غیر دعوی شدہ منافع منقسمہ، اگر ہے تو، کے حصول کے بارے میں معلومات کیلئے ہمارے شیئر رجسٹرار میسرز فیکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 8- ایف، متصل ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی-75400 سے رابطہ کریں۔

برائے مہربانی نوٹ فرمائیں کہ کمپنیز ایکٹ 2017 کے سیکشن 244 کے مطابق تمام ضروری کارروائی مکمل کرنے کے بعد منقسمہ کی واجب الادا اور قابل ادائیگی تاریخ سے تین سال گزرنے کے بعد غیر دعوی شدہ منافع منقسمہ حکومت پاکستان کے پاس جمع کر دیا جائے گا۔

7- (i) حکومت پاکستان نے فنانس ایکٹ 2017 کے ذریعے انکم ٹیکس آرڈیننس 2001 میں کچھ ترامیم کی ہیں جن کے ذریعے کمپنیوں کی جانب سے ادا کئے جانے والے منافع منقسمہ کی رقم پر وہ ہولڈنگ ٹیکس کی کٹوتی کیلئے مختلف شرح کے اعتبار سے ریٹس مقرر کئے گئے ہیں۔ ریٹس مندرجہ ذیل ہیں۔



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الیکٹرونک کریڈٹ کے مینڈیٹ کا فارم

ہم آپ کو مطلع کرنا چاہتے ہیں کہ مینڈیٹ ایکٹ 2017 کے سیکشن 242 کی شقوں کے مطابق ایک لیکٹر کمپنی کے لئے یہ ضروری ہے کہ وہ اپنے شیئر ہولڈرز کو نقد منافع منقسمہ کی ادائیگی صرف بذریعہ الیکٹرونک طریقہ کار براہ راست استحقاق کے حامل شیئر ہولڈرز کی جانب سے نامزد کردہ بینک اکاؤنٹ میں کرے۔

اپنے منافع منقسمہ کو براہ راست اپنے بینک اکاؤنٹ میں وصولی کی غرض سے برائے مہربانی ذیل میں درج کوائف کو مکمل کریں اور اس لیکٹر کو باقاعدہ دستخط کر کے اپنے سی این آئی سی کی کاپی کے ہمراہ کمپنی کے رجسٹرار میسرز فیکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 8-ایف، نزد ہوٹل فاران، نرسری، بلاک-6، بی ای سی ایچ ایس، شاہراہ فیصل، کراچی کو جمع کرا دیں۔

اگر آپ کے شیئر سی ڈی سی میں جمع ہیں تو آپ کو لازماً منافع منقسمہ کے مینڈیٹ کے اس فارم کو براہ راست اپنے بروکر / پارٹنر سپیڈ / سی ڈی سی اکاؤنٹ سروسز کو جمع کرانا ہوگا۔

آپ کا مخلص

ٹرائی پیک فلمز لمیٹڈ

(عدی ہے کاؤنٹی)

کمپنی سیکریٹری

شیئر ہولڈرز پر کریں:

میں بذریعہ ہذا اطلاع دیتا ہوں کہ آئندہ میں اپنے منافع منقسمہ کو براہ راست اپنے بینک اکاؤنٹ میں درج ذیل تفصیل کے مطابق وصول کروں گا۔

شیئر ہولڈر کا نام

فولیو نمبر / سی ڈی سی پارٹنر سپیڈ آئی ڈی اور اکاؤنٹ

نمبر

شیئر ہولڈر کا رابطہ نمبر

بینک کا نام

بینک برانچ اور ڈاک کا مکمل پتہ

آئی بی اے این نمبر (نیچے درج نوٹ ملاحظہ فرمائیں)

اکاؤنٹ کا ٹائٹل

سی این آئی سی نمبر (کاپی منسلک کریں)

این ٹی این (کارپوریٹ ادارے کی صورت میں)

.....

آگاہ کیا جاتا ہے کہ میری جانب سے فراہم کردہ مذکورہ بالا کوائف درست اور میری معلومات کے عین مطابق ہیں اور میں آئندہ ان کوائف میں کسی بھی تبدیلی کی صورت میں کمپنی / پارٹنر سپیڈ / سی ڈی سی انویسٹرا کاؤنٹ سروسز کو مطلع کرتا ہوں گا۔

..... نمبر:

..... شیئر ہولڈر کے دستخط

..... سی این آئی سی (کاپی منسلک کریں)

نوٹ: برائے مہربانی اپنا مکمل آئی بی اے این اپنی متعلقہ برانچ سے چیک کرنے کے بعد فراہم کریں تاکہ الیکٹرونک کریڈٹ براہ راست آپ کے بینک اکاؤنٹ میں ممکن ہو سکے۔ نقد منافع منقسمہ کی ادائیگی صرف اکاؤنٹ نمبر کی بنیاد پر عمل میں لائی جائے گی۔ آپ کی کمپنی آپ کی ہدایات کے مطابق اکاؤنٹ نمبر پر انحصار کرنے کا استحقاق رکھتی ہے۔ یعنی ایسے کسی بھی نقصان، ضیاع، مالی ذمے داری یا دعویٰ کے لئے بلواسطہ یا بلاواسطہ قطعی ذمے دار نہ ہوگی جو کسی غلطی، تاخیر ایسی کسی مالی ادائیگی کو پر فارمنس میں ناکامی کی صورت میں سامنے آئے جو ادائیگی کی غلط اور نامناسب ہدایات کی وجہ سے ہو اور ایسی ایسے واقعے کے باعث پیش آئے جس پر کمپنی کا کوئی اختیار نہ ہو۔

