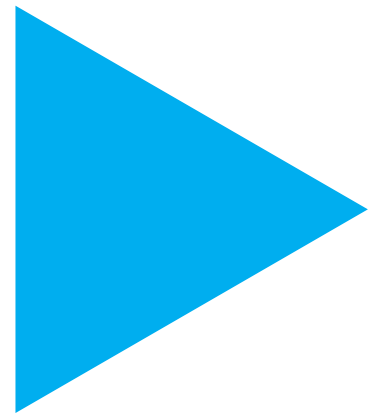


Tri-Pack Films Limited

a better future
annual report 2015 | today





introduction

Over the years, the packaging industry has progressed by leaps and bounds. Since inception, innovation has been at the core of Tri-Pack's business. As markets expand, consumer habits change with lifestyles, economic status, needs and wants.

The Company has since then transcended from just selling products to also selling experience; experience that required putting ourselves in the customers' shoes, building our business around their needs and help them achieve their desired outcome through the holistic experience that only we provide.

Innovation has also brought forth the need "future-proof ourselves" – to be sustainable, to think beyond the core product, to build in an open way, to stay on the pulse of the market, and to inspire our people.

We believe that it is this mindset that spurs our progress, drives us to think big, to defy expectations and to prepare us for tomorrow and the years ahead.



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safe
clean
convenient ▶▶▶

To merely add aesthetics to a classic is simply not innovation. However, to take a classic and add to its functions, is. At Tri-Pack we add value to your everyday consumables by adding convenience and extended shelf life. We help preserve and add trust to the brands you buy.

At Tri-Pack we've got **safety, hygiene and convenience** all wrapped up.



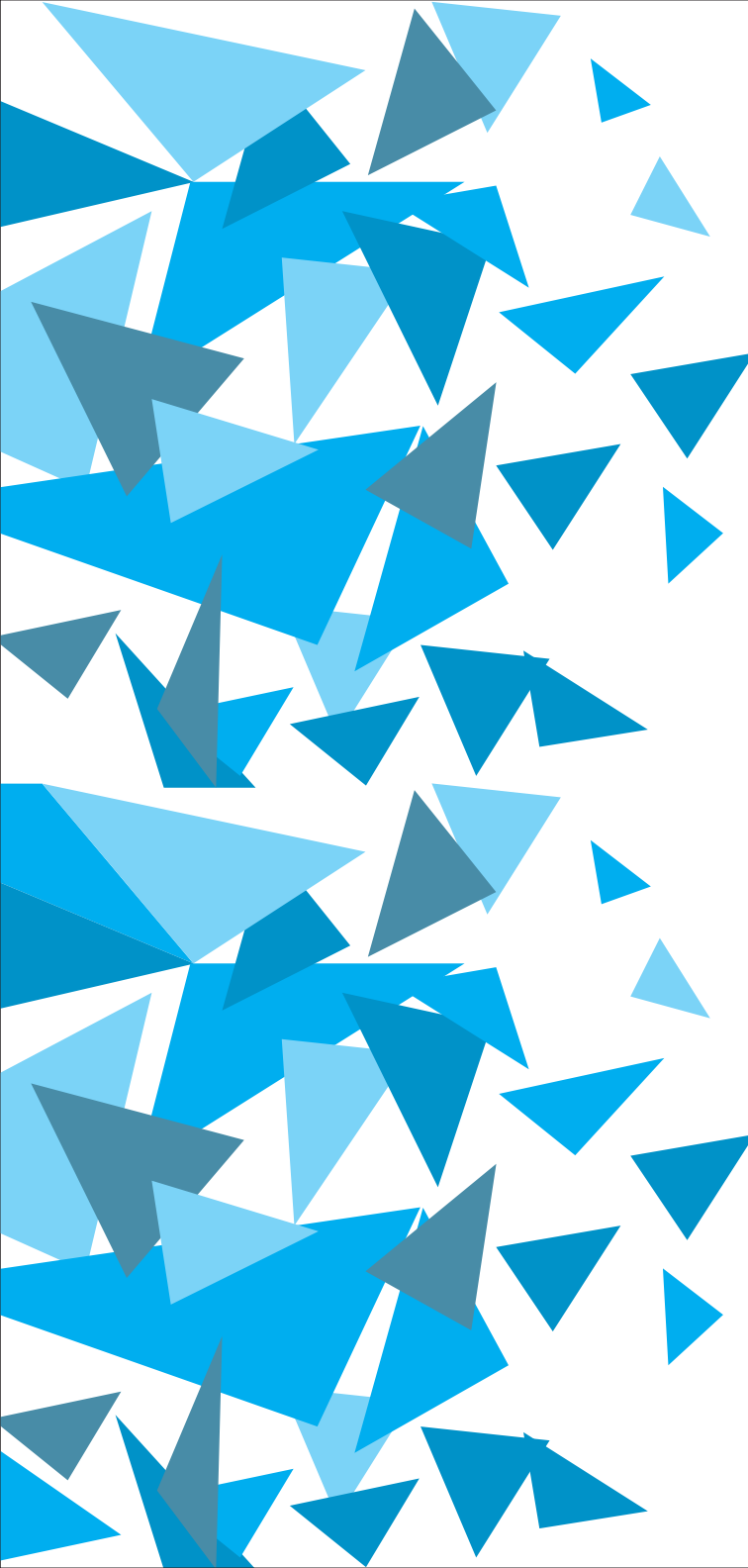


consumers embrace quality

People trust packaged products for durability, quality and integrity. Deliverables at Tri-Pack revolve around high quality thus enabling our customers to keep consumer trust.

At Tri-Pack we help our clients **enhance & maintain quality of their products.**





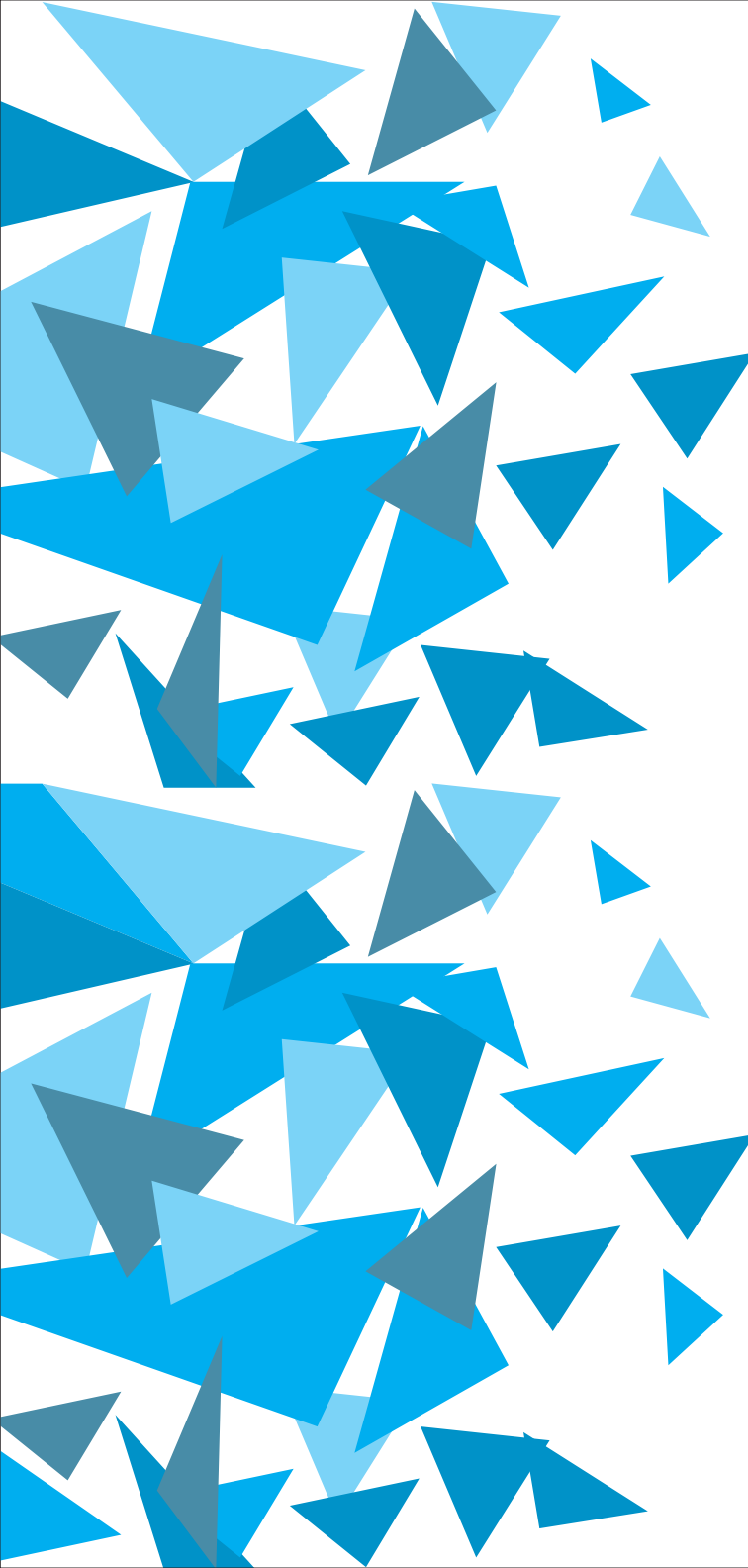
bolstering brands building relationships

When you think about it how many products do you use today that you never thought would be packaged or branded? Today our buying habits seek convenience and trusted brands reign the marketplace.

At Tri-Pack we consider ourselves to be an extension of our clients' team. We provide packaging solutions, innovations and ideas.

Tri-Pack: building brands & relationships





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.





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 realizes 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.

The Company is continuously growing since inception with an installed production capacity of more than 80,000 tons per annum. With four manufacturing lines in Karachi and Hattar capable of manufacturing over 65,000 tons per annum of BOPP Films and two lines in Karachi with an annual capacity of over 15,000 tons of producing CPP Films, we touch the lives of millions of people every day.

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 as every aspect of our operations is driven by the sole objective of creating a better future, today!

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, confectionary, 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 & 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 fulfill the purpose of our existence which is greater value addition and true benefit purveyance to the ultimate consumer.



innovation to better your today and tomorrow

geographical presence ▶▶▶

international

asia ▶



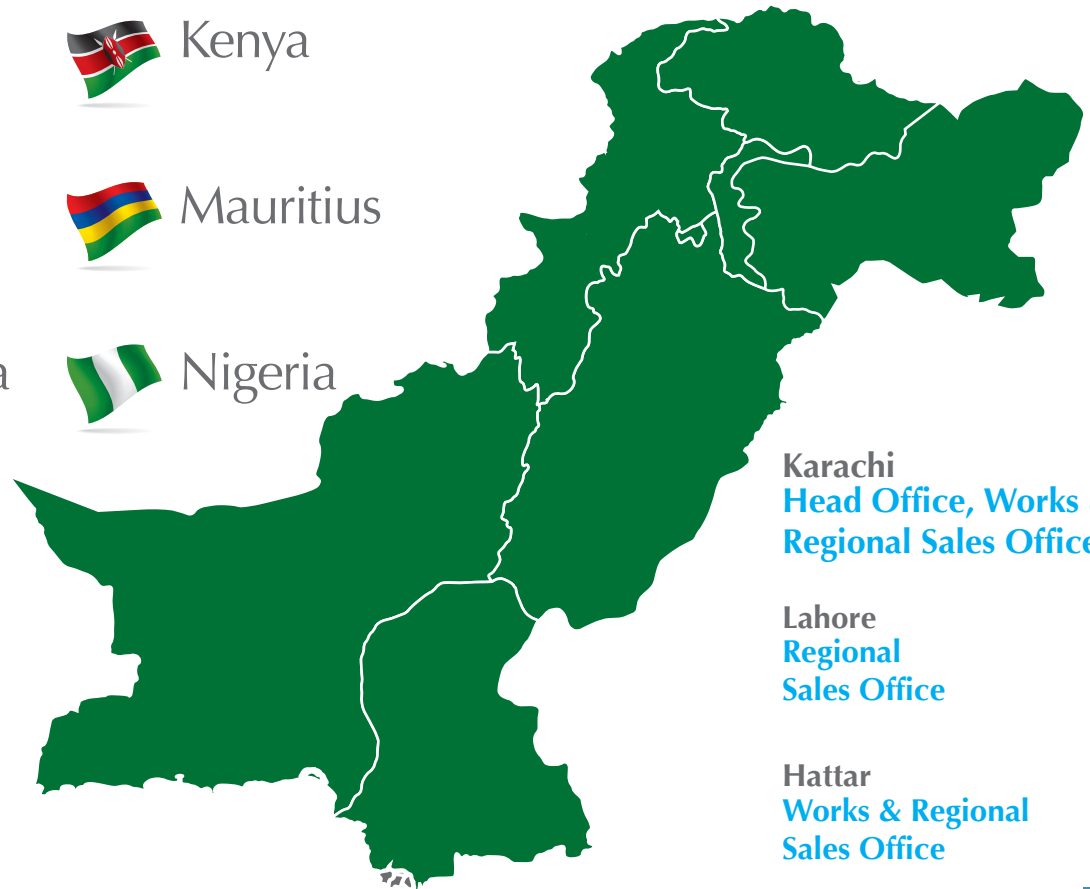
europa ▶



africa ▶



local



Karachi
Head Office, Works &
Regional Sales Office

Lahore
Regional
Sales Office

Hattar
Works & Regional
Sales Office



company information

BOARD OF DIRECTORS

Syed Babar Ali (Chairman)
Syed Hyder Ali*
Kimihide Ando
Khurram Raza Bakhtayari
Yasumasa Kondo
Syed Aslam Mehdi (Chief Executive)
Asif Qadir

AUDIT COMMITTEE

Asif Qadir (Chairman)
Kimihide Ando*
Khurram Raza Bakhtayari
Yasumasa Kondo

EXECUTIVE COMMITTEE

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

HUMAN RESOURCE AND REMUNERATION COMMITTEE

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

CHIEF FINANCIAL OFFICER

Nasir Jamal

COMPANY SECRETARY

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

Standard Chartered Bank
Deutsche Bank AG
NIB Bank Limited
MCB Bank Limited
Faysal Bank Limited
Citibank NA
Bank Al-Habib Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
The Bank of Tokyo - Mitsubishi UFJ, Ltd.

Habib Metropolitan Bank Limited
Meezan Bank Limited
Askari Bank Limited
Habib Bank Limited
Allied Bank Limited
Al-Baraka Bank Limited
Dubai Islamic Bank
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

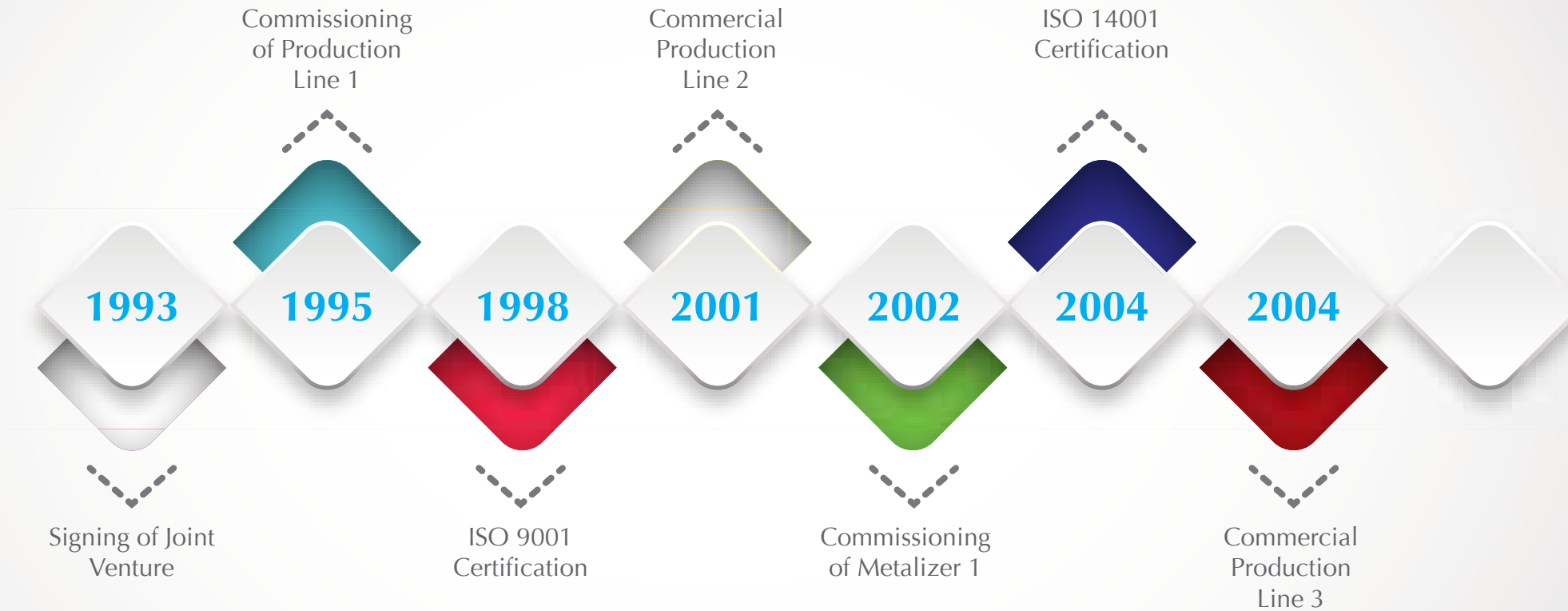
Plot No. 78/1, Phase IV,
Hattar Industrial Estate, Hattar,
Khyber Pakhtunkhwa,
(Formerly N.W.F.P.).
Tel: (0995) 617406-7
Fax: (0995) 617054

REGIONAL SALES OFFICE

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

* In alphabetical order of last name

key milestones





Commissioning
of Metalizer 2



2006

2007



OHSAS
18001

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



2008

2009



Commissioning
of Metalizer 3

Commissioning
of BOPP
Line 4



2013

2014



Commissioning
of CPP 2 &
Metalizer 4





stakeholder engagement

At Tri-Pack we understand that engaging with our stakeholders is the only way to ensure that our strategy is aligned with the challenges and opportunities in the markets where we operate. We believe that our success is tied with the success of our stakeholders.