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چیئر مین کا جائزہ

چیئر مین کا جائزہ سالانہ رپورٹ کا حصہ ہے۔

اعتراف:

ہم شکر گزار ہیں اپنے معزز اسٹیک ہولڈرز بشمول گاہکوں، بینکنس، سپلائرز، کنٹریکٹرز اور حصص یافتگان شاندار حمایت اور ان کے بھروسے کے۔ ہم اپنے ملازمین کے اس تمام عرصے میں ان کی لگن اور انتھک محنت کے بھی شکر گزار ہیں۔


آصف قادر
ڈائریکٹر


ناصر جمال
چیئر ایگزیکٹو
کراچی 26 فروری 2019



نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری
6	جناب خرم رضا بختیاری	6
7	جناب کی ہانڈ آندو	5
8	جناب یوکیو اوہایاساوا	4
9	محترمہ زمین چنائے (12 اکتوبر 2018 کو منتخب ہوئیں)	2
10	جناب شی گروہاگی وارا (جناب یوکیو اوہایاساوا کا نعم البدل جو 13 اکتوبر 2018 کو چھوڑ گئے)	1
11	جناب علی رضا (جناب یوکیو اوہایاساوا کی جگہ 13 اکتوبر 2018 کو تقرر ہوا)	1

جو ڈائریکٹر حاضر نہ ہو سکے ان کی غیر حاضری کی درخواست منظور کی گئی۔
آڈٹ کمیٹی:

سال 2018 کے دوران میں آڈٹ کمیٹی کے 4 اجلاس منعقد ہوئے۔ ہر ممبر کی حاضری درج ذیل رہی:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری
1	جناب آصف قادر (چیئر مین)۔ خود مختار ڈائریکٹر	4
2	جناب کی ہانڈ آندو	2
3	جناب خرم رضا بختیاری	4
4	محترمہ زمین چنائے (خود مختار ڈائریکٹر) (12 اکتوبر 2018 کو منتخب ہوئیں)	1
5	جناب یوکیو اوہایاساوا	-
6	جناب شی گروہاگی وارا (جناب یوکیو اوہایاساوا کی جگہ 13 اکتوبر 2018 کو چھوڑ گئے)	1
7	جناب علی رضا (جناب یوکیو اوہایاساوا کی جگہ 13 اکتوبر 2018 کو چھوڑ گئے)	1

جو ممبران آڈٹ کمیٹی کے اجلاسوں میں حاضر نہ ہو سکے ان کی غیر حاضری کی درخواست منظور کی گئی۔

آڈٹ کمیٹی نے (Terms of Reference) لسٹڈ کمپنیوں کے دیے گئے (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2017 کے

ضوابط کے مطابق اپنایا۔

افراد کی قوت اور اجرتی کمیٹی (HR&R)

سال 2018 کے دوران HR&R کمیٹی کے 13 اجلاس منعقد ہوئے۔ ہر ممبر کی حاضری درج ذیل رہی:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری
1	جناب آصف قادر (چیئر مین)۔ خود مختار ڈائریکٹر	3
2	سید اسلم مہدی	1
3	جناب خرم رضا بختیاری	3
4	جناب کی ہانڈ آندو	3

جو ممبران HR&R کمیٹی کے اجلاسوں میں حاضر نہ ہو سکے ان کی غیر حاضری کی درخواست منظور کی گئی۔

افراد کی قوت اور اجرتی کمیٹی نے (Terms of Reference) لسٹڈ کمپنیوں کے دیے گئے (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2017 کے ضوابط کے مطابق اپنایا۔

ڈائریکٹرز کا مشاہرہ

کمپنی نے ڈائریکٹرز کے مشاہرہ کی پالیسی کی منظوری دے دی ہے۔ اس پالیسی کا مقصد ڈائریکٹرز کے مشاہرے بشمول نان ایگزیکٹو ڈائریکٹرز کی جانب سے فراہم کی جانے والی اضافی / ٹیکنیکل خدمات کے مشاہرے کے تعین کے لئے شفاف طریقہ کار اختیار کرنا ہے۔ ہیومن ریورس اینڈ ریٹرنیشن کمیٹی (HR&R) کی سفارشات پر بورڈ آف ڈائریکٹرز وقتاً فوقتاً مشاہروں میں ردو بدل کرے گا۔

اس کے علاوہ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے مشاہروں کی مجموعی رقم کی تفصیل فنانشل اسٹیٹمنٹ، نوٹ 30 میں دی گئی ہے۔

قومی خزانہ میں ادائیگی

آپ کی کمپنی نے سال 2018 میں سیلز ٹیکس، کسٹم ڈیوٹی اور آئی ٹیکس وغیرہ کی مد میں تقریباً 3.4 ارب روپے کی شراکت کی۔

شیئر ہولڈنگ کا طرز

شیئر ہولڈرز کی بعض کلاسز کی شیئر ہولڈنگ کے طرز کا اسٹیٹمنٹ برہماتوں 31 دسمبر 2018، جو رپورٹنگ فریم ورک کے تحت مطلوب ہے،

شیئر ہولڈرز کی معلومات کے ضمیمہ میں شامل ہے۔

ایگزیکٹو آڈیٹرز

موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس سکندوش ہور ہے ہیں اور اہلیت کی بنیاد پر انہوں نے اپنی خدمات کو دوبارہ تقرر کیلئے پیش کیا ہے۔ آڈٹ کمیٹی کی سفارشات پر بورڈ آف ڈائریکٹرز نے میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو بطور آڈیٹرز اگلے سالانہ اجلاس عام تک آپس کی رضامندی سے طے شدہ فیس پر دوبارہ تقرری کی تجویز دی ہے۔



لئے مستقبل کے امکانات کے حوالے سے اہم منصوبے اور فیصلوں کی تفصیل اس رپورٹ میں درج ہے۔

(vii) گزشتہ چھ سال کا کلیدی آپریٹنگ اور فنانشل ڈیٹا منسلک ہے۔

(viii) ٹیکسز اور لیویز کے بارے میں اطلاعات مالیاتی حسابات کے نوٹس میں دی گئی ہیں۔

(ix) کاروبار کو آگے بڑھانے کے بارے میں کمپنی کی صلاحیت پر کسی قسم کے شکوک و شبہات نہیں ہیں۔

(x) لسٹنگ ریگولیشن میں درج کارپوریٹ گورننس کے بہترین طریقوں اور اصولوں سے کوئی بڑا انحراف نہیں کیا گیا۔

(xi) پراویڈنٹ اور گریجویٹ فنڈز کی سرمایہ کاریوں کی مالیت جیسا کہ ان کے متعلقہ غیر آڈٹ شدہ مالیاتی حسابات پر مبنی ہیں۔

(xi) پراویڈنٹ اینڈ گریجویٹ فنڈز کی سرمایہ کاری کی قدر، بمطابق 30 جون 2018 اور اس کے غیر آڈٹ شدہ حسابات درج ذیل ہیں

روپے '000 میں

121,320

پراویڈنٹ فنڈ

56,886

گریجویٹ فنڈ

(xii) ڈائریکٹر صاحبان میں سے سید اسلم مہدی، جناب کی ہائڈ آند اور جناب خرم رضا بختیاری نے ڈائریکٹر ٹریڈنگ پروگرام کے تحت مجوزہ سرٹیفیکیشن حاصل کر لی ہے۔ جناب یو کیو ہایساوا اور جناب ناصر جمال (متصور ڈائریکٹر) کو ابھی ڈائریکٹر ٹریڈنگ پروگرام کے تحت مجوزہ سرٹیفیکیشن حاصل کرنا ہے۔ بقیہ ڈائریکٹرز نے کم از کم 14 سالہ تعلیم اور لسٹڈ کمپنی کے بورڈ پر 15 سال سے زیادہ کے تجربہ کے حامل ہیں اور اس بناء پر ڈائریکٹر ٹریڈنگ پروگرام سے مستثنیٰ ہیں۔

سی ای او/ ڈائریکٹرز اور ایگزیکٹوز کی شیئرنگ کی ٹریڈنگ:

شیئرنگ کی ٹریڈنگ میں شامل ڈائریکٹر، چیف ایگزیکٹو آفیسر، کمپنی سیکریٹری، اندرونی آڈٹ کے سربراہ، دیگر ایگزیکٹوز، ان کے شوہر/اہلیہ اور ان کے چھوٹے بچوں کی تفصیل درج ذیل ہیں:

شیئرنگ کے خریدار

شیئرنگ کی تعداد

1,000

ڈائریکٹر

چیف ایگزیکٹو آفیسر

چیف فنانشل آفیسر

کمپنی سیکریٹری

اندرونی آڈٹ کا سربراہ

دیگر ایگزیکٹوز

شیئرنگ کی تعداد	شیئرنگ کے خریدار
-	شوہر/اہلیہ
-	چھوٹے بچے
	شیئرنگ کی فروخت/عطیات:
76,711	چیئر مین کی جانب سے شیئرنگ کے عطیات

بورڈ میں تہدیلیاں:

2 اکتوبر 2018 کو ڈائریکٹرز کا انتخاب عمل میں آیا۔ کمپنی ایکٹ 2017 کے سیکشن (1) 159 کے تحت ڈائریکٹرز کے انتخابات میں 8 ڈائریکٹرز کو تین سال کے عرصے کے لئے منتخب کیا گیا۔ مس زمین توفیق چنائے بورڈ کی نئی خاتون ڈائریکٹر منتخب ہوئیں۔

بورڈ کی تشکیل:

کمپنی کا بورڈ آف ڈائریکٹرز درج ذیل 8 ڈائریکٹرز پر مشتمل ہے:

2	خود مختار ڈائریکٹرز
6	نان ایگزیکٹو
	ایگزیکٹو ڈائریکٹرز

ان میں 7 مرد اور ایک خاتون ہیں۔

جناب ناصر جمال کمپنی کے چیف ایگزیکٹو آفیسر ہیں جو کمپنی ایکٹ 2017 کے سیکشن (3) 188 کے تحت متصور ڈائریکٹر ہیں۔