Our stakeholder engagement 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

At Tri-Pack we believe that regular communications with shareholders is an important part of creating an open and constructive dialogue. The Company encourages shareholders' participation at Annual General Meetings and endeavours to provide sound disclosures through its Quarterly and Annual Reports. We also have a dedicated shares department to facilitate our shareholders, which is outsourced and operated by a well reputed organization which is managed by a well experienced team of professionals and is equipped with necessary infrastructure to undertake the operational activities pertaining to shares.



We have also maintained our website (www.tripack.com.pk) to include all necessary financial and non-financial information for our investors. The website is updated on frequent basis to ensure all relevant developments are communicated to our stakeholders on timely basis.

Employees

Our people are behind every aspect of our strategy. 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 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.

Customers

Constant engagement with customers is the essence of our customer service, which has always helped us in keeping ourselves ahead of the market. To achieve our aspiration of building a better future, it is essential to come to grips with the rapidly evolving customer needs and expectations. It is for this reason that we have a team of dedicated individuals working in close coordination with customers to ensure provision of unmatched goods and services that are aimed at improving their productivity and profitability.

Vendors

Tri-Pack has partnered with vendors from around the world and locally 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. Our dedicated Commercial department constantly engages with suppliers to maintain a healthy business relationship.

Community

At Tri-Pack we genuinely care about giving back to our community. We actively work to be a responsible corporate member of Pakistan's society and continuously engage with the society through government agencies, non-governmental organisations and academia to align our business decision making with the reasonable societal expectations.

Banks

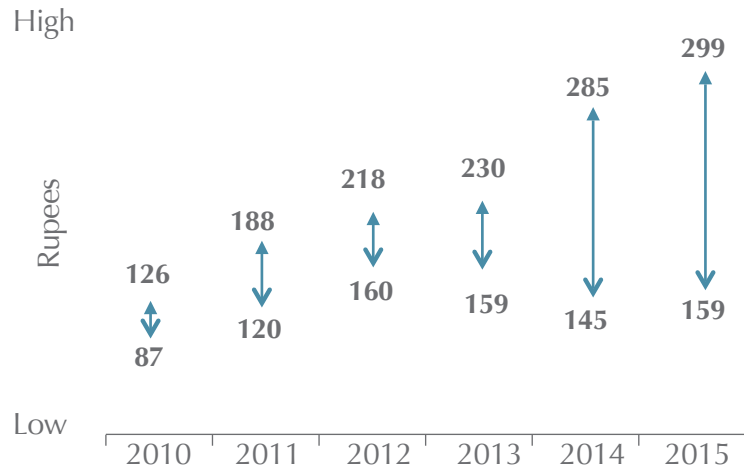
Our business relationship with our banks has been phenomenal. This is evident by the belief shown by banks in our commitments by providing significant finances to fund our projects. We maintain this relationship by actively engaging with our banks through frequent briefing sessions on Company's performance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

share price sensitivity analysis

Market Value Per Share



The share price of an enterprise is driven by its performance, which in turn is dependent upon a number of internal and external factors associated with the products and markets in which an enterprise operates.

In line with better profitability during the year compared to last year, the share price levels were higher. During the current year it closed at a high of Rs 299, which is the highest ever share price in last six years. Average share price during the year was Rs 224 compared to Rs 202 during last year.

External Factors

- Fragile law & order situation
- Volatility in raw material prices
- Energy crisis
- Abrupt exchange rate fluctuations
- Low mark-up rate
- Low consumer price index

Internal Factors

- Efficient margin management
- Operational efficiency
- Smart working capital management
- Strict cost rationalization

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 Exchanges

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

Listing Fees

The annual listing fee for the financial year 2015-16 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.

Service Standards

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

	For requests received through post	Over the counter
Transfer of shares	30 days after receipt	30 days after receipt
Transmission of shares	30 days after receipt	30 days after receipt
Issue of duplicate share certificates	30 days after receipt	30 days after receipt
Issue of duplicate dividend warrants	5 days after receipt	5 days after receipt
Issue of revalidated dividend warrants	5 days after receipt	5 days after receipt
Change of address	2 days after receipt	15 minutes

Well qualified personnel of the Shares Registrar have been entrusted with the responsibility of ensuring that services are rendered within the set time limits.

Shares Registrar

Tri-Pack's shares department is operated by FAMCO Associates (Pvt.) Ltd and services about 1,694 shareholders. It is managed by a 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. S.M. Munawar Moosvi

Tel. # 92 21 35831618 / 35831664 / 35833011 Fax # 92 21 35860251

Mr. Ovais Khan

Tel. # 92 21 34380101-2 Fax # 92 21 34380106

Statutory Compliance

During the year, the Company has complied with all applicable provisions, filed all returns/ forms and furnished all the relevant particulars as required under the Companies Ordinance, 1984 and allied rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the listing requirements.

Dematerialization of Shares

The equity shares of the Company are under the compulsory dematerialization category. As of date 37.52% 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 50% (Rs. 5 per share of Rs.10) for the financial year ended December 31, 2015. The aforesaid final cash dividend is subject to approval by the shareholders of the Company at the Annual General Meeting (2014: Nil cash dividend).

Book Closure Dates

The Register of Members and Share Transfer Books of the Company will remain closed from March 24, 2016 to March 31, 2016 both days inclusive.

Dividend Remittance

Dividend declared and approved at an Annual General Meeting is paid well before the statutory time limit of 30 days:

- (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 12.5% for filers of income tax returns, wherever applicable, and at the rate of 17.5% 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.

Dividend Warrants

Cash dividends are paid through dividend warrants addressed to the shareholders whose names appear in the Register of Shareholders at the date of book closure. Shareholders are requested to deposit those warrants into their bank accounts, at their earliest, thus helping the Company to clear the unclaimed dividend account.

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 158 of the Companies Ordinance, 1984, 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 161 of the Companies Ordinance, 1984 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, 2015 is as follows:

Shareholding		Number of shareholders	Total shares held
From	To		
1	100	486	12,517
101	500	592	264,280
501	1,000	156	145,634
1,001	5,000	261	728,141
5,001	10,000	80	626,172
10,001	15,000	30	374,864
15,001	20,000	15	275,709
20,001	25,000	10	228,900
25,001	30,000	6	168,400
30,001	35,000	3	101,000
35,001	40,000	6	227,220

Shareholding		Number of shareholders	Total shares held
From	To		
40,001	45,000	3	124,474
50,001	55,000	10	511,500
55,001	60,000	3	169,453
60,001	65,000	4	250,400
65,001	70,000	1	68,916
75,001	80,000	1	77,000
80,001	85,000	1	83,789
90,001	95,000	2	183,623
100,001	105,000	4	404,600
120,001	125,000	2	246,800
130,001	135,000	1	130,436
135,001	140,000	1	137,000
145,001	150,000	1	149,100
180,001	185,000	1	182,000
210,001	215,000	1	211,800
230,001	235,000	1	231,130
250,001	255,000	1	250,100
255,001	260,000	1	259,400
275,001	280,000	1	278,400
325,001	330,000	1	327,100
470,001	475,000	1	474,500
560,001	565,000	1	562,049
680,001	685,000	1	682,260
930,001	935,000	1	933,850
1,065,001	1,070,000	1	1,065,067
1,350,001	1,355,000	1	1,353,416
7,495,001	7,500,000	1	7,499,000
10,000,001	10,005,000	1	10,000,000
		1,694	30,000,000

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	1	137,000
IGI Insurance Limited	1	1,353,416
Mitsubishi Corporation - Japan	1	7,499,000
Packages Limited	1	10,000,000
Total:	4	18,989,416
ii. Mutual Funds (name wise details)		
CDC - Trustee NAFA Stock Fund	1	121,800
CDC - Trustee National Investment (Unit) Trust	1	562,049
Total :	2	683,849
iii. Directors and their spouse(s) and minor children (name wise details)		
Mr. Asif Qadir	1	100
Syed Aslam Mehdi	1	1,000
Mr. Kimihide Ando	1	500
Mr. Yasumasa Kondo	1	500
Syed Babar Ali	1	474,500
Syed Hyder Ali	1	93,500
Total:	6	570,100
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:	7	841,769
vii. Shareholders holding 5% or more voting rights in the Listed Company		
Mitsubishi Corporation - Japan	1	7,499,000
Packages Limited	1	10,000,000
Total:	2	17,499,000

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	6	570,100	1.90
2	Associated Companies, undertakings and related parties	4	18,989,416	63.30
3	Banks Development Financial Institutions, Non Banking Financial Institutions	2	63	0.00
4	Insurance Companies	3	769,366	2.56
5	Modarabas and Mutual Funds	2	683,849	2.28
6	Shareholders holding 10%	2	17,499,000	58.33
7	General Public:			
	a. Local	1,629	6,592,535	21.98
	b. Foreign	-	-	-
8	Others	48	2,394,671	7.98
Total (excluding: shareholders holding 10%)		1,694	30,000,000	100.00

share price/volume

The monthly high and low prices and the volume of shares traded on the Karachi Stock Exchange during the financial year 2015 are as under:

Month	Share price on the KSE (Rs.)		
	Highest	Lowest	Volume of shares traded
January	304.50	262.75	1,151,000
February	282.90	240.02	354,400
March	240.00	163.10	267,800
April	201.75	158.30	619,600
May	192.49	155.00	1,162,500
June	195.00	175.00	543,500
July	205.00	182.04	274,400
August	272.85	190.00	1,429,400
September	261.90	208.00	493,300
October	284.00	222.52	1,109,600
November	263.90	223.10	875,100
December	288.90	221.70	751,300





health, safety & environment (HSE) & quality policy ▶▶▶

Tri-Pack Films Limited's policy is to:

- Ensure customer satisfaction through product of best quality, developments, modern technologies & by acquiring knowledge and skills.
- Establish, implement and review objectives & targets to ensure continuous improvement in our HSEQ System.
- Comply with all regulatory requirements on Health, Safety and Environment. Protect employees and community from health & safety hazards and to prevent environmental pollution.
- Use raw materials efficiently, manage waste effectively and economically and to conserve resources.
- Communicate to all stakeholders about our occupational health, safety, environment and quality policy & performance.
- Ensure that any new plant, equipment and processes installed will minimize hazards and impact to the environment.
- Ensure sustainable use of energy and water resources.



HSE Strategy & Developments

Compliance with Health, Safety and Environment (HSE) remained top priority during the year and the year closed without any serious incident in this respect.

Focus remained on improving the design of HSE Management System in line with international best practices such as Occupational Safety & Health Administration (OSHA) and Health Safety Executive (HSE), which necessitate our employees as well as the contractors to conform to these standards. In order to identify safety hazards and for effective risk assessment, a general culture of safety with effective safety management system was encouraged and promoted. Behavior based safety techniques and efficient incident reporting are vital parts of our system.

The HSE 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 reviews

Quality Control

The Company has a dedicated Research & Development (R&D) wing to ensure the consistency of quality of existing lines of products and to develop new products. A formal quality philosophy and organizational structure is in place, which helps in performance tracking in both pre and post manufacturing phases of a product. R&D has sufficient resources available to implement the quality framework at both plant and customers' site. On need basis, consultants/ industry experts are also engaged. In order to develop the skillset of staff both on-the-job and external trainings are provided to staff on recurrent basis.

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

Sustainability & Corporate Social Responsibility Commitment towards Sustainability & Corporate Social Responsibility (CSR)

Sustainability is at the heart of everything we do. Each year we actively seek to imbue sustainability into our business operations. And while we are making progress, we do not assume that we are winning; continuous improvement is a fundamental goal of our sustainability efforts.

It is our ongoing mission to identify emerging sustainability related challenges and CSR opportunities and work towards addressing them.

In 2016 and beyond, we are committed to be more responsible stewards of the planet.

Sustainability

Sustainability is an integral part of our business and operations. Tri-Pack is committed to reduce its impact on the planet 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.

As a responsible corporate citizen, Tri-Pack is committed to protecting human health and the local environment. Our

dedication not only encompasses compliance with the law but also integration of sound environmental practices into our business operations.

Energy Saving Measures

At-Tripack, we remain keen to increase our operational efficiencies not only to add up to our bottom line, we also focus on optimization of energy resources available to us in particular and to the community at large. We remain vigilant to the energy crisis prevailing in the Country and we play our role by reducing our energy consumption through better upkeep of our equipment to enhance fuel efficiency, frequent audits of our machinery and critically reviewing frequency of maintenance intervals. Going forward the Company is planning to engage external experts for better insight and control of our power generation facilities.

Environmental Protection Measures

The guiding principles at Tri-Pack Films are the welfare and wellbeing of our people and our planet. We deeply care and are highly concerned about the unnecessary wastage of our natural resources and in result of our efforts we are utilizing our natural resources like natural gas, water, fuel etc. efficiently and thus our engines, oil heaters & vehicles comply the National Environment & Quality Standards (NEQS). Hence our business strategies take full account of far reaching environmental impact of our operating decision to ensure the protection of the environment.

We have taken various initiatives to go green at our plant facilities. Substantial investments have been made to grow the plantation at



and near our facilities. Our commitment to environment protection is in line with our objective of a better future.

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. This is being done through audits by third party and by Environmental Protection Authority. With our consistent effort to improve on these parameters we have successfully managed to improve TDS (Total Dissolved Solid) values by 24% in the year 2015.

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.

Valuing diversity

Tri-Pack believes that its success and competitiveness depends upon its ability to embrace diversity. In an effort to create a workplace culture that provides equal opportunities for everyone and ensures that people are always treated with dignity and respect a diverse workforce is being encouraged regardless of race, nationality, gender, age, marital status, sexual orientation, disability, religion or political beliefs. This commitment was displayed by inducting females and individuals with special needs in the work force.

Employment of Special Persons

As a socially responsible corporate citizen, Tri-Pack offers employment opportunity to special persons and dependents of deceased employees subject to availability of position and suitability of the candidates in accordance with the Company's policies.

We have successfully created employment opportunities for people with disabilities at our plant operations in Port Qasim.

Business Ethics and Anti-Corruption Measures

Tri-Pack's Code of Conduct is based on its values and clarifies the ethics and compliance expectations for everyone who works at Tri-Pack Films Limited. Our everyday business decisions are guided by our Code of Conduct. The code covers areas of operation safety, responsibly and reliably; our people; our stakeholders, the government and communities we work with; our assets and financial integrity.

The Company has ensured that appropriate steps have been taken to disseminate it throughout the Company.

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 2,460 million in 2015.

Business Continuity Plan

The Company considers its utmost priority to take all possible steps to ensure continuity of its operations in case of an event leading to business disruption. A comprehensive Business Continuity Plan is

in place. The same has been imparted throughout the organization through formal trainings and drills.