2 اکتوبر کو ڈائریکٹرز کا عمل میں آیا جس میں دو خود مختار ڈائریکٹر منتخب ہوئے۔ کمپنی نے ایس ای سی پی سے تین خود مختار ڈائریکٹر ہونے کی ضرورت سے متعلق رجوع کیا ہے۔

بورڈ آف ڈائریکٹرز کے اجلاس:

سال 2018 کے دوران میں، بورڈ آف ڈائریکٹرز کے 16 اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری درج ذیل رہی:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری
1	سید بابر علی (چیئر مین)	6
2	جناب ناصر جمال (چیف ایگزیکٹو آفیسر)۔ متصور ڈائریکٹر	6
3	جناب آصف قادر	5
4	سید حیدر علی	5
5	سید اسلم مہدی	6

ہماری کاوشیں ہمیں تک محدود نہیں ہیں؛ ہم گزشتہ چار سال سے PFFB سے تعاون کر رہے ہیں جو تعلیم، تربیت، کونسلنگ کے علاوہ ناپیدیا افراد کو علاج معالجہ کی سہولتیں فراہم کرتا ہے۔ ہم ہر سال ان کاوشیاء کی صورت میں امداد فراہم کرتے ہیں۔

ہمارے ارادے سادہ اور دو مقاصد پر مبنی ہیں؛ ہم اپنے معاشرے کی بہتری چاہتے ہیں اور ہم دوسرے اداروں کی حوصلہ افزائی کرتے ہیں کہ اپنی قوم کی خدمات کیلئے لکھ کر کام کریں۔

انتظامی اطلاعی نظام

ERP کے استعمال میں اضافہ پر ہماری توجہ جاری ہے اور اس سال پلانٹ کی دیکھ بھال کے موڈیول اور کیمپنل اخراجات کی نگرانی اور منظوری کے طریقے کو شامل کیا گیا ہے۔ ہماری توجہ اپنے ERP کے زیادہ سے زیادہ استعمال پر ہے تاکہ بنا کاغذ کام کا ماحول حاصل کیا جائے اور اندرونی کنٹرول کا انتظام یقینی بنایا جائے۔ ہماری قابل ٹیم ERP اسپیشلسٹ پر مشتمل ہے جو تمام اسٹیک ہولڈرز کیلئے روایت سے ہٹ کر حل پیش کرنے میں مسلسل کوشاں ہے۔

انسانی وسائل

کمپنی کی ترقی اس کے افراد کی ترقی پر قائم ہے۔ لہذا ہماری حکمت عملی اپنے لوگوں کی بہتری کے لیے ان کے کام کی مہارت کو وسیع کرنا اور ان کے اطمینان کو زیادہ سے زیادہ رکھنا ہے۔

اس سال بھی ہم اپنے لوگوں کی مجموعی طور پر شمولیت میں اضافہ کیلئے کام کیا جس میں ایکشن پلاننگ اور مختلف سرگرمیوں کے ذریعہ ایپلائمنٹ انجینئرنگ کی بہتری شامل ہے۔ ہم نے اپنے غیر انتظامیہ اسٹاف کیلئے کارکردگی کی جانچ اور معلومات کے ریکارڈ کیلئے ایک بھرپور کامیاب طریقے سے کمپنی کی اقدار کو اجاگر کیا اور اپنی آپریشنز اور ٹیکنیکل ٹیمز کیلئے مختلف ایوارڈز اعتراف کے پروگرام متعارف کروائے۔ اس کے علاوہ ہم نے خواتین کارکنوں کی بہتری کیلئے اقدامات کئے اور کام کی جگہ پر انڈسٹریل ریلیشنز کے سلسلے میں ہم آہنگی کا ماحول فراہم کیا۔

ہم 2019 اور اس کے بعد اپنے ایچ آر کے کاموں کو کلچر، ایچ آر کی مہارت، عمل درآمد، ملازمین اور صنعتی تعلقات، ملازمین کی مصروفیات اور آج کی براڈنگ اور اپنی خدمات کو مزید بہتر بنانے اور بہترین منتخب ملازم / آجر کے طور پر تسلیم کئے جانے کے سفر پر آگے بڑھنے کے خواہاں ہیں۔

معیاری نظام

معیاری ہماری مصنوعات کا اصل جوہر ہے۔ ہم کلیدی کارکردگی کے اشاریے (KPIs) کے ایک مستحکم نظام اور آن جاب ویرونی تربیت کے ذریعے معیار کے تمام نافذ العمل اسٹینڈرڈز کی شرائط پر عملدرآمد کو یقینی بناتے ہیں۔

مشینوں کی مستعدی و برق رفتاری، مال کے کم از کم ضیاع، TPM پر مستقل توجہ، ساز و سامان مہیا کرنے والے اور صنعتی ماہرین سے مستقل مشاورت کے ذریعے پیداواری عمل مزید بہتر بنایا جا رہا ہے۔

متعلقہ کاروباری فریق کاروباری شریک

کمپنیز ایکٹ 2017 کے سیکشن 208 اور کمپنیز (ریگولیشن پارٹی ٹرانزیکشن اینڈ مینٹنس آف ریگولیشن ریکارڈ) ریگولیشن 2018 کی بیرونی میں کمپنی نے درج ذیل امور انجام دیئے ہیں:

- متعلقہ پارٹیز سے لین دین کی پالیسی تشکیل دی ہے جس کی بورڈ نے باقاعدہ منظوری دی ہے۔
- متعلقہ پارٹیز کے ساتھ لین دین کی شرائط متب کی ہیں جن کو "arm's length transaction" کے طور پر ترتیب دیا گیا ہے۔
- متعلقہ پارٹیز کے ساتھ لین دین کی منظوری کیلئے کم از کم مطلوبہ شرائط کو بورڈ پیپرز میں ڈائریکٹرز کو فراہم اور ظاہر کر دیا گیا ہے۔ کمپنیز ایکٹ 2017 کے چوتھے شیڈول کے مطابق متعلقہ پارٹیز کے ساتھ لین دین کی تفصیلات منسلک آڈٹ شدہ مالیاتی گوشوارے کے ضمیمے کے نوٹ 35 میں فراہم کر دی گئی ہیں۔

کوڈ آف کارپوریٹ گورننس

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس ریگولیشن 2017) میں درج کوڈ آف کارپوریٹ گورننس کی شرائط کمپنی نے اختیار کی ہیں اور ان پر باقاعدگی سے عمل کیا جاتا ہے۔ اس سلسلے میں ایک ضمیمہ اس رپورٹ کے ساتھ منسلک ہے۔

اجتماعی اور مالیاتی سپورٹنگ فریم ورک

- مالیاتی حسابات آپ کی کمپنی کی انتظامیہ کے ذریعے تیار کئے گئے ہیں اور اس کے شفاف کاروباری امور و معاملات، اس کے آپریشن کے نتائج، نقد فراوانی اور ایکویٹی میں تبدیلیوں کو ظاہر کرتے ہیں۔
- کمپنی کے کھاتے کی باقاعدہ کتابوں کو مناسب طریقے سے برقرار رکھا گیا ہے۔
- درست اکاؤنٹنگ پالیسیاں مستقل طور پر مالیاتی حسابات اور اکاؤنٹنگ تخمینہ جات کی تیاری میں لاگو کی جاتی ہیں۔ ماسوائے ان تبدیلیوں کے جو مالیاتی حسابات کے نوٹس میں درج ہیں۔ اکاؤنٹنگ کی پالیسیاں موزوں اور محتاط فیصلے پر منحصر ہوتی ہیں۔
- مالیاتی اسٹیٹمنٹ، پاکستان میں لاگو International financial reporting standards کے معیارات کی بنیاد پر تیار کئے گئے ہیں۔

(v) اندرونی کنٹرول کا نظام مستحکم طور پر تیار کیا گیا ہے اور موثر طور پر نافذ العمل اور نگرانی رہتا ہے۔ سسٹم کی مستقل طور پر اندرونی آڈٹ اور ایسے دیگر مانیٹرنگ طریقہ کار کے ذریعے نگرانی جاری رہتی ہے اور انٹرنل کنٹرول کی نگرانی کا عمل ایک جاری طریقہ کار اور کنٹرول کو مزید مستحکم بنانے کے مقاصد کے ساتھ جاری و ساری رہے گا۔



سال کے دوران 1.4 بلین روپے طویل مدتی قرضہ جات کی سروسنگ میں استعمال کئے گئے جو ادائیگی کے منصوبے کے تحت ہے

خدشات اور غیر یقینی کیفیت

ملک میں موجودہ سیاسی غیر یقینی مجموعی کاروباری ماحول پر اثر انداز ہو سکتی ہے۔ مشرق وسطیٰ میں سیاسی بحران کی وجہ سے خام مال اور اس سے منسلک مصنوعات بشمول ہماری مصنوعات کی تیاری میں استعمال ہونے والا پولي پروپیلین کے دانے کی طلب اور فراہمی پر دباؤ برقرار ہے۔ اس کے علاوہ دیگر اہم کرنسیز کے مقابلے میں روپے کی قدر میں کمی ایک مستقل معاشی خطرہ رہی ہے۔ آپ کی کمپنی دیگر بڑی کرنسیوں کے مقابلے میں پاک روپے کی قدر پر بے یقینی کے اثرات کے ضمن میں غیر ملکی زرمبادلہ کے خطرات سے بھی بخوبی واقف ہے اور روپے کی قدر میں کسی بھی کمی کے اثرات کو کم کرنے کے لئے مناسب اقدامات کئے جا رہے ہیں۔ ایک مفصل تفصیلاً (Risk and Opportunities) جائزہ سالانہ رپورٹ کے حصے کا ہے۔

کاروباری نوعیت میں بڑی پیش رفت اتہدیلیاں

کمپنی نے سال کے دوران کاروباری نوعیت میں کوئی نمایاں تبدیلی نہیں کی۔ تاہم اس سال میں ایک بڑی BOPP لائن کو 5 تہوں کے ایکسٹروژن تک اپ گریڈ کر دیا گیا ہے جس سے پروڈکٹ پورٹ فولیو میں اضافہ ہوگا۔