Corporate Social Responsibility

Tri-Pack endeavors to operate its business in an innovative, sound, ethical and responsible way. Our intent is to continuously enhance our corporate value whilst striving to build a better and more sustainable world.

Our effort to attain human excellence does not just confine to ourselves but goes beyond. 2015 saw the Company push its CSR agenda across two key areas i.e. Contribution through Volunteerism and Social Initiative.

Over the year, Tri-Pack held its very first Blood Donation Drive in collaboration with Fatimid Foundation. Fatimid Foundation is known to have been working to help Thalassemia, Leukemia and other patients whose life depend on blood transfusions. We believe that giving the gift of life is a priceless act that supersedes any kind of charity. Thalassemia patients are dependent on donated blood to survive; and blood can only come from a volunteer donor. People from Tri-Pack, who made the choice to donate; and there is no substitute for their donation.

Simultaneously we launched a goodwill project for Dar ul Sakun via Donation Drive in support of their “Rehabilitation through Recycling Trash” Campaign. The proceeds from these items are used in their rehabilitation centers. When hundreds of people get together and coordinate their giving, tremendous and lasting good can be done for the community. There is no better way to make an impact than to contribute to the good will for our society.

Corporate Social Accountability Management

Our workplace practices are specifically designed to comply with the SA8000: Social Accountability standard.

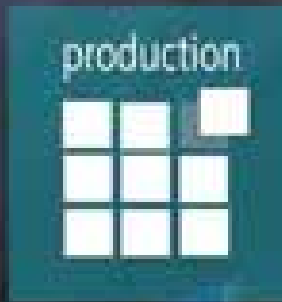
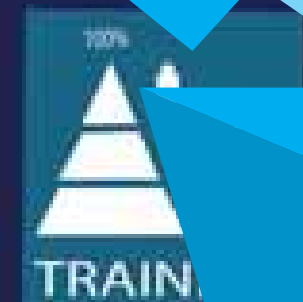
Hiring policy at Tri-Pack Films Limited is based on safeguarding the basic rights and dignity of a worker. We believe in voluntary work, and our will and commitment ensures that forced labor is relegated to history.

Our hiring policy promotes good practice and ensures ethical sourcing of candidates and it is our prime concern to provide a working environment to our employees which is not harmful to their health and safety.

Our Social Management System ensures compliance and continuous improvement in delivering the below-cited aspects:

- Child Labor
- Forced Labor
- Health & Safety
- Discrimination
- Disciplinary Practices
- Working Hours
- Compensation

Our standards and compliance itself are based on various conventions and recommendations for Labor Laws (ILO) and the Factories Act.





functional and operational excellence

Overview of key objectives and strategies

Our passion to create a better future today does not only reflect in our aspiration but it is a part of day to day operational objectives and strategies. To create a sense of belonging to 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

The central objective of our product development & innovation activity is to deliver practical solution that meets customer's requirement in today's rapidly changing markets. Creating value for our customers through developing economical source of raw materials, low cost packaging and bringing in new technologies has been focal point of our philosophy.

Development of measuring quality standards has been continuously reviewed ensuring product specification closest to the machine needs. In house storage development is under way which shall ensure meeting customer needs speedily and timely and facilitating customer to maintain low inventories at their end.

We have been very closely working with our customers to enable them and their customers to enhance operational efficiencies through high speed operations and cutting down time thus making them low cost producers. To fulfill our commitment towards environment, we have introduced concept of lighter weight packaging which is much appreciated by our customers. It has given an economical solution for the same packaging.



Tri-Pack is committed to design and produce its products that conforms to international standards and requirements i.e. free of any physical, biological chemical contaminations or allergens. Tri-Pack is certified against following international standards.

1. ISO-22000:2005 (Food Safety Management System)
2. PAS-223:2011 {Publically Available specifications (Technical)}
3. HACCP Codex Alimentarius.

Research & development

We continue to develop new markets, products, applications and solutions in concert with our customers and suppliers. Our in-house R&D department is equipped with cutting edge contemporary and sophisticated equipment. Our highly professional R&D team works round the clock to ensure the production of high quality films.

Our world class R&D processes ensure that developed products meet customer requirements by giving better run-ability. It not only cuts down the cost at customers' end but also enhances our profitability.

New films are also being developed in different grades to replace older versions or tap new markets to enhance safety, hygiene and convenience of the end consumer.

Operational efficiency

It is our core objective to employ cost effective technology to retain our competitive edge. Total Productive Maintenance (TPM) remained a key source of improving operational efficiencies. TPM culture is being promoted throughout all levels of organization.

Frequent third party audits of plant are conducted to ensure optimum machine performance. It also gives us an opportunity to compare our machine operations with international standards.

Human Resource development

We want people to grow their careers at Tri-Pack and develop the skills and talent needed to grow our business. The Company continued to provide developmental opportunities to its employees at all levels, with the aim of enhancing their leadership, management and technical skills, to enable them to maximize their potential and help achieve individual and organizational goals.

We take pride in our employee engagement platform which allows us to assess ourselves through employee engagement survey which measures our employees' overall satisfaction levels of being part of the Company.

We at Tri-Pack strongly emphasize on inclusion of all without any bias. We have a precise modus operandi when it comes to equal opportunity at all levels; from recruitment to compensation, to training and development across the board, all employees have equal rights in terms of rewards and recognition. In an effort to create a workplace culture that provides equal opportunities for everyone and ensures that people are always treated with dignity and respect a diverse workforce is being encouraged regardless of race, nationality, gender, age, marital status, sexual orientation, disability, religion or political beliefs. Global internship program initiated in strategic alliance with AIESEC (Association internationale des étudiants en sciences économiques et commerciales) for Global Exchange and induction in the panel of authorized trainers for Chartered Accountants by the Institute of Chartered Accountants in England & Wales (ICAEW) are great leaps in developing talents of our people.

Internal Controls & Compliance

Tri-Pack has a robust internal control framework, which is designed to provide reasonable assurance regarding the Company's objectives in the matters pertaining to efficiency of operations, cost-effective use of resources, reliability of financial reporting and compliance with laws and regulations. We have documented Standard Operating Procedures that act as guiding principles for our activities. The Company has also 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.







human resource

HR Strategic Priorities

Tri-Pack has been a leader in building and defining the market standards. We are determined to continuously provide innovative solutions to our valued customers. Over the last year our business landscape has changed and surely evolved. Our ambition to capture growth and create value while leveraging our brand stands strong in our priorities.

Keeping this in view, the focus of HR strategy is to improve the productivity and effectiveness of the business through its people. Passion, teamwork and cohesion are key components in the success of our business.

It is our firm belief that everyone at Tri-Pack has a role to play in delivering our strategic priorities.

Attracting and developing the right blend

We are focused on ensuring adequate supply of human resources to meet the strategic goals and operational plans - the right people with the right skills and attitude at the right time.

Employee Empowerment

A culture where employees are empowered; provided with the right tools and resources to achieve beyond limits is what we have always strived for. Employees are strongly encouraged to challenge and question the status quo.



Respect for Self and Others

We are determined to create an environment where all employees respect each other irrespective of grade. Employees can report any misconduct or violation of company policies whether resulting in financial implications or not, without the fear of retaliation or retribution.

Develop capability and talent

It is our key priority to equip our employees with knowledge, skills and abilities necessary to achieve our goals. We are not only focused on developing skills that are needed for current job but also groom them for future roles.

The people behind our business

Our competitive advantage is our fine blend of people. We are a staunch believer that to deliver world class solutions it is imperative that we attract, develop and retain talent efficiently. As we ponder over the last year we can clearly conclude that it has been a year of continued progress, with increasing signs of relative stabilization and substantial growth. Our strategic cost saving measures at both operational and commercial front has delivered a clear improvement in our overall performance. We believe that the way to grow as a business is to ensure the growth of our people, enabling personal development and ambitious business results.

Employee Engagement

For our strategy to work we need our employees to believe in us. For the last two years all our employees are invited to participate in an employee engagement survey which allows us to measure engagement levels, compare ourselves with the best of the best in the industry and help us identify ways to improve overall employee value proposition. Our employee engagement index measures how committed our employees are, their desire to continue working for us and their overall level of satisfaction. The index improved compared to last year from 3.51 mean score to 3.66 on a scale of 5. The response this year was over whelming- Response Rate improved from 72% in 2014 to 92% in 2015.

Another milestone this year was the launch of intra/internet designed in-house through mutual collaboration between IT team and HR. This platform aims to serve as a strategic link between the organization and its employees for an un-interruptive exchange of information. The employees use a common front end web browser to browse through the vast reservoir of information available within the company such as policies, personal information, etc. A key feature of this portal is that Tri-Pack employees can access it at any time; any place across the globe just a click away.

981 ▶

No. of Training Participants

5,562 ▶

Training Man Hours

Talent Acquisition

Talent acquisition is pivotal in any business. Likewise, at Tri-Pack we continued our efforts to acquire the best talent at various levels. The highlight of this year was the roll out of Tri-Pack's Summer Internship Program. This was a fantastic opportunity for students to gain some valuable work experience, be creative and prove themselves in a challenging work environment. It also provided us with the opportunity to identify potential recruits for years to come. This and other programs are a proven way to strengthen our talent pipeline while building breadth and adaptability to support our organization in a rapidly changing environment.

Another feather in the cap is that we embarked on a global exchange program with AIESEC in IBA (Association internationale des étudiants en sciences économiques et commerciales -English: International Association of Students in Economic and Commercial Sciences), through AIESEC's Global Entrepreneurs Program for global internship. Tri-Pack is the first company in the group that has taken this initiative. Our goal is to use this international platform and help young foreign students discover and develop their potential to have a positive impact on society and break down stereotypes / misconceptions of our nation.

Diversity

We believe that a diverse workforce is the key to achieving our goals by helping us better understand and meet the needs of our customers. We want to create a culture that provides equal opportunities for everyone and ensures that people are always treated with dignity and respect. We believe that different ways of thinking complement each other and lead to better decision making. Diverse teams are more creative, inclusive and

competitive, and better reflect the markets we serve. We are a growing business and we need to recruit and nurture the best people available. We offer equal opportunities in all aspects of employment and advancement regardless of race, nationality, gender, age, marital status, sexual orientation, disability, religion or political beliefs.

Employee Development

Tri-Pack continued to provide developmental opportunities to its employees at all levels, with the aim of enhancing their leadership, management and soft skills, to enable them to maximize their potential and help achieve individual and organizational goals. Various training programs were held in 2015 comprising of key functional, technical and soft skills trainings.

Employee Awareness

In 2015, a special focus was to educate employees on significant policies and code of conduct. Various roadshows were conducted at different locations covering Hattar, Port Qasim and Lahore region.

Succession Planning

Tri-Pack realizes the importance of a strong talent pipeline and hence our focus in 2015 and beyond is to develop and identify bench strength for all critical roles within the organization. We have embarked on developing succession plans for key positions by virtue of which we not only identify but foster the next generation of leaders through mentoring and training so that they are ready to take the helm when the time comes. Comprehensive Individual Development Plans (IDP's) have been developed for incumbents in critical role.





Speak Up Policy

Tri-Pack ensures that there is an accountable and transparent mechanism that enables all employees to voice concerns internally in a responsible and effective manner when they discover information which they believe shows serious malpractice.

Our whistleblowing practice is therefore fundamental to our professional integrity; it reinforces the value the Company places on its people to be honest and respected members of their individual professions. Our Speak Out function provides a method for properly addressing bona fide concerns that individuals within the Company might have, while also offering whistleblowers protection from victimization, harassment or disciplinary proceedings.

This policy covers situations where an employee (the whistleblower) raises a concern about a risk, malpractice or wrongdoing that affects others such as clients, suppliers, other employees, the Company or the public interest.

This policy is intended to assist employees who believe they have discovered malpractice or impropriety, it is not designed to question financial or business decisions taken by the Company nor should it be used to reconsider any matters which have been investigated under the harassment policy and procedure.

No disciplinary action will be taken for allegations made in good faith that are not confirmed by investigation. However, disciplinary action may be taken against an employee if he/she makes allegations that are malicious or simply to cause anger, irritation or distress.

Employees should notify the matter to the following as soon as they become aware of any suspected wrongdoing:

- Line manager
- Internal Complaints Committee
- HR Department.

Concerns can be raised by email, orally or in writing, stating that you are using the Speak Up Policy.

calendar of events

January	April	August	October
<p>16th HR & Personnel Away Day</p> <p>19th BOD meeting</p>	<p>27th Audit Committee meeting</p> <p>28th BOD meeting</p>	<p>5th Road Safety Day – Awareness Session by IGI</p> <p>17th Audit Committee meeting</p>	<p>14th Materials Engineering Students from NED visit Tri-Pack</p> <p>Health Awareness Session IGI</p>
March	June	<p>18th BOD meeting</p> <p>22nd Blood Donation Drive with Fatimid Foundation</p>	<p>20th Audit Committee meeting</p> <p>21th BOD meeting</p>
<p>19th Audit Committee meeting</p> <p>20th BOD meeting</p> <p>26th Record production of 153 tons</p>	<p>8th Summer Internship Program</p>	September	December
	May	<p>2nd Donation Drive - Goodwill project for Dar ul Sakun</p>	<p>4th BOD meeting</p> <p>23rd TPFL Cricket Tournament Final</p>
	<p>8th & 19th Operations Away Day</p> <p>30th Finance Away Day</p>		

analysis of resources

Liquidity, cash flow & debt management

The Company, through efficient and optimum utilization of resources maintained its liquidity ratios to optimum levels.

Unrelenting focus on working capital management, strict cost controls and smart margin management contributed towards a strong financial performance resulted in significantly higher cash flows as compared to prior periods. Most of cash flows generated were utilized in the repayment of long term loans.

The management being wary of the changing external factors affecting the liquidity of the Company monitors the cash position on a daily basis through a dedicated reporting mechanism.

The Company has financing arrangements with all the reputed banks and has obtained both short term and long term loans to fund its expansion projects and to meet short term working capital requirements. Constant engagement with banks is the essence of maintaining a healthy business relationship, which also helps us in utilizing varied forms of funding to minimize our cost of borrowing. The repayment of long term loans is being made as per schedule.

Capital Structure

Strong performance and better liquidity positively impacted the long term debt to equity ratio which closed at 63:37. The Company has plans to issue its very first Rights Issue with an aim to further improve the the capital structure.

Changes in financial position, liquidity and performance

Despite volatile business environment the year closed on high notes with the Company posting highest ever EBITDA. Consequently, all the performance indicators including liquidity, gearing and profitability ratios improved significantly compared to last year.

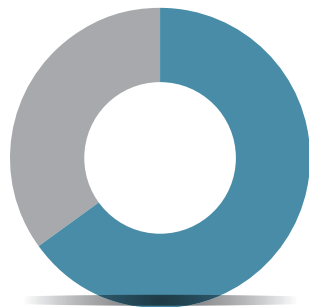
analysis of financial & non-financial targets

The Company has a robust process of determining financial and non-financial targets for all the teams. Financial targets are set during the budgeting exercise, which after review by the Executive Management Team and on recommendation of Board Audit Committee are approved by the Board of Directors of the Company. These financial targets are cascaded down as the key performance indicators at department and individual level.

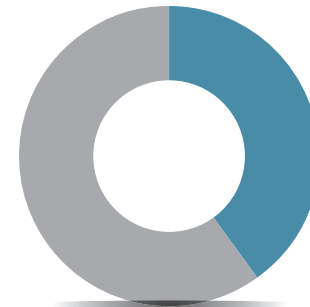
At Tri-Pack non-financial targets are closely linked with the short term and long term objectives of the Company and are set as part of the objective setting process at the start of the year. These include employee engagement scores, environmental benchmarks, quality benchmarks, training and development targets etc.

The financial and non-financial targets set for the year 2015 have been convincingly achieved.

market share information

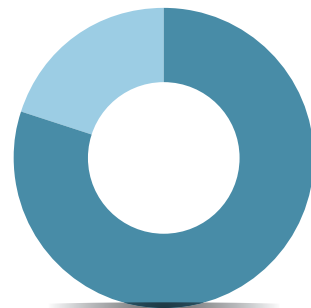


BOPP
65%
Market Share



CPP
40%
Market Share

segment information



BOPP
80%

CPP
20%

Strengths

- Board of Directors consists of a mix of local and foreign members with decades of successful business experience.
- Owing to the Group's financial strength, Tri-Pack is one of the most preferred business partners of banks and financial institutions.
- High quality product and customer service.
- The Company is in constant R&D, enjoying a first mover advantage in terms of prices and products. R&D helps the Company to remain market leader in terms of market share and innovation.
- State of the art technology.
- High operational capacity ensures the Company's ability to meet growing demand.