اندرونی مالیاتی کنٹرولز

کمپنی میں اندرونی کنٹرولز کا جامع فریم ورک موجود ہے۔ فنانس کنٹرول کے تفصیلی مینوئل بھی موجود ہیں جو اندرونی آڈٹ کی مدد سے تیار کئے گئے ہیں۔ ان مینوئلز میں ہر ڈیپارٹمنٹ کے لحاظ سے کام کے بہاؤ، ہر سرگرمی پر کنٹرولز کی تفصیلات اور قانونی اور آپریشنل امور پر عمل درآمد کی ضروریات درج ہیں۔

اندرونی کنٹرول کا نظام مستحکم طور پر ڈیزائن کیا گیا ہے اور موثر طور پر زیر عمل اور ریگرنائی رہتا ہے۔ نظام کی مستقل نگرانی انٹرنل آڈٹ کی جانب سے اور ایسے تمام دیگر نگرانی کے طریقہ کار کے ذریعے کی جاتی ہے۔ انٹرنل کنٹرول کی نگرانی کا عمل کنٹرولز کے نظام کو مزید مستحکم بنانے کے مقصد کے ساتھ ایک جاری عمل کے طور پر جاری و ساری رہے گا۔

اکاؤنٹنگ پالیسیاں مالیاتی حسابات اور اکاؤنٹنگ کے تخمینہ جات کی تیاری میں مستقل طور پر لاگو کی جاتی ہیں ماسوائے ان تبدیلیوں کے جیسا کہ مالیاتی حسابات کے نوٹس میں واضح کر دیا گیا ہے۔ اکاؤنٹنگ کی پالیسیاں موزوں اور محتاط فیصلوں پر مبنی ہوتی ہیں۔

انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز، جیسا کہ پاکستان میں مروج ہیں، کو مالیاتی حسابات کی تیاری میں ملحوظ خاطر رکھا جاتا ہے۔

مالیاتی حسابات کے آڈٹ ایکسٹرنل آڈیٹرز کے ذریعے کرائے جاتے ہیں جیسا کہ مقامی قانون کے تحت لازم ہے۔

اندرونی مالیاتی کنٹرول کے سلسلے میں ڈائریکٹرز کی ذمہ داری

بورڈ آڈٹ کمیٹی (بی اے سی) کا تقرر کیا گیا ہے جو پانچ ڈائریکٹرز پر مشتمل ہے، ان میں دو خود مختار ڈائریکٹرز شامل ہیں۔

کوڈ آف کارپوریٹ گورننس کی شرائط کے مطابق (بی اے سی) کی صدارت خود مختار ڈائریکٹرز کرتا ہے اور اس کی ٹرمز آف ریفرنس کا تعین بورڈ آف ڈائریکٹرز کی جانب سے کوڈ آف کارپوریٹ گورننس کی فراہم کردہ رہنما ہدایات کے مطابق کیا جاتا ہے۔ ان ٹرمز آف ریفرنس مالیاتی حسابات سے متعلق امور انٹرنل کنٹرول اور کارپوریٹ گورننس کی نگرانی میں شامل ہے لیکن یہ صرف ان معاملات کی حد تک محدود نہیں۔

مالی سال کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان میں مالیاتی پوزیشن پر اثر انداز ہونے والی مادی تبدیلیاں

مالیاتی سال کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان مالیاتی پوزیشن پر اثر انداز ہونے والی نمایاں تبدیلیاں، اگر کوئی ہیں، تو وہ اس رپورٹ کے ساتھ سالانہ آڈٹ شدہ مالیاتی گوشوارے میں درج ہیں۔

حفاظت، صحت اور ماحولیات

حفاظت، صحت اور ماحولیات (SHE) کمپنی کی اوٹ لین ترجیحات میں شامل ہے۔ اندرونی SHE فریم ورک، بیرونی اعلیٰ ترین معیار اور تھرڈ پارٹی کی شرائط پر عمل درآمد ہونے کو یقینی بنانے کیلئے ایک مضبوط نظام تیار کیا گیا ہے۔

اپنے ملازمین کے تحفظ اور صحت کے علاوہ ہم اس ماحول کی اہمیت کو بھی پیش نظر رکھتے ہیں جس میں ہم کام کرتے ہیں۔ اس سلسلے میں ماحولیات کے تحفظ کی ایجنسی (EPA) کے معیارات کی سختی سے پابندی کی نگرانی کی جاتی ہے اور اس بات کو یقینی بنایا جاتا ہے کہ خارج ہونے والا فضلہ اور دیگر مواد EPA کی قابل قبول حدود کے اندر رکھا جائے۔ اس کے علاوہ ہمارے کراچی اور حصار دونوں جگہ کے کارخانوں میں مختلف پودوں، درختوں اور جانوروں کو قدرتی ماحول میں رکھا گیا ہے جو ہمارے ماحول دوست ہونے کا واضح ثبوت ہے۔

اجتماعی سماجی ذمہ داری

ٹرائی پیک میں ہمارے ہر آپریشن میں سماجی ذمہ داری کے بہترین طریقے اختیار کرنے میں CSR کی الف سے تک شامل ہوتی ہے اور اس بات کو یقینی بنایا جاتا ہے کہ ہم معاشرے میں بھرپور طریقے سے اپنا کردار ادا کر رہے ہیں۔