Threats

- Interest rate fluctuation, whereby an increase in the interest rate may adversely impact the profitability of the business, due to high leverage of the Company.
- The expansion in capacities of BOPP and CPP has created a situation of oversupply in the industry which can increase competition amongst the local players in short term any further enhancement in capacities will exacerbate the situation.
- Currency exchange volatility.
- Illegal imports particularly through Afghan transit trade and other routes.
- Dumping at uneconomical prices.
- Unrealistic BOPET prices taking away BOPP market share.



Weakness

- Dependence on imported raw material.

Opportunities

- Tri-Pack has the capacity to diversify its products and cater to large orders, which makes it the preferred choice for large companies.
- Target the export potential with growth in demand of BOPP and CPP films.
- Growth and investments in conversion & printing sector which is the primary user of films.
- Shift from non-packaged to packaged food would spur growth for films.





governance framework

Statement of Ethics & Business Practices

- A. Tri-Pack Films Limited shall endeavor 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 standards.



Corporate Governance Framework

Tri-Pack has been guided by a value system that emphasizes on high standards of integrity 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 and the rules of Stock Exchange 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 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 Board of Directors through the Senior Management is responsible to ensure the adequacy of the system of internal control covering both business and financial aspects. The internal control system and compliance with the requirements are monitored through well documented Standard Operating Procedures (SOPs) and a combination of audit reviews and periodic performance

monitoring. The results of these processes are communicated to the Board of Directors through its Audit Committee which has the ultimate responsibility for the effectiveness of internal control.

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.

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 Board Audit Committee meetings by invitation to present the accounts. After each meeting, the Chairman of the Committee reports to the Board.

Audit

The Company has an effective Internal Audit function which has been outsourced to Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants. The Board Audit Committee periodically reviews the appropriateness of this function. The Head of Internal Audit functionally reports to the Audit Committee. The Board Audit Committee approves the audit plan. The Internal Audit function carries out reviews on the financial, operational and compliance controls and reports on findings to the Board Audit Committee, Chief Executive and the management.



Risk Management

The purpose of this framework is to define and identify risks which may compromise the achievement of business objectives and to implement controls against such risks. To assess and manage credit, investment, business, operational and risks arising from change, appropriate steps are defined in their respective policies and operational SOPs.

Speak Up

Tri-Pack Films has a formal whistle blowing policy, which has been communicated to the entire workforce. The policy is covered under “Speak Up” section in this report.

Insider Trading

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.

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

The Company has an approved policy on related party transactions, which states that:

All commercial transactions between the Company and related parties shall be based on arm’s length basis unless otherwise approved by the Board. The record of all related party transaction shall also be placed before the Board of Directors at each Board meeting for formal approval;

The Company shall not enter into a transaction where pricing would be difficult to justify.

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.

Directors

The Board is comprised of one executive director, one non-executive independent director and five 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

The Company arranged one orientation course for its Directors during the year. Three directors of the Company viz., Syed Babar Ali, Syed Hyder Ali and Mr. Asif Qadir are exempted from the directors training program as per clause 5.19.7 of the Code of Corporate Governance, since apart from having a minimum of 14 years of education, their experience on the board of listed companies is 15 years or more. Syed Aslam Mehdi, Mr. Kimihide Ando, Mr. Yasumasa Kondo and Mr. Khurram Raza Bakhtayari have less than 15 years' experience on the board of listed companies. Syed Aslam Mehdi and Mr. Kimihide Ando have obtained certification during the year under the directors training program which meets the criteria specified by the Securities and Exchange Commission of Pakistan. Mr. Khurram Raza Bakhtayari and Mr. Yasumasa Kondo have been earmarked to obtain certification under the directors training program during the next six months.

Independence, Conflict of Interest & Material Interest

As per the requirements of law the Board includes one non-executive independent director who is also the chairman of Board Audit Committee and Human Resource & Remuneration Committee.

Material interests are reviewed regularly to avoid any conflict of interest. The directors of the Company disclose their memberships / directorships in other corporate bodies as per the requirements of Companies Ordinance 1984.

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 Ordinance 1984. Moreover, the Board 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.

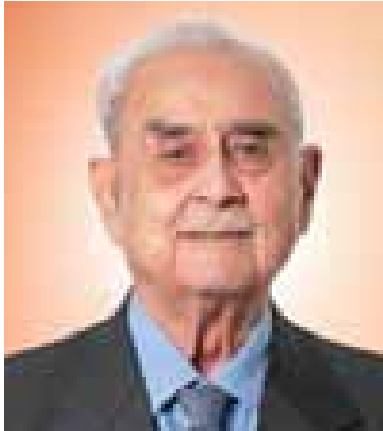
The Board of Directors systematically designs procedures to ensure sound, transparent and efficient corporate management. The Company makes decisions to conduct business activities as appropriate in the light of the size, industry sector and relevant laws and regulations.

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.

The Board has authorized the CEO 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.

board of directors ▶▶▶

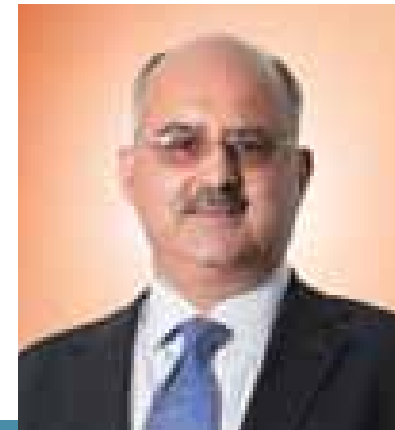


Syed Babar Ali - Chairman

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, Gurmani Foundation, IGI Insurance Limited, IGI Investment Bank 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 and Pro-Chancellor of Lahore University of Management Sciences (LUMS).

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 Insurance Limited, IGI Life Insurance Company Limited, International Steels Limited, KSB Pumps 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).

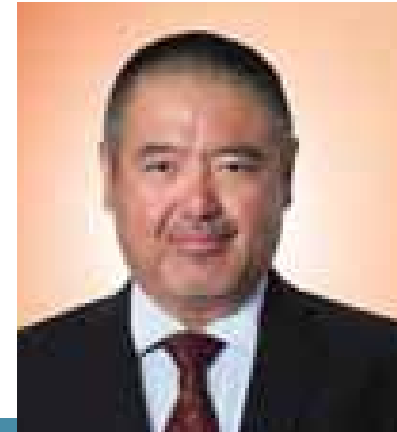
Syed Hyder Ali





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 29 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.



Mr. Khurram Raza Bakhtayari

Mr. Bakhtayari, currently the Chief Financial Officer of Packages Limited, is a Non-Executive Member of the Board. He did his Bachelors in Commerce in 1997 from the Hailey College of Commerce, University of the Punjab, Lahore and thereafter qualified as a Chartered Accountant in 2002 from the Institute of Chartered Accountants of Pakistan. He became a fellow member of the Institute in January 2013. He has over 10 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, CalciPack (Private) Limited, DIC Pakistan Limited, Flexible Packages Convertors (Pty) Limited, IGI Investment Bank Limited, IGI Life Insurance Company Limited, Loads Limited, Maxim International (Private) Limited, MeatTech (Private) Limited, Multiple Autoparts Industries (Private) Limited, Packages Construction (Private) Limited, Packages Lanka (Private) Limited, Specialized Autoparts Industries (Private) Limited and Specialized Motorcycles (Private) Limited. Besides, Tetra Pak Pakistan Limited. Mr. Bakhtayari is the Executive Committee Member of Naqsh School of Arts.



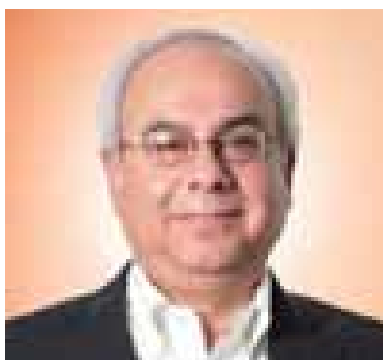


Mr. Yasumasa Kondo

Mr. Kondo is a Non-Executive Member of the Board. He joined Mitsubishi Corporation of Japan in the year 1986 and has worked in different companies associated with the Group. He has served as a General Manager at PVC and Plastic Units of Mitsubishi Corporation. He graduated in 1986 from the University of Tokyo.

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, 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, Karachi Stock Exchange Limited, Thal Limited and Cherat Cement Limited. He is Chairman of the Board for Unicol Limited.

principal board committees

Executive Committee

- Kimihide Ando (Chairman)
- Syed Hyder Ali
- Khurram Raza Bakhtyari
- 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 the section 196 of the Companies Ordinance 1984.

Audit Committee

- Asif Qadir (Chairman)
- Kimihide Ando
- Khurram Raza Bakhtyari
- Yasumasa Kondo

Terms of Reference of Board Audit Committee

Purpose

To assist the Board of Directors in fulfilling its oversight responsibilities in the following areas:

1. Review the adequacy and effectiveness of the system for assessment and management of risk in the Company under its management control.
2. Financial reporting process, the system of internal control, the audit process, and the process for monitoring compliance with SECP's Code of Corporate Governance and other laws and regulations by the Company.
3. Effectiveness of internal control measures, compliance with policies on Corporate Governance and Business Conduct and applicable laws and regulations.

Authority

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of functional responsibilities. It is empowered to:

- Decide, through the Board of Directors, on matters regarding the selection, compensation and appointment of external auditors by the Company's shareholders.
- Consider any questions of external auditors' resignation or removal and review any provision by them of any service in addition to audit of the Company's financial statements.
- Review and resolve any disagreements between management and the external auditors regarding financial reporting.
- Employ independent counsel, accountants, or others to advise the Committee or assist in the conduct of an investigation.
- Seek any information it requires from management, employees, auditors or external parties in the fulfillment of its functional responsibilities.

Composition

- The Audit Committee will be constituted by the Company's Board of Directors. It will consist of at least four members including the Chairperson who will be nominated by the Board. The Committee will be appointed for a period of three years.
- The Head of Internal Audit of the Company shall report to the Audit Committee on all functional matters.

Meetings

- The Audit Committee will meet at least once every quarter prior to the approval of interim results of the Company as well as before and after completion of the external audit. Special meetings may be held at the request of any member of the Committee, external auditors or Head of Internal Audit.
- The quorum for a Committee meeting shall be two members if the Chairperson is present and three members if he /she are not.



- For the quarterly review of financial statements the Chief Financial Officer must be present. Additionally the presence of a representative of the external auditors is necessary at Committee meetings where issues relating to annual accounts and / or external audit are being discussed.
 - The CEOs of the Company may be consulted by the Committee when important matters concerning their organizations are to be discussed.
 - At least once a year the Committee shall meet the external auditors without the Chief Financial Officer and Head of Internal Audit being present and also meet the Head of Internal Audit and other members of the Internal Audit function in the absence of the Chief Financial Officer and the external auditors.
 - Meeting agendas will be prepared by the Secretary and provided to Committee members at least one week in advance along with appropriate briefing materials. He will also finalize the minutes of Committee meetings and circulate them to all members, directors and Company executives within a fortnight of the meetings.
- 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 Speak-Up 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.

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

- Review Company's statement on internal control systems prior to endorsement by Board of Directors, and deviations from this system which may cause material effects 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

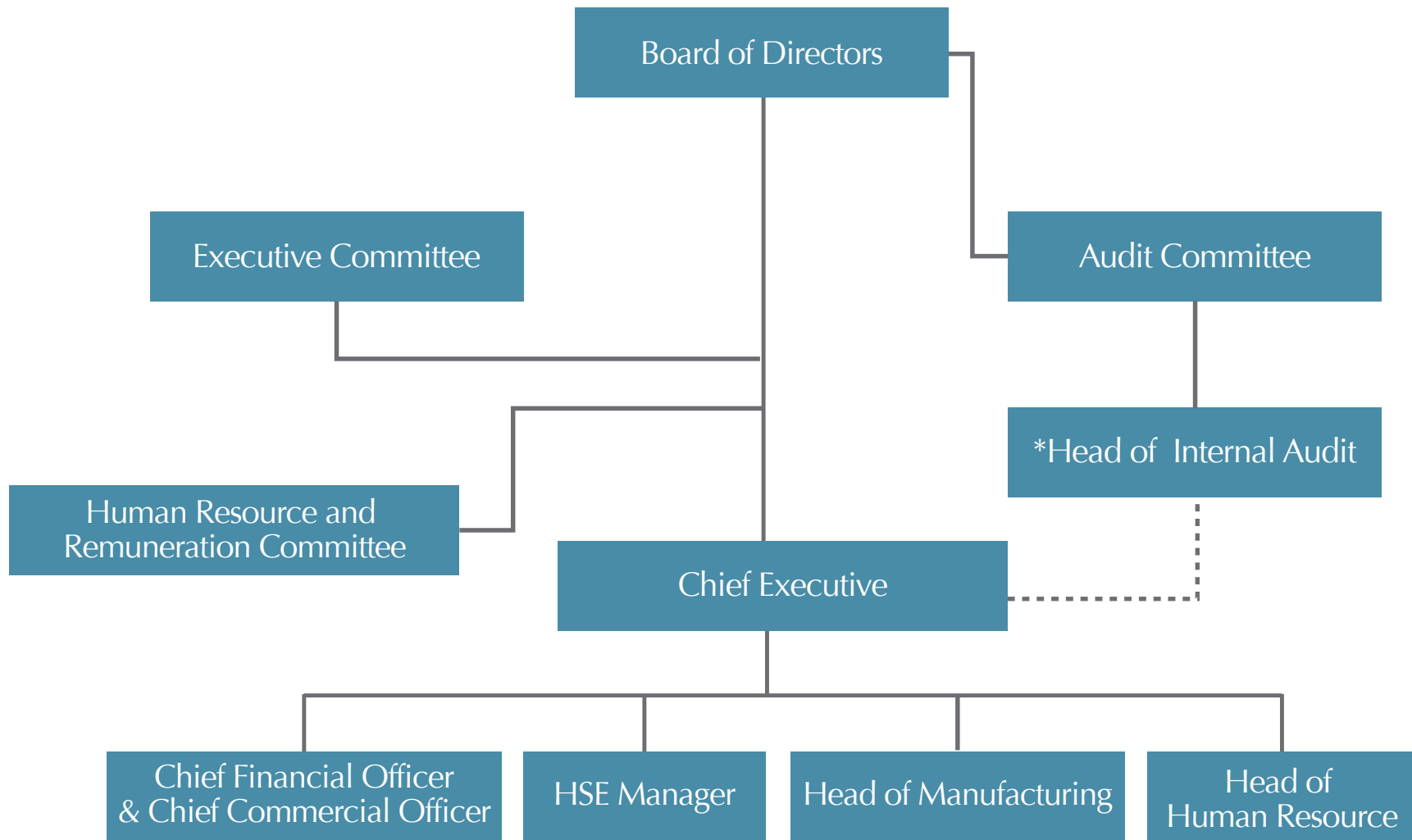
- Mr. Asif Qadir (Chairman)
- Syed Aslam Mehdi
- Mr. Khurram Raza Bakhtayari
- Mr. Kimihide Ando

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 the Human Resource and Remuneration (HR&R) Committee

- Recommending human resource management policies to the board;
- Recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO;
- Recommending to the board the selection, evaluation, compensation (including retirement benefits) of the CEO, CFO, Company Secretary and Head of Internal Audit; and
- Consideration and approval on recommendations of the CEO on such matters for key management positions who report directly to the CEO.

organizational structure



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

statement of compliance with the code of corporate governance

for the year ended December 31, 2015

This statement is being presented to comply with the Code of Corporate Governance (the "Code") contained in the Listing Regulations of Pakistan Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director	Mr. Asif Qadir
Executive Director	Syed Aslam Mehdi
Non-Executive Directors	Syed Babar Ali
	Syed Hyder Ali
	Mr. Kimihide Ando
	Mr. Khurram Raza Bakhtayari
	Mr. Yasumasa Kondo

The independent director meets the criteria of independence under clause i(b) of the Code.

2. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies).
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy occurred during the year.
5. 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.
6. 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.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Company arranged one orientation course for its Directors during the year. Three directors of the Company viz., Syed Babar Ali, Syed Hyder Ali and Mr. Asif Qadir are exempted from the directors training program as per clause 5.19.7 of the Code of Corporate Governance, since apart from having a minimum of 14 years of education, their experience on the board of listed companies is 15 years or more. Syed Aslam Mehdi, Mr. Kimihide Ando, Mr. Yasumasa Kondo and Mr. Khurram Raza Bakhtayari have less than 15 years experience on the board of listed companies. Syed Aslam Mehdi and Mr. Kimihide Ando have obtained certification during the year under the directors training program which meets the criteria specified by the Securities and Exchange Commission of Pakistan. Mr. Khurram Raza Bakhtayari and Mr. Yasumasa Kondo have been earmarked to obtain certification under the directors training program during the next six months.



10. The Board had approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment as determined by the CEO. No new appointment was made during the year.
11. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The Directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises of four members, all of whom are non-executive directors and the Chairman of the Committee is an independent director.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has formed a Human Resource and Remuneration Committee. It comprises of four members, of whom three are non-executive directors, including its Chairman. One non-executive Director was included as a member of the Committee during the year.
18. The Board has outsourced the internal audit function to Ernst & Young, Ford Rhodes Sidat Hyder, Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company. The Head of Internal Audit resigned during the year. Appointment of new Head of Internal Audit was approved in the meeting of Board of Directors dated February 17th, 2016.
19. 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, 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.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of the Company's securities, was determined and intimated to directors, employees and stock exchanges.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchanges.
23. We confirm that all other material principles enshrined in the Code have been complied with.

Karachi:

Date: February 17, 2016

Syed Aslam Mehdi
Chief Executive



review report to the members on statement of compliance with best practices of the code of corporate governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Tri-Pack Films Limited (the Company) for the year ended December 31, 2015 to comply with the Code contained in regulation No. 5.19 of the Rule Book of the Pakistan Stock Exchange Limited.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. 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 Code.

As a part of our audit of 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 Code required 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 distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. 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 any procedures to determine 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 best practices contained in the Code as applicable to the Company for the year ended December 31, 2015.



A.F. Ferguson & Co.

Chartered Accountants

Audit Engagement Partner: Farrukh Rehaman

Karachi, February 25, 2016

key financial information

	2015	2014			2015	2014	
Sales Revenue (Rs in Million)	11,954	13,597	↓	Shareholders equity (Rs in Million)	2,114	1,634	↑
Operating Profit (Rs in Million)	1,228	487	↑	EBITDA (Rs in Million)	1,891	1,274	↑
Profit/(Loss) before taxation (Rs in Million)	472	(331)	↑	Price Earning Ratio (In Times)	16.60	*(43.84)	↑
Profit/(Loss) after taxation (Rs in Million)	498	(200)	↑	No of Employees	409	436	↓
Earning/(Loss) per share (EPS) (Rupees)	14.86	*(5.95)	↑	Production (In Metric Tons)	48,060	49,402	↓
Fixed Assets (Rs in Million)	6,738	7,224	↓	Cash Generated from Operations (Rs in Million)	2,957	493	↑

* Restated

dupont analysis

2015



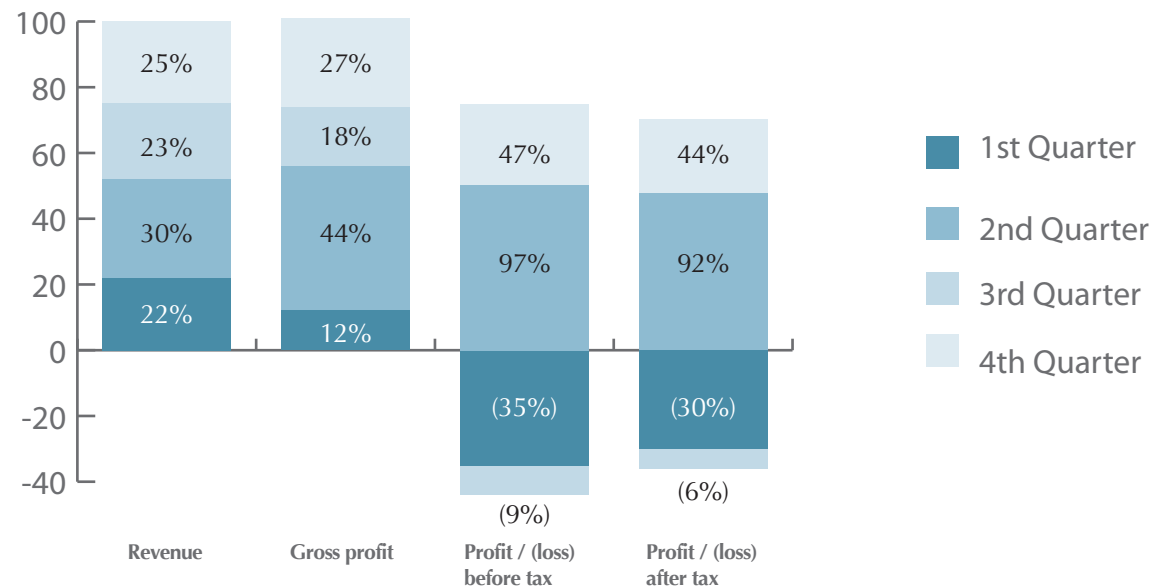
2014



*Rupees in '000

quarterly analysis

Particulars	2015				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
	Rupees in '000				
Revenue	2,639,155	3,617,809	2,742,803	2,954,404	11,954,171
Cost of sales	(2,421,500)	(2,808,676)	(2,414,060)	(2,452,670)	(10,096,906)
Gross profit	217,655	809,133	328,743	501,734	1,857,265
Distribution costs	(74,922)	(83,830)	(72,367)	(55,109)	(286,228)
Administrative costs	(72,350)	(92,512)	(78,988)	(98,792)	(342,642)
Operating profit	70,383	632,791	177,388	347,833	1,228,395
Other income	6,741	21,614	12,931	19,389	60,675
Finance costs	(240,788)	(174,390)	(233,265)	(133,473)	(781,916)
Other expenses	-	(22,757)	1,540	(13,759)	(34,976)
Profit / (loss) before tax	(163,664)	457,258	(41,406)	219,990	472,178
Less: Taxation	(15,000)	(3,173)	(10,000)	2,160	(26,013)
Profit / (loss) after tax	(148,664)	460,431	(31,406)	217,830	498,191



commentary / analysis ▶

During the year Revenue fluctuated mainly on the back of volatility in prices along with volumes. In Q1 2015 the impact of lower prices carried forward from December 2014 led to cautious buying from customers. The situation improved many folds in Q2 when the revenue increased 37% compared to Q1. However, revenue decreased in Q3 by 15% compared to Q2 only to increase again in Q4.

Margins remained under pressure during Q1. Effective Margin Management in Q2, resulted in higher margins during the quarter when Gross Profit to Sales % remained 22%. With raw material prices remaining volatile in Q3 & Q4, margins decreased in Q3 and increased again in Q4.

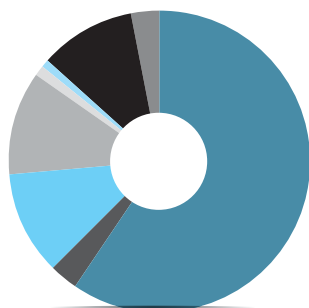
Trend in revenue and margins trickled down to Operating Profit, hence Operating Profit to sales ratio at 17% during Q2 was the highest for any quarter during the year. It remained at 3%, 6% and 12% for Q1, Q3 and Q4 respectively.

Net Profit situation wasn't much different with a net loss of Rs149 million in Q1. In Q2 Net Profit soared to Rs 460million on the back of strong margins decreasing finance costs and stable Pak Rupee value against major currencies. In Q3 profitability was impacted by the one-off exchange loss of Rs 80million. With improved top line, better margins and stable finance cost Net Profit in Q4 was Rs 218 million.

balance sheet composition

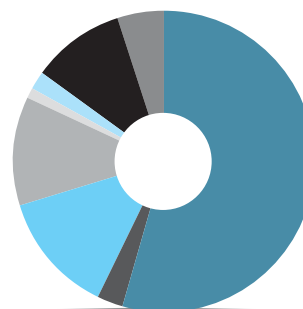
Fixed and Current Assets

2015



■ Property, plant and equipment	59%
■ Stores and spares	3%
■ Stock in trade	11%
■ Trade debts - net	11%
■ Advances and prepayments	1%
■ Other receivables	1%
■ Income tax - net	10%
■ Cash and bank balances	3%

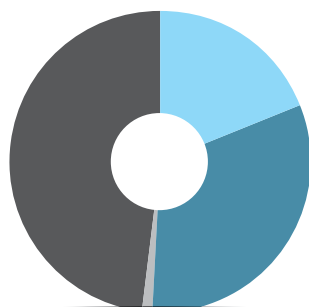
2014



■ Property, plant and equipment	55%
■ Stores and spares	3%
■ Stock in trade	13%
■ Trade debts - net	12%
■ Advances and prepayments	1%
■ Other receivables	2%
■ Income tax - net	10%
■ Cash and bank balances	5%

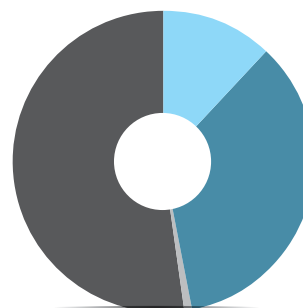
Equities and Liabilities

2015



■ Equity & Reserves	19%
■ Long-term Financing Facility	32%
■ Non-Current Liability	1%
■ Current Liabilities	48%

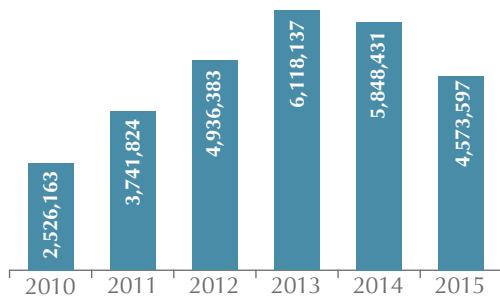
2014



■ Equity & Reserves	12%
■ Long-term Financing Facility	35%
■ Non-Current Liability	1%
■ Current Liabilities	52%

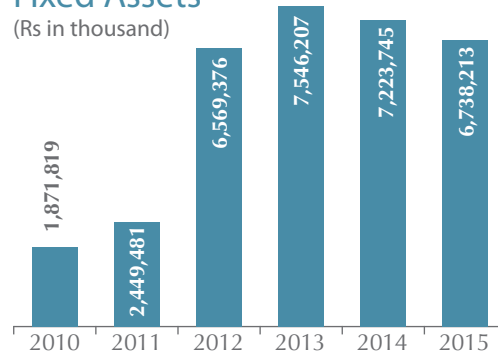
Current Assets

(Rs in thousand)



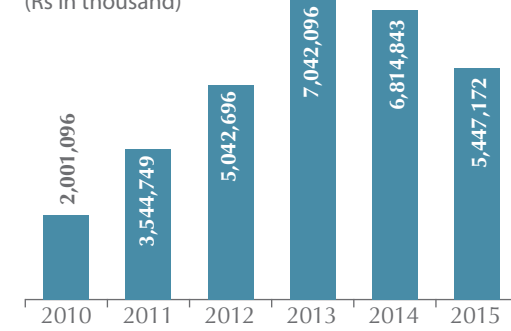
Fixed Assets

(Rs in thousand)



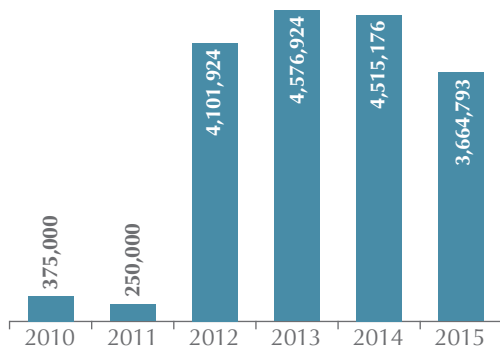
Current Liabilities

(Rs in thousand)



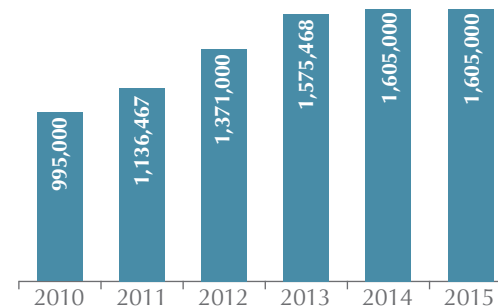
Long Term Liabilities

(Rs in thousand)



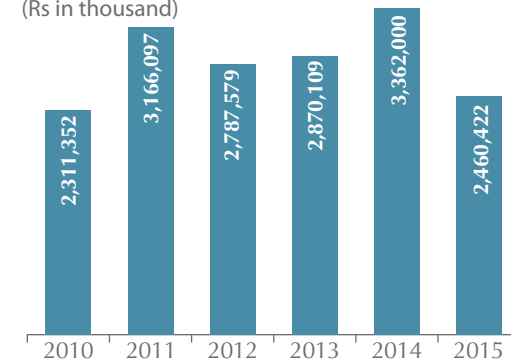
Reserve

(Rs in thousand)



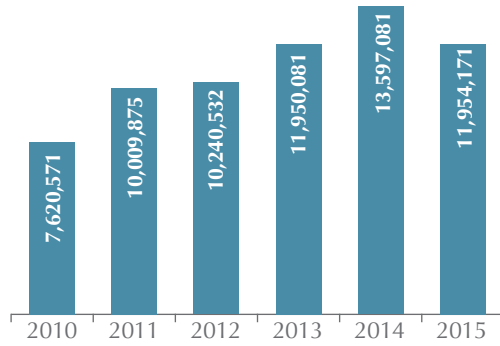
Contribution to National Exchequer

(Rs in thousand)



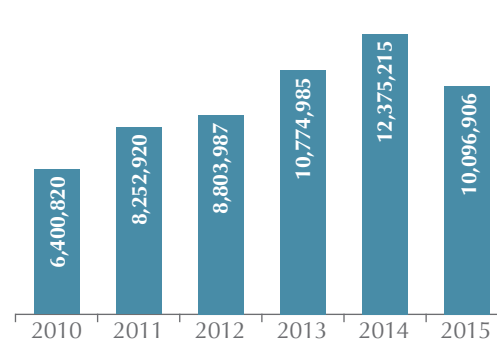
Net Sales

(Rs in thousand)



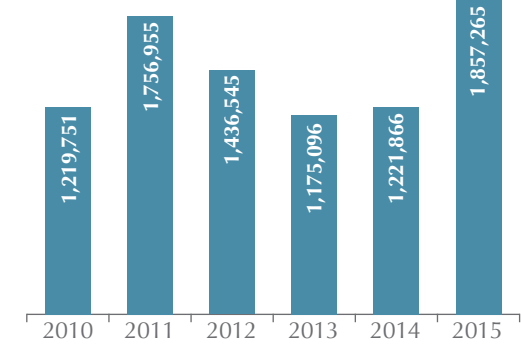
Cost of Sales

(Rs in thousand)



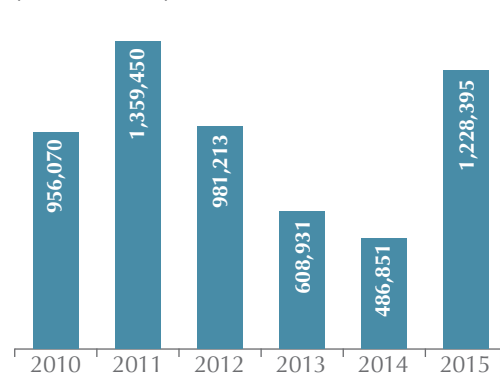
Gross Profit

(Rs in thousand)



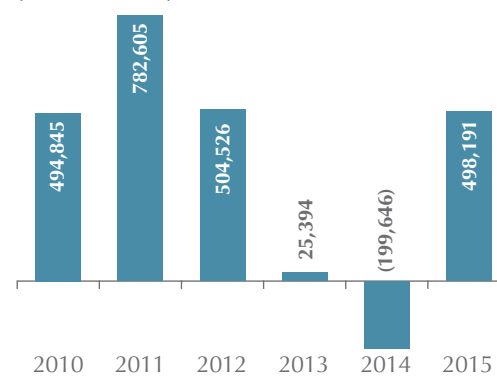
Operating Profit

(Rs in thousand)



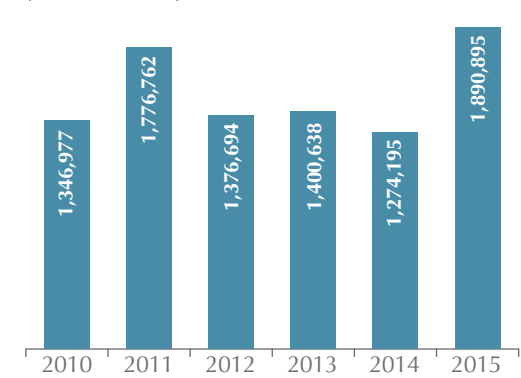
Net Profit

(Rs in thousand)

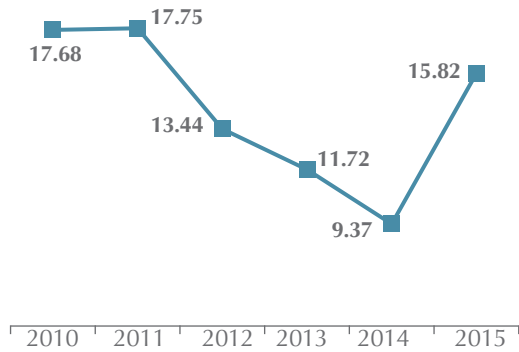


EBITDA

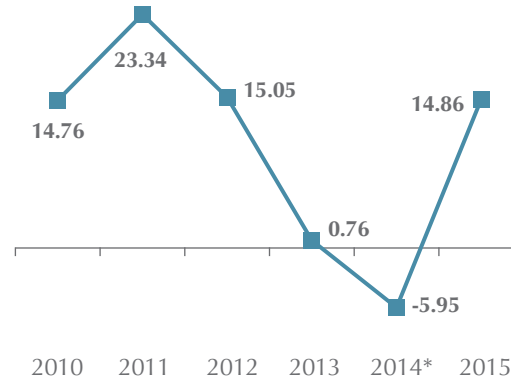
(Rs in thousand)



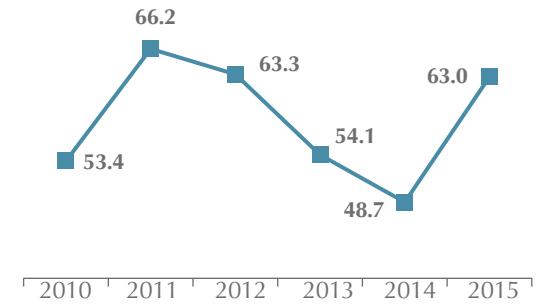
EBITDA Margin to Sales (In Percentage)



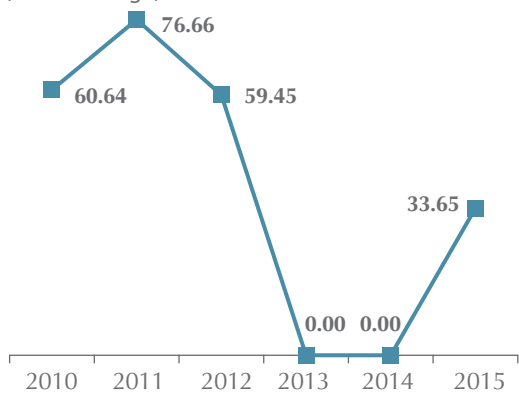
Earning Per Share (Rupees)



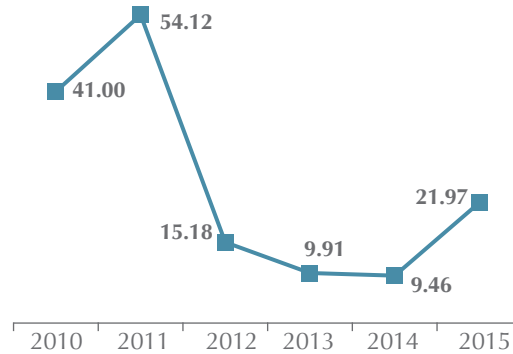
Breakup Value (Rupees)



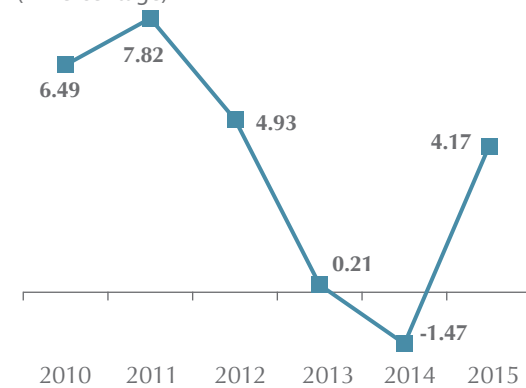
Dividend Payout (In Percentage)



Return on Capital Employed (In Percentage)

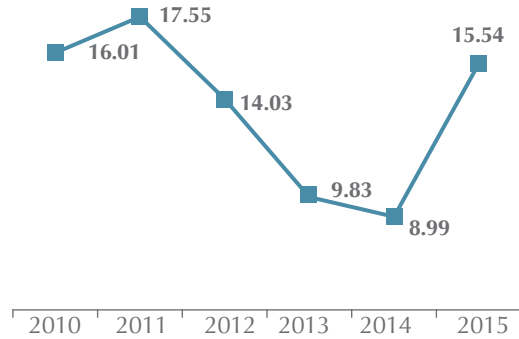


Net Profit Margin (In Percentage)

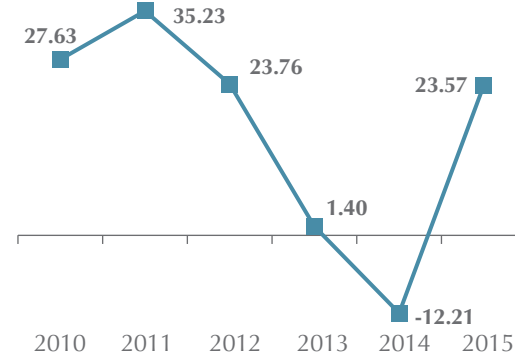


* Restated

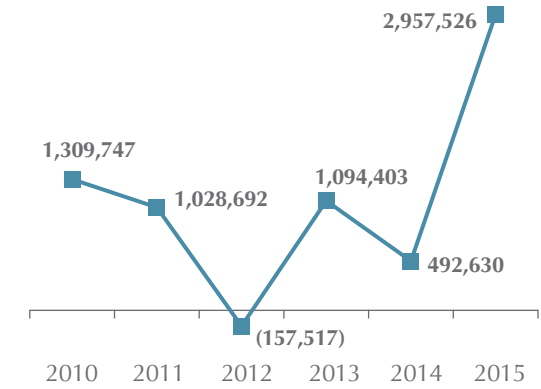
Gross Profit Margin (In Percentage)



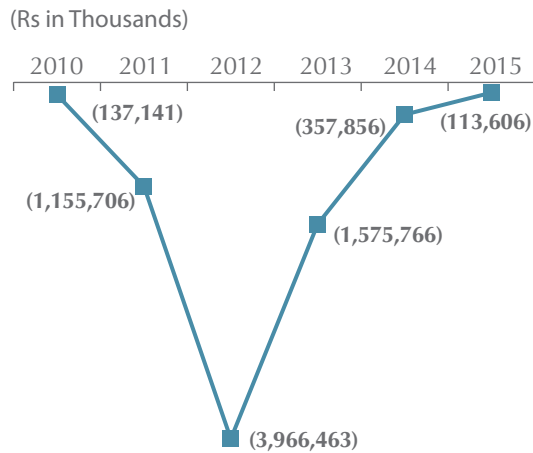
Return on Equity (In Percentage)



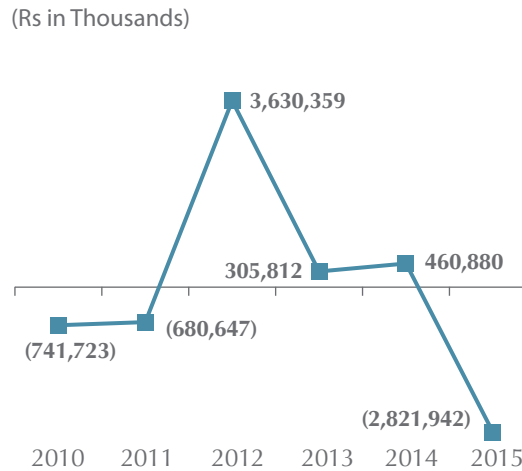
Cash Flows from Operating Activities (Rs in Thousands)



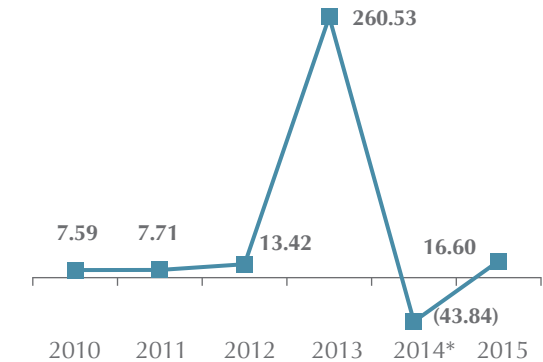
Cash Flows from Investing Activities (Rs in Thousands)



Cash Flows from Financing Activities (Rs in Thousands)



Price Earning Ratio (In Times)



* Restated

horizontal analysis

Balance Sheet

	2015		2014		2013		2012		2011		2010	
	Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year	
	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
Equity and Reserves	2,113,802	29.33	1,634,453	(9.86)	1,813,217	(14.62)	2,123,684	-4.39	2,221,197	24.01	1,791,125	12.21
Long term financing facilities	3,664,793	(18.83)	4,515,176	(1.3)	4,576,924	11.58	4,101,924	1540.77	250,000	(33.33)	375,000	(38.32)
Non Current Liability	89,158	(20.47)	112,102	(52.3)	235,106	(1.94)	239,758	35.03	177,554	(23.64)	232,524	(16.16)
Current Liabilities	5,447,172	(20.07)	6,814,843	(3.2)	7,042,096	39.65	5,042,696	42.26	3,544,749	77.14	2,001,096	(1.68)
	<u>11,314,925</u>	<u>(13.47)</u>	<u>13,076,574</u>	<u>(4.3)</u>	<u>13,667,343</u>	<u>18.8</u>	<u>11,508,062</u>	<u>85.81</u>	<u>6,193,500</u>	<u>40.77</u>	<u>4,399,745</u>	<u>(2.59)</u>
Property Plant and Equipment	6,731,234	(6.71)	7,215,407	(4.2)	7,535,042	14.84	6,561,106	169.92	2,430,754	31.11	1,853,983	(10.69)
Intangibles	6,979	(16.30)	8,338	(25.3)	11,165	35.01	8,270	-55.84	18,727	5.00	17,836	(9.50)
Long term deposits	3,115	(29.17)	4,398	46.6	2,999	30.22	2,303	4.92	2,195	24.50	1,763	49.66
Current Assets												
Stores and spares	348,894	(9.30)	384,683	11.9	343,874	13.68	302,490	-5.89	321,433	35.56	237,119	19.28
Stock-in-trade	1,293,873	(22.88)	1,677,648	(27.3)	2,307,567	5.87	2,179,583	41.34	1,542,125	46.54	1,052,338	4.96
Trade debts	1,227,890	(19.40)	1,523,529	(14.4)	1,778,982	47.68	1,204,616	21.44	991,922	29.28	767,252	(13.56)
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	262,884	-	-	-
Advances and prepayments	60,024	(39.02)	98,440	(64.3)	275,592	62.01	170,108	215.29	53,953	37.20	8,522	3.40
Other receivables	114,540	(48.12)	220,785	79.3	123,150	(61.14)	316,889	736.76	37,871	22.99	30,791	5.63
Taxation	1,150,343	(7.65)	1,245,700	100.0	622,937	333.12	143,825	160.54	55,202	(30.94)	79,931	25.14
Cash and bank balances	378,033	(45.81)	697,646	4.7	666,035	7.62	618,872	29.90	476,434	36.04	350,210	52.42
	<u>11,314,925</u>	<u>(13.47)</u>	<u>13,076,574</u>	<u>(4.3)</u>	<u>13,667,343</u>	<u>18.76</u>	<u>11,508,062</u>	<u>85.81</u>	<u>6,193,500</u>	<u>40.77</u>	<u>4,399,745</u>	<u>(2.59)</u>

commentary / analysis

Total Assets increased at CAGR of 21% during 2010 to 2015. This increase was a result of massive expansions made in the BOPP and CPP lines which were operational in the years 2013 and 2014 respectively. These expansions were financed by long term loan. Current liabilities also increased by more than 150% compared to 2010 on the back of short term loans. Trade debts and stocks, combined, increased at a CAGR of 7%.

	2015		2014		2013		2012		2011		2010	
	Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year	
	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
Profit & Loss												
Net Sales	11,954,171	(12.08)	13,597,081	13.80	11,950,081	16.69	10,240,532	2.30	10,009,875	31.35	7,620,571	34.03
Cost of sales	10,096,906	(18.41)	12,375,215	14.90	10,774,985	22.39	8,803,987	6.68	8,252,920	28.94	6,400,820	36.33
Gross profit	1,857,265	52.00	1,221,866	4.00	1,175,096	(18.20)	1,436,545	(18.24)	1,756,955	44.04	1,219,751	23.13
Administration and selling expenses	628,870	(14.44)	735,015	29.80	566,165	24.34	455,332	14.55	397,505	50.75	263,681	24.54
Operating profit	1,228,395	152.31	486,851	(20.00)	608,931	(37.94)	981,213	(27.82)	1,359,450	42.19	956,070	22.74
Other income	60,675	(42.46)	105,446	119.90	47,956	46.14	32,816	(37.25)	52,298	91.69	27,282	(36.62)
Financial charges	781,916	(15.29)	923,038	50.30	614,150	258.37	171,374	39.98	122,429	(40.38)	205,346	(7.39)
Other charges	34,976	100.00	-	(100.00)	6,836	(88.08)	57,341	(36.49)	90,289	64.13	55,012	32.82
Profit before taxation	472,178	242.76	(330,741)	(1,021.30)	35,901	(95.43)	785,314	(34.50)	1,199,030	65.84	722,994	29.38
Provision for taxation	(26,013)	(80.16)	(131,095)	(1,347.70)	10,507	(96.26)	280,788	(32.57)	416,425	82.52	228,149	140.77
Profit after taxation	498,191	349.54	(199,646)	(886.20)	25,394	(94.97)	504,526	(35.53)	782,605	58.15	494,845	6.63

Revenue over the period of 6 years has increased at a CAGR of 9% as the business has expanded steadily. Profitability however, has not been on a similar increasing trend due to higher operating cost. Finance cost also increased in line with the increase in financing obtained to support expansions. With interest rates falling significantly in the year 2015 and aggressive working capital management finance cost fell 15% compared to last year.

vertical analysis

	2015		2014		2013		2012		2011		2010	
	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
Balance Sheet												
Equity and Reserves	2,113,802	18.7	1,634,453	12.5	1,813,217	13.3	2,123,684	18.5	2,221,197	35.9	1,791,125	40.7
Long term financing facilities	3,664,793	32.4	4,515,176	34.5	4,576,924	33.5	4,101,924	35.6	250,000	4.0	375,000	8.5
Non Current Liability	89,158	0.8	112,102	0.9	235,106	1.7	239,758	2.1	177,554	2.9	232,524	5.3
Current Liabilities	5,447,172	48.1	6,814,843	52.1	7,042,096	51.5	5,042,696	43.8	3,544,749	57.2	2,001,096	45.5
	<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>	<u>11,508,062</u>	<u>100.0</u>	<u>6,193,500</u>	<u>100.0</u>	<u>4,399,745</u>	<u>100.0</u>
Property Plant and Equipment	6,731,234	59.50	7,215,407	55.2	7,535,042	55.1	6,561,106	57.0	2,430,754	39.2	1,853,983	42.1
Intangibles	6,979	0.1	8,338	0.1	11,165	0.1	8,270	0.1	18,727	0.3	17,836	0.4
Long term deposits	3,115	-	4,398	-	2,999	-	2,303	-	2,195	-	1,763	-
Current Assets												
Stores and spares	348,894	3.1	384,683	2.9	343,874	2.5	302,490	2.6	321,433	5.2	237,119	5.4
Stock-in-trade	1,293,873	11.4	1,677,648	12.8	2,307,567	16.9	2,179,583	18.9	1,542,125	24.9	1,052,338	23.9
Trade debts	1,227,890	10.9	1,523,529	11.7	1,778,982	13.0	1,204,616	10.5	991,922	16.0	767,252	17.4
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	262,884	4.2	-	-
Advances and prepayments	60,024	0.5	98,440	0.8	275,592	2.0	170,108	1.5	53,953	0.9	8,522	0.2
Other receivables	114,540	1.0	220,785	1.7	123,150	0.9	316,889	2.8	37,871	0.6	30,791	0.7
Taxation	1,150,343	10.2	1,245,700	9.5	622,937	4.6	143,825	1.2	55,202	0.9	79,931	1.8
Cash and bank balances	378,033	3.3	697,646	5.3	666,035	4.9	618,872	5.4	476,434	7.7	350,210	8.0
	<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>	<u>11,508,062</u>	<u>100.0</u>	<u>6,193,500</u>	<u>100.0</u>	<u>4,399,745</u>	<u>100.0</u>

commentary / analysis

Equity and Debt

Increase in financing from other sources has resulted equity to become a smaller portion of the investment. This will change after the completion of recently announced Rights Issue.