سماجی ذمہ داری کے سلسلے میں ٹرائی پیک کے عزائم کی بھرپور توجہ انسانی صحت اور مقامی آبادی کے تحفظ پر مرکوز ہے۔ اس سلسلے میں ہم ان اداروں کے ساتھ تعاون اور شراکت اختیار کرتے ہیں جو صحت، فلاح، سماجی بہبود اور متنوع اور مختلف صلاحیتوں کے حامل انسانوں کے کاموں میں سرگرم عمل ہیں۔

اس سال، ہم نے خاص طور پر NOWPDP اور پاکستان فاؤنڈیشن فائیننگ بلائینڈ فیس (PFFB) کے ساتھ اشتراک مذمہ مضبوط کرتے ہوئے ان مختلف منصوبوں میں تعاون کیا۔

NOWPDP کیلئے ہم نے مختلف صلاحیتوں کے حامل لوگوں کو روزی کمانے کیلئے ریٹروفٹڈ ہینڈ کٹرو ولڈر کٹس فراہم کئے، اسکول کی نصابی کتابوں کی چھپائی کیلئے بریل پرنٹر (بینائی فاؤنڈیشن کو) کی بڑی فنڈنگ کی اور NOWDPD کو ٹرینگ/اسکل ڈیولپمنٹ کے مقصد کیلئے کلاس رومز کیلئے لیپ ٹاپس کا عطیہ دیا۔

کمپنی کے ڈائریکٹرز 31 دسمبر 2018 کو ختم ہونے والے سال کی رپورٹ مع آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

کمپنی حفاظت، صحت اور ماحولیات (SHE) کے تقاضوں پر پابند رہی۔

بازار اور کاروبار کا جائزہ

اس سال کے دوران کاروباری حالات انتہائی مشکل کا شکار رہے۔ غیر یقینی معاشی حالات، بڑی کرنسیز کے مقابلے میں پاکستانی روپے کی قدر میں کمی، گیس کی قیمتوں میں اضافہ اور شرح سود میں اضافے نے کاروبار پر منفی اثرات مرتب کئے۔

پورے سال خام مال کی فراہمی تسلسل کے ساتھ جاری رہی تاہم پہلی سہ ماہی میں قیمتوں میں اچانک اضافہ ہوا جو سال کے آخر تک رفتہ رفتہ معمول پر آگئیں۔

مقامی بازار میں نئی لائسنز کے عمل کے آغاز اور ہماری بڑی لائن کے اپ گریڈیشن کے لئے طے شدہ شٹ ڈاؤن کے نتیجے میں گزشتہ سال کے مقابلے میں مجموعی حجم میں 6% کمی آئی۔

آپ کی کمپنی ان تمام متوقع رکاوٹوں سے مقابلے کیلئے پوری طرح تیار رہی اور ان کے اثرات کو کم سے کم رکھنے کیلئے پیداواری استعداد کی بہتری، پروڈکٹ کی ڈیولپمنٹ اور مکمل حد تک بیرونی کرنسی کے دباؤ کو کم سے کم رکھا گیا۔

مالیاتی جھلکیاں

اس سال حجم سے ہونے والی خالص آمدنی گزشتہ سال کے مقابلے میں 8% زیادہ رہی جس کی وجہ خام مال قیمتوں کے سبب آمدن کی قیمتوں میں اضافہ زیادتی تھی، مارجن متاثر رہے جس کی وجہ خام مال اور توانائی کی قیمتوں میں گزشتہ سال کے مقابلے میں اوسطاً بالترتیب 12% اور 13% اضافہ ہونا اور فراہمی میں زیادتی کی صورتحال کے سبب فلم کی قیمتوں میں اس نسبت سے اضافہ نہ ہونا ہے۔ اس کے نتیجے میں سال کا مجموعی خام منافع گزشتہ سال کے مقابلے میں 22% کم رہا۔

گزشتہ سال کے مقابلے میں فروخت کاری، تقسیم کاری اور انتظامی اخراجات زیادہ بار برداری کے خرچ کے سبب 16% زیادہ رہے۔ اس سال مالیاتی لاگت 65% زیادہ رہی جس کی وجہ پاکستانی روپیہ کی قدر میں کمی کے نقصان کو کم کرنے کیلئے درآمد کی کریڈٹ کی مدت کو کم کرنے کے باعث جاری سرمایہ میں اضافہ ہے۔ اس کے علاوہ پالیسی کے ریٹ میں 425 bps کا اضافہ بھی مالیاتی لاگت میں اضافے کا باعث بنا۔

نتیجتاً 220 ملین روپے کا قبل از ٹیکس منافع گزشتہ سال کے منافع سے نمایاں طور پر کم رہا۔

بعد از ٹیکس منافع 157 ملین روپے رہا جو 2017 میں 573 ملین روپے تھا۔

سال کیلئے کاروباری سرگرمیوں سے نقد خارجی بہاؤ 360 ملین روپے رہا جب کہ اس کے مقابلے میں گزشتہ سال آپریٹنگ سرگرمیوں سے نقد رقم کی آمد 110 ملین روپے تھی۔ اس کی بنیادی وجہ LC کی شرائط کا روایتی مہلت سے sight کی طرف تبدیلی تھی۔

اہم مالیاتی نکات درج ذیل ہیں:

2017	2018
50,148	47,824
1,316	721
12,256	13,224
1,766	1,376
573	157
14.76	4.06

فروخت کا حجم (میٹرک ٹن)۔ مقامی

فروخت کا حجم (میٹرک ٹن)۔ برآمدات

فروخت سے حاصل ہونے والی خالص آمدنی (روپے ملین میں)

خام منافع (روپے ملین میں)

خالص منافع (روپے ملین میں)

منافع فی حصہ (روپے)

منافع منقسمہ:

ڈائریکٹرز نے 40 فیصد نقد منافع منقسمہ دینے کی سفارش کی ہے جو کہ 400 روپے فی شیئر ہے۔ (2017: 10 روپے فی شیئر)

ڈائریکٹرز کے اور ان کی کمیٹیوں کے ممبران کے نام:

بورڈ کی کمیٹیوں کے ممبران کمپنی انفارمیشن سیکشن میں درج ہیں جو کمپنی کی سالانہ رپورٹ کے ساتھ منسلک ہے۔

مستقبل کا منظر نامہ

مستقبل میں کاروباری حالات چیلنجنگ رہنے کی توقع ہے اور قیاس ہے کہ بڑی کرنسیز کے مقابلے میں روپے کی قدر میں مزید کمی ہوگی اور اس کا اثر کاروبار کے مجموعی اخراجات پر پڑے گا اور مصیبت کی سست روی اور فراہمی میں زیادتی کی صورتحال رہے گی۔

خام مال کی قیمتیں جو سال کے آخری حصہ میں معمول پر آنا شروع ہوئی تھیں، توقع ہے کہ خام تیل کی قیمتوں میں کمی کے سبب ان میں اور کمی ہوگی۔ آپ کی کمپنی ان چیلنجز سے بخوبی آگاہ ہے لہذا ترقی کی رفتار کو برقرار رکھنے کے ساتھ ساتھ آپریٹنگ کی استعداد کو بڑھانے اور پیداواری لاگت کو کم کرنے پر توجہ مرکوز رکھے گی۔

نقد بہاؤ کی حکمت عملی

زیر جائزہ مدت میں آپریٹنگ سے نقد خارجی بہاؤ 360 ملین روپے رہا (2017: داخلی بہاؤ 110 ملین روپے) جس کی وجہ درآمد کی کریڈٹ کی مدت کو کم کرنا اور تجارتی اشاک میں اضافہ تھی۔ کمپنی معاشی ماحولیات کی جانچ کر رہی ہے خاص طور پر امریکن ڈالر۔ پاکستانی روپے کی مساوات اور اس کے مطابق بہتر سے بہتر کیش کے بہاؤ کیلئے درآمد کی کریڈٹ کی حکمت عملی تشکیل دی جائے گی۔
















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27th 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 _____ of _____ or failing him/her _____ of _____ or failing
him/her _____ of _____ as my proxy to vote for me and on my behalf at the Annual General Meeting of the Company to be
held on Tuesday, April 16, 2019 at 10.30 a.m. at the Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi and at any adjournment thereof.

Signed thisday of.....2019

WITNESSES:

Signature

1. Signature: _____
Name: _____
Address: _____

CNIC or _____
Passport No: _____

2. Signature: _____
Name: _____
Address: _____

CNIC or _____
Passport No: _____

Signature

Please
affix Rupees
five
revenue stamp

(Signature should
agree with the
specimen signature
registered with the
Company)

Note:

Proxies in order to be effective, 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.



The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

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Tri-Pack Films Limited

تشکیل نیابت داری

27 واں سالانہ اجلاس عام

میں اہم

ساکن بطور ٹرائی پیک فلمز لمیٹڈ

رکن و حامل عام حصص بمطابق شیئرز رجسٹرڈ فولیو نمبر اور ایسی ڈی سی کے شراکتی آئی ڈی نمبر

اور ذیلی کھانہ نمبر ساکن یا بصورت دیگر

ساکن یا بصورت دیگر ساکن

کو اپنی جگہ بروز منگل مورخہ 16 اپریل 2019 بوقت 10:30 بجے صبح بمقام بیچ لکٹری ہوٹل مولوی تمیز الدین خان روڈ کراچی میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کے لیے اپنا نمائندہ مقرر کرتا کرتی ہوں۔

دستخط کیے گئے مورخہ 2019

گواہان:

دستخط:

نام:

پتہ:

سی این آئی سی یا پاسپورٹ نمبر:

دستخط:

نام:

پتہ:

سی این آئی سی یا پاسپورٹ نمبر:

براہ کرم پانچ روپے
مالیت کے ریونیو ٹکٹ
چسپاں کریں۔

دستخط:

(دستخط کمپنی میں درج نمونہ
کے مطابق ہونے چاہئے)

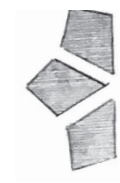
نوٹ:

پراکسیز کے موثر ہونے کے لیے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہو۔ نیابت دار کا کمپنی کارکن ہونا ضروری نہیں ہے۔

سی ڈی سی کے حصص داران اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹر انزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پر کسی فارم کے ساتھ کمپنی میں جمع کرائیں۔

The Company Secretary:
Tri-Pack Films Limited
4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton, Khayaban-e-Jami,
Karachi-75600, Pakistan.

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