Assets

Property, Plant and Equipment have remained a major portion of total assets. Stocks and debtors have constituted more than 20% of the total assets. Taxation recoverable now constitutes more than 10% of total assets due to advance tax paid on import of raw material.

	2015		2014		2013		2012		2011		2010	
	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
Profit & Loss												
Net Sales	11,954,171	100.0	13,597,081	100.0	11,950,081	100.0	10,240,532	100.0	10,009,875	100.0	7,620,571	100.0
Cost of sales	10,096,906	84.5	12,375,215	91.0	10,774,985	90.2	8,803,987	85.0	8,252,920	82.4	6,400,820	84.0
Gross profit	1,857,265	15.5	1,221,866	9.0	1,175,096	9.8	1,436,545	14.0	1,756,955	17.6	1,219,751	16.0
Administration and selling expenses	628,870	5.3	735,015	5.4	566,165	4.7	455,332	4.4	397,505	4.0	263,681	3.5
Operating profit	1,228,395	10.3	486,851	3.6	608,931	5.1	981,213	9.6	1,359,450	13.6	956,070	12.5
Other income	60,675	0.5	105,446	0.8	47,956	0.4	32,816	0.3	52,298	0.5	27,282	0.4
Financial charges	781,916	6.5	923,038	6.8	614,150	5.1	171,374	1.7	122,429	1.2	205,346	2.7
Other charges	34,976	0.3	-	-	6,836	0.1	57,341	0.6	90,289	0.9	55,012	0.7
Profit before taxation	472,178	3.9	(330,741)	(2.4)	35,901	0.3	785,314	7.7	1,199,030	12.0	722,994	9.5
Provision for taxation	(26,013)	(0.2)	(131,095)	(1.0)	10,507	0.1	280,788	2.7	416,425	4.2	228,149	3.0
Profit after taxation	498,191	4.2	(199,646)	(1.5)	25,394	0.2	504,526	4.9	782,605	7.8	494,845	6.5

Margins

Gross profit margin has remained above 14% most of the years except for 2013 and 2014 when it fell below 10%. The situation has improved again and Gross profit margin was 15% for the year 2015.

Finance cost

Finance cost has increased in line with the debt financing for expansion

projects. However, in 2015 better working capital management and lower interest rates have resulted in a decline in Finance cost.

Profitability

After a challenging 2014, the Company has earned a Profit after Tax of Rs. 498 million.

financial statistical summary

	Year to December 31 2015	Year to December 31 2014	Year to December 31 2013	Year to December 31 2012
Balance Sheet Summary				
Paid-up capital	300,000	300,000	300,000	300,000
General and Hedge reserve	1,605,000	1,605,000	1,575,468	1,371,000
Unappropriated profit/(loss)	208,802	(270,547)	(62,251)	452,684
Share holders' funds	2,113,802	1,634,453	1,813,217	2,123,684
Long term financing facilities	3,664,793	4,515,176	4,576,924	4,101,924
Fixed capital expenditure	6,738,213	7,223,745	7,546,207	6,569,376
Long term deposits	3,115	4,398	2,999	2,303
Non Current Liability	(89,158)	(112,102)	(235,106)	(239,758)
Net current assets/(liabilities)	(873,575)	(966,412)	(923,959)	(106,313)
Profit & Loss Summary				
Sales (net of sales tax)	11,954,171	13,597,081	11,950,081	10,240,532
Cost of sales	10,096,906	12,375,215	10,774,985	8,803,987
Gross profit	1,857,265	1,221,866	1,175,096	1,436,545
Administration and selling expenses	628,870	735,015	566,165	455,332
Operating profit	1,228,395	486,851	608,931	981,213
Other income	60,675	105,446	47,956	32,816
Financial charges	781,916	923,038	614,150	171,374
Other charges	34,976	-	6,836	57,341
Profit/(loss) before taxation	472,178	(330,741)	35,901	785,314
Provision for taxation	(26,013)	(131,095)	10,507	280,788
Profit/(loss) after taxation	498,191	(199,646)	25,394	504,526
Dividend	150,000	-	-	300,000
Transfer to reserve	-	-	-	182,000
Key Financial Ratios				
Gross profit / sales	15.54%	8.99%	9.83%	14.03%
Profit before tax / sales	3.95%	(2.43)%	0.30%	7.67%
Return on capital employed	21.97%	9.46%	9.91%	15.18%
Interest coverage (times)	1.6	0.6	1.1	5.9
Inventory turnover (times)	6.15	6.00	4.06	3.48
Fixed assets turnover (times)	1.77	1.88	1.58	1.56
Debt : equity ratio	63:37	73:27	72:28	66:34
Current ratio	0.8	0.9	0.9	1.0
Shares & Earning				
Break-up value (Rs per share)*	63.0	48.7	54.1	63.3
Price earning ratio (times)*	16.6	(43.84)	260.5	13.42
Earnings per share (Rupees)*	14.86	(5.95)	0.76	15.05
Dividend	50%	-	-	100%
Market value per share (Rupees)	247	261	198	202
Taxes, duties and levies	2,460,422	3,362,000	2,870,000	2,787,579

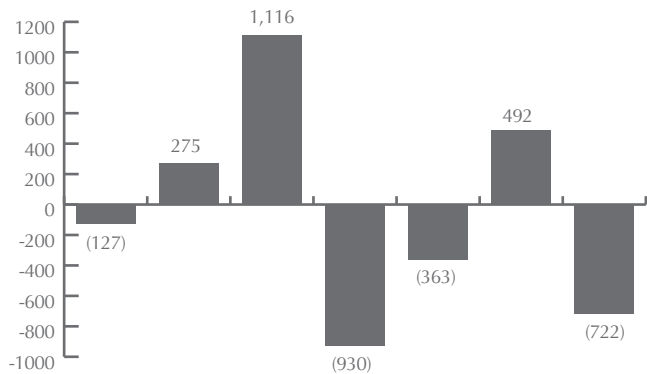
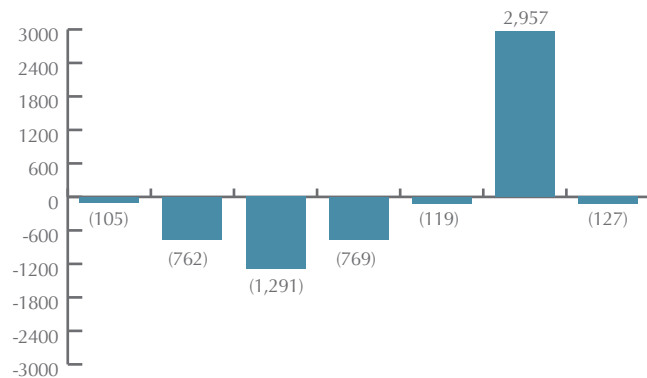
* Restated for prior year to reflect Rights Issue impact

Year to December 31 2011	Year to December 31 2010	Year to December 31 2009	Year to December 31 2008	Year to December 31 2007	Year to December 31 2006
300,000	300,000	300,000	300,000	300,000	300,000
1,136,467	995,000	831,000	772,000	632,000	614,000
784,730	496,125	465,280	240,205	320,219	168,064
2,221,197	1,791,125	1,596,280	1,312,205	1,252,608	1,082,064
250,000	375,000	608,000	824,000	540,000	756,000
2,449,481	1,871,819	2,095,567	2,111,285	1,608,744	1,703,966
2,195	1,763	1,178	1,218	1,104	858
(177,554)	(232,524)	(277,352)	(304,735)	(192,731)	(104,426)
197,075	525,067	384,887	328,437	375,491	237,666
10,009,875	7,620,571	5,685,687	5,865,487	4,555,172	3,825,643
8,252,920	6,400,820	4,695,035	4,855,356	3,627,470	3,316,875
1,756,955	1,219,751	990,652	1,010,131	927,702	508,768
397,505	263,681	211,723	163,890	135,913	127,804
1,359,450	956,070	778,929	846,241	791,789	380,964
52,298	27,282	43,046	29,570	25,729	11,989
122,429	205,346	221,723	108,844	93,167	130,595
90,289	55,012	41,418	43,310	49,981	18,103
1,199,030	722,994	558,834	723,657	674,370	244,255
416,425	228,149	94,759	243,671	234,215	76,373
782,605	494,845	464,075	479,986	440,155	167,882
600,000	300,000	300,000	420,000	300,000	150,000
194,000	164,000	59,000	140,000	18,000	9,500
17.55%	16.01%	17.42%	17.22%	20.37%	13.30%
11.98%	9.49%	9.83%	12.34%	14.80%	6.38%
53.30%	41.00%	33.12%	35.88%	41.18%	20.23%
11.5	4.8	3.7	8.0	8.8	3.0
4.43	4.96	3.91	4.30	4.63	8.18
4.09	4.1	2.7	2.8	2.7	2.2
10:90	17:83	28:72	39:61	30:70	41:59
1.1	1.3	1.2	1.2	1.3	1.3
66.2	53.4	53.2	43.7	41.7	36.1
7.71	7.59	6.6	7.8	14.7	9.7
23.34	14.76	15.47	16.00	14.67	5.60
200%	100%	100%	140%	100%	50%
180	112	102	125	215	54
3,166,097	2,311,352	1,715,277	1,727,355	1,161,337	713,209

sources and application of funds

	2015	2014	2013	2012	2011	2010
	(Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash generated from operations	2,921,863	1,184,733	1,627,523	208,715	1,495,885	1,627,161
Payment on account of accumulated compensated absences	(2,555)	(17,588)	(9,192)	(9,244)	(8,801)	(3,307)
Long-term deposits	1,283	(1,399)	(696)	(108)	(432)	(585)
Staff retirement benefits paid	(58,422)	(50,353)	(42,684)	(41,519)	(32,113)	(21,762)
Income taxes refund / (paid)	95,357	(622,763)	(480,548)	(315,361)	(425,847)	(291,760)
Net cash inflow from operating activities	2,957,526	492,630	1,094,403	(157,517)	1,028,692	1,309,747
CASH FLOWS FROM INVESTING ACTIVITIES						
Fixed capital expenditure	(119,589)	(363,445)	(1,570,759)	(4,083,926)	(903,945)	(141,155)
Acquisition of intangible	(3,662)	(3,017)	(10,182)	-	(9,237)	(2,433)
Profit on bank balances received	1,095	456	345	222	407	708
Payment made for settlement of derivative	-	-	-	(158,925)	-	-
Purchase of held-for-trading financial assets	-	-	-	-	(450,000)	-
Redemption of held-for-trading financial assets	-	-	-	268,783	200,000	-
Sale proceeds on disposal of fixed assets	8,550	8,150	4,830	7,383	7,069	5,739
Net cash outflow from investing activities	(113,606)	(357,856)	(1,575,766)	(3,966,463)	(1,155,706)	(137,141)
CASH FLOWS FROM FINANCING ACTIVITIES						
Long-term finances paid	(761,747)	(1,225,000)	(125,000)	(125,000)	(233,000)	(216,000)
Long-term finances acquired	-	1,500,000	1,000,000	3,976,924	-	-
Short term financing - net	(1,290,735)	1,115,735	475,000	700,000	-	-
Finance cost & bank charges paid	(769,460)	(929,855)	(744,506)	(323,914)	(148,676)	(226,519)
Dividends paid	-	-	(299,682)	(597,651)	(298,971)	(299,204)
Net cash outflow from financing activities	(2,821,942)	460,880	305,812	3,630,359	(680,647)	(741,723)
Net cash inflow/ (outflow)	21,978	595,654	(175,551)	(493,621)	(807,661)	430,883

	2015	2014
Cash and Cash Equ. - Closing	(105)	(127)
Loan Acquired/(Paid) - net	(762)	275
Short term financing - net	(1,291)	1,116
Finance Cost	(769)	(930)
Capital Expenditure	(119)	(363)
Cash inflow from Operations	2,957	492
Cash and Cash Equ. - Opening	(127)	(722)



commentary / analysis

Cash Flow from operations

The Company generated highest ever cash from operations on the back of profitability and aggressive working capital management. Over the years it has fluctuated but has remained above Rs 1 billion except for the year 2012.

Cash Flow from investing activities

Heavy cash was invested for expansion projects in the years 2011, 2012 and 2013.

Cash Flows from financing activities

Cash flow from financing activities has varied significantly. In the years 2010 and 2011 debts were repaid. During the years 2012 to 2014 the Company acquired financing for projects. In the year 2015 repayments of long term and short term debts were made.

value added and its distribution

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

Wealth Generated

Sales
Other Income
Bought-in-material & services

Wealth Distributed

To Employees

Remuneration, benefits and facilities

To Government

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

To Lenders

Mark up & finance cost

To Society

Donations

Retained for Reinvestment & Future Growth

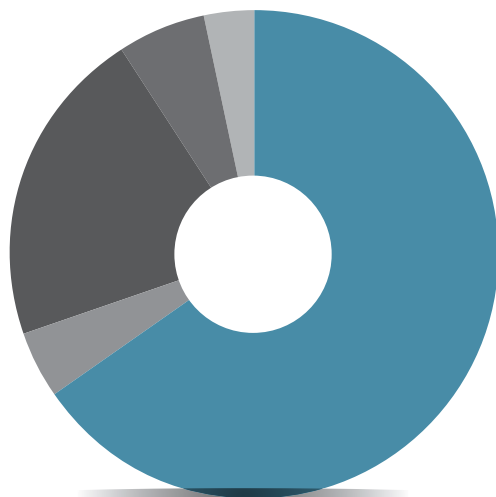
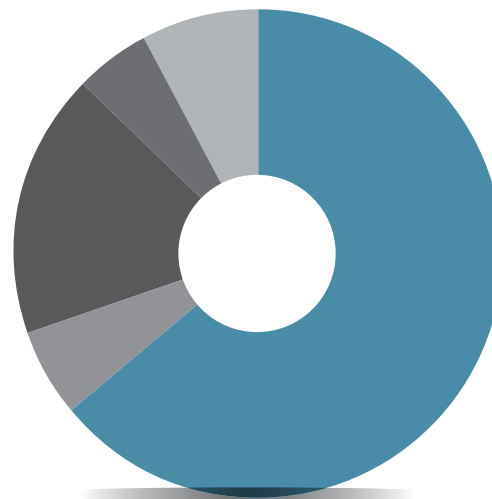
Unappropriated Profit, Depreciation & Amortization

	2015		2014	
	(Rs in '000)	%	(Rs in '000)	%
Sales	13,929,340		15,741,870	
Other Income	60,675		105,446	
Bought-in-material & services	(8,949,844)		(10,361,617)	
	<u>5,040,171</u>	100.0	<u>5,485,699</u>	100.0
To Employees				
Remuneration, benefits and facilities	817,300	16.2	696,897	12.7
To Government				
Income Tax, Sales Tax, Custom & Excise Duties, WPPF, WWF, EOBI, Social Security, Professional & Local Taxes	2,460,422	48.8	3,362,000	61.3
To Lenders				
Mark up & finance cost	681,075	13.5	923,038	16.8
To Society				
Donations	200	-	630	-
Retained for Reinvestment & Future Growth				
Unappropriated Profit, Depreciation & Amortization	1,081,174	21.5	503,134	9.2
	<u>5,040,171</u>	100.0	<u>5,485,699</u>	100.0

wealth generated & distributed

2015

	Amount	%
■ Bought-in-material & services	8,949,844	63.97
■ To Employees	817,300	5.84
■ To Government	2,460,422	17.59
■ To Lenders	681,075	4.87
■ To Society	200	0.00
■ Retained for Reinvestment & Future Growth	1,081,174	7.73
Total	13,990,015	100.00



2014

	Amount	%
■ Bought-in-material & services	10,361,617	65.38
■ To Employees	696,897	4.40
■ To Government	3,362,000	21.21
■ To Lenders	923,038	5.82
■ To Society	630	0.00
■ Retained for Reinvestment & Future Growth	503,134	3.17
Total	15,847,316	100.00



directors' report to the shareholders



The Directors of the Company are pleased to submit the report and the audited financial statements for the year ended December 31, 2015.

Economic indicators remained positive during the year with better than expected GDP growth rate, low inflation and mark-up rate. Energy shortages continued to challenge the business environment throughout the year. In addition, influx of illegal imports through Afghan Transit and other means without duties and taxes remained a hindrance in gaining volumes.

Compliance with Health, Safety and Environment (HSE) remained top priority during the year. However, the year closed with one serious injury in which our staff had his arm fractured. The staff is recovering and shall resume office soon. The incident was investigated and the report of findings along with action plan shared with the Executive Management Team.



Market and Business Overview

The year witnessed significant fluctuations in raw material prices triggered not only by fuel prices but also the demand and supply dynamics. With such volatility in prices of raw material, margins and product price management remained a major challenge.

Influx of illegal imports through Afghan Transit Trade and other sources, particularly of BOPP films and oversupply situation in the CPP segment, had a serious impact on our volumes. During the year, nearly 7% of total local BOPP demand was catered through illegal imports, sold without duties and taxes at uneconomical prices.

Despite strong headwinds as mentioned above our domestic sales volumes remained in line with 2014, however the overall sales volume including exports for the year at 47,004 tons was lower by 3% compared to 2014. Our sale is driven by FMCG growth and it seems that in many FMCG companies, volumetric growth was lower in 2015 compared to earlier years.

In order to meet the changing business requirements, your Company is actively working on new product development to create more value for our customers and to increase the market size.

Post submission of our Anti-dumping Duty (ADD) Sunset Review application; National Tariff Commission (NTC) initiated its investigation against dumping at uneconomical prices.

Financial Highlights

Net Sales Income for the year was lower by 12% compared to last year largely on account of lower prices driven by decline in raw material prices. Your Company, remained wary of business adversities earlier mentioned and partially countered their effects through focus on operational efficiencies and working capital management. As a result gross profit for the year was higher by 52% compared to last year.

Administrative and Selling expenses were lower by 14% mainly on account of lower transportation cost driven by reduction in fuel prices and renegotiation of transportation contract.

Finance cost was lower by 15% compared to last year. Excluding the exchange loss of Rs 101 million on account of depreciation of Pak Rupee, finance cost was lower by 26% as a result of lower markup rates and significantly higher cash inflows from operations with continued focus on working capital. Consequently the Company earned Profit after Tax of Rs 498 million (2014: Loss after tax of Rs 200 million).

Cash flows from operating activities for the year at Rs 3.0 billion were significantly higher than same period last year of Rs 493 million.

Key Financial Highlights are as follows:

	2015	2014
Sales Volume - (M. Tons)	47,004	48,226
Net Sales Value - (Rs in Million)	11,954	13,597
Gross Profit - (Rs in Million)	1,857	1,222
Net Profit / (loss)- (Rs in Million)	498	(200)
EPS - (Rs per share)	14.86	*(5.95)

*Restated

Dividend

The directors have recommended a cash dividend of 50% i.e. Rs 5 per share (2014: Nil)

Future Outlook

With positive economic indicators business activities are likely to improve in 2016. Current levels of inflation and interest rates are expected to keep a better consumption level. In current scenario we expect the growth of FMCG sector to be approximately 6-7%.

On the supply side current downward trend in raw material prices is expected to gain stability by end Q1, 2016 keeping our product prices at low level. However this will be significantly dependent on the oil price trend and the operational continuity of plants at these price levels.

Improvement in HSE management system, its awareness and compliance shall remain a priority and in this respect certain organizational changes are being made. We will continue to rely on slogan "money on the floor" to create more value both for the Company and our customers.



With excess capacity in the market along with lower prices, 2016 will be a challenging year. Being cognizant of this situation focus will remain on strong working capital management, operational cost savings and waste reduction with a particular emphasis on new product development.

Good news is that most of our large customers are upbeat about the future of packaging industry and have shown their commitment by investing in top of the line printing and converting equipment. Tri-Pack clearly sees its role to facilitate the growth of packaging industry by working very closely with customers and create opportunities for mutual benefit.

We would like to take this opportunity to highlight to the Ministry of Commerce and Finance along with Federal Board of Revenue, the increasing menace of Afghan Transit Trade and other modes of illegal imports including export zones. This in addition to damaging the local industries, which is providing employments and generating taxes and revenue for the Government, is also adversely impacting the National Exchequer in the form of loss in taxes and duties.

Cash Flow Strategy

During the period under review, Rs. 3.0 billion (2014: Rs. 493 million) was generated from operating activities of the Company, which was utilized mainly towards the payment of finance cost and repayment of long term loans.

The Company has announced its very first Rights Issue, which will be completed by second quarter of 2016. Cash flow from this equity injection is going to be utilized in repayment of borrowings from banks and suppliers credit to reduce the currency exchange risk. In addition this injection will have a positive impact on debt to equity ratio and the cost of borrowings. Further, aggressive working capital management to continue to improve the cash inflows.

Management Information Systems

Constant improvements are being made in the utilization of ERP to ensure better controls, improvement in the efficiency of processes and accuracy of financial information. This is in line with Company's ambitions to make the

information technology structure fully capable of meeting business and reporting challenges.

Human Resource

Our people are behind every aspect of our strategy. We endeavor to attract, develop and retain quality people so that we can always deliver the best experience for our customers. We believe that the way to grow as a business is to grow our people, enabling personal development and ambitious business results. 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.

Your Company believes that its success and competitiveness depends upon its ability to embrace diversity. In an effort to create a workplace culture that provides equal opportunities for everyone and ensures that people are always treated with dignity and respect a diverse workforce is being encouraged regardless of race, nationality, gender, age, marital status, sexual orientation, disability, religion or political beliefs.

The Company has also been inducted in the panel of authorized trainers for Chartered Accountants by the Institute of Chartered Accountants in England & Wales (ICAEW).

Quality Management

During the year your Company complied with the requirements of all applicable quality standards. To further improve productivity through machine efficiency and reduce process wastages, TPM fostered across the plants with six sessions conducted during the year benefitting the entire workforce.

Related Parties

All transactions with related parties are carried out on an unbiased, arm's length basis. A complete list of all related party transactions is compiled and submitted to the Audit Committee every quarter. After review by the Audit

Committee the transactions are placed before the Board for their consideration and approval.

Code of Corporate Governance

The requirements of the Code of Corporate Governance set out by Pakistan Stock Exchange Listing Regulations have been adopted by the Company and have been duly complied with. A Statement to this effect is annexed to the 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, 2015 based on their un-audited accounts is as follows:

	Rs '000
Provident Fund	131,396
Gratuity Fund	57,325

xii) The Company arranged one orientation course for its Directors during the year. Three directors of the Company viz., Syed Babar Ali, Syed Hyder Ali and Mr. Asif Qadir are exempt from the directors training program as per clause 5.19.7 of the Code of Corporate Governance, since apart from having a minimum of 14 years of education, their experience on the board of listed companies is 15 years or more. Syed Aslam Mehdi, Mr. Kimihide Ando, Mr. Yasumasa Kondo and Mr. Khurram Raza Bakhtayari have less than 15 years of experience on the board of listed companies. Syed Aslam Mehdi and Mr. Kimihide Ando have obtained certification during the year under the directors' training program which meets the criteria specified by the Securities and Exchange Commission of Pakistan. Mr. Khurram Raza Bakhtayari and Mr. Yasumasa Kondo have been earmarked to obtain certification under the directors' training program during the next six months.

The CEO, Directors, CFO, Company Secretary and their spouses or minor children did not carry out any trade in the shares of the Company.

Meetings of Board of Directors

During the year 2015, 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)	5
2	Syed Aslam Mehdi (Chief Executive)	6
3	Mr. Asif Qadir	6
4	Syed Hyder Ali	4
5	Mr. Khurram Raza Bakhtayari	4
6	Mr. Kimihide Ando	4
7	Mr. Yasumasa Kondo	2
8	Mr. Masahiko Takahashi *	
	*(Alternate to Mr. Yasumasa Kondo)	4

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

Audit Committee

During the year 2015, four (4) meetings of the Audit Committee were held. The attendance of each member is given hereunder:

Name of member	No. of meetings attended
Mr. Asif Qadir (Chairman)	4
Mr. Khurram Raza Bakhtayari	3
Mr. Kimihide Ando	1
Mr. Yasumasa Kondo	NIL
Mr. Masahiko Takahashi*	
*(Alternate to Mr. Yasumasa Kondo)	4

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

Human Resource & Remuneration (HR&R) Committee

During the year 2015, two (2) meetings of the HR&R Committee were held. The attendance of each member is given hereunder:

Name of member	No. of meetings attended
Mr. Asif Qadir (Chairman)	2
Syed Aslam Mehdi	2
Mr. Khurram Raza Bakhtayari	2
Mr. Kimihide Ando*	1

*During the year Mr. Kimihide Ando was included as the member of HR&R Committee.

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 2,460 million in the year 2015.

Pattern of Shareholding

A statement of the pattern of shareholding of certain class of shareholders as at December 31, 2015, 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.

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.

auditors' report to the members

We have audited the annexed balance sheet of Tri-Pack Films Limited as at December 31, 2015 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

(a) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;



A.F. Ferguson & Co.
Chartered Accountants

Audit Engagement Partner: Farrukh Rehman

(b) in our opinion:

- (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
- (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
- (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

(c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, 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, 2015 and of the profit, its cash flows and changes in equity for the year then ended; and

(d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Karachi, February 25, 2016

balance sheet

As at December 31, 2015

ASSETS

NON CURRENT ASSETS

Property, plant and equipment

Intangibles

Long term deposits

CURRENT ASSETS

Stores and spares

Stock in trade

Trade debts - net

Advances and prepayments

Other receivables

Income tax - net

Cash and bank balances

TOTAL ASSETS

Note	2015	2014
	(Rupees in '000)	
4	6,731,234	7,215,407
5	6,979	8,338
	3,115	4,398
	<u>6,741,328</u>	<u>7,228,143</u>
6	348,894	384,683
7	1,293,873	1,677,648
8	1,227,890	1,523,529
9	60,024	98,440
10	114,540	220,785
	1,150,343	1,245,700
11	378,033	697,646
	<u>4,573,597</u>	<u>5,848,431</u>
	<u><u>11,314,925</u></u>	<u><u>13,076,574</u></u>

EQUITY AND LIABILITIES
SHARE CAPITAL AND RESERVES

Share Capital
Reserves

Note	2015	2014
	(Rupees in '000)	
12	300,000	300,000
	1,813,802	1,334,453
	<u>2,113,802</u>	<u>1,634,453</u>

LIABILITIES

NON-CURRENT LIABILITIES

Long term finances
Deferred tax liabilities
Accumulated compensated absences

13	3,664,793	4,515,176
14	58,725	84,738
15	30,433	27,364
	<u>3,753,951</u>	<u>4,627,278</u>

CURRENT LIABILITIES

Trade and other payables
Accrued mark-up
Short term borrowings
Current portion of long term finances

16	2,234,051	1,969,647
17	79,840	168,225
18	2,182,897	3,815,223
13	950,384	861,748
	<u>5,447,172</u>	<u>6,814,843</u>

TOTAL LIABILITIES

9,201,123 11,442,121

CONTINGENCIES AND COMMITMENTS

19

TOTAL EQUITY AND LIABILITIES

11,314,925 13,076,574

The annexed notes 1 to 39 form an integral part of these financial statements.



Syed Aslam Mehdi
Chief Executive



Asif Qadir
Director

profit and loss account

For the year ended December 31, 2015

Revenue
Cost of sales
Gross profit
Distribution costs
Administrative expenses

Operating Profit
Other income

Other expenses
Finance costs

Profit / (loss) before income tax

Income tax expense
Profit / (loss) for the year

Other comprehensive loss for the year:

Items that may be reclassified subsequently to Profit or Loss

Loss arising during the year on cash flow hedge
Add: Income tax relating to hedging reserve

Items that will not be reclassified subsequently to Profit or Loss

Remeasurements of staff retirement benefits
Income tax on items that will not be reclassified

Total comprehensive income / (loss) for the year

Earnings / (loss) per share - basic and diluted (Rupees)

The annexed notes 1 to 39 form an integral part of these financial statements.



Syed Aslam Mehdi
Chief Executive



Asif Qadir
Director

Note	2015	2014
	(Rupees in '000)	
20	11,954,171	13,597,081
21	(10,096,906)	(12,375,215)
	1,857,265	1,221,866
22	(286,228)	(400,593)
23	(342,642)	(334,422)
	(628,870)	(735,015)
	1,228,395	486,851
24	60,675	105,446
	1,289,070	592,297
25	(34,976)	-
26	(781,916)	(923,038)
	(816,892)	(923,038)
	472,178	(330,741)
27	26,013	131,095
	498,191	(199,646)
	-	(50,186)
	-	17,565
	-	(32,621)
16.6	(18,842)	(8,650)
	-	-
	(18,842)	(8,650)
	479,349	(240,917)
		(Re-stated)
28	14.86	(5.95)

statement of changes in equity

For the year ended December 31, 2015

	Issued, subscribed and paid-up share capital	RESERVES			Total Reserves	Total
		General Reserve	Hedging Reserve	Unappropriated profit / (Accumulated loss)		
(Rupees in '000)						
Balance as at January 1, 2014	300,000	1,605,000	(29,532)	(62,251)	1,513,217	1,813,217
Total comprehensive loss for the year ended December 31, 2014						
Loss after taxation for the year ended December 31, 2014	-	-	-	(199,646)	(199,646)	(199,646)
Other comprehensive loss	-	-	(32,621)	(8,650)	(41,271)	(41,271)
	-	-	(32,621)	(208,296)	(240,917)	(240,917)
Transfer to raw material - net of tax	-	-	62,153	-	62,153	62,153
Balance as at December 31, 2014	300,000	1,605,000	-	(270,547)	1,334,453	1,634,453
Total comprehensive income for the year ended December 31, 2015						
Profit after taxation for the year ended December 31, 2015	-	-	-	498,191	498,191	498,191
Other comprehensive loss	-	-	-	(18,842)	(18,842)	(18,842)
	-	-	-	479,349	479,349	479,349
Balance as at December 31, 2015	300,000	1,605,000	-	208,802	1,813,802	2,113,802

The annexed notes 1 to 39 form an integral part of these financial statements.


Syed Aslam Mehdi
 Chief Executive


Asif Qadir
 Director

cash flow statement

For the year ended December 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

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

CASH FLOWS FROM INVESTING ACTIVITIES

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

CASH FLOWS FROM FINANCING ACTIVITIES

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 increase in cash and cash equivalents

Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year

Note	2015	2014
	(Rupees in '000)	
30	2,921,863	1,184,733
	(2,555)	(17,588)
	1,283	(1,399)
	(58,422)	(50,353)
	95,357	(622,763)
	<u>2,957,526</u>	<u>492,630</u>
	(119,589)	(363,445)
	(3,662)	(3,017)
	1,095	456
	8,550	8,150
	<u>(113,606)</u>	<u>(357,856)</u>
	(761,747)	(1,225,000)
	-	1,500,000
	(1,290,735)	1,115,735
	(761,436)	(920,277)
	(8,024)	(9,578)
	<u>(2,821,942)</u>	<u>460,880</u>
	<u>21,978</u>	<u>595,654</u>
	(126,842)	(722,496)
31	<u>(104,864)</u>	<u>(126,842)</u>

The annexed notes 1 to 39 form an integral part of these financial statements.



Syed Aslam Mehdi
 Chief Executive



Asif Qadir
 Director

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 Companies Ordinance, 1984 (the Ordinance) 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 registered office of the Company is situated at 4th floor, the Forum, Suite # 416 to 422, G-20, Block-9, Khayaban-e-Jami, Clifton, Karachi.

2. SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

2.1 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.

2.2 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.3 Changes in accounting standards, interpretations and pronouncements

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

Following amendments to existing standard and interpretation have been published and are mandatory for accounting periods beginning on or after January 1, 2015 and are considered to be relevant to the Company's operations.

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirement for use across IFRSs. The requirement do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The standard will affect the determination of fair value and its related disclosures in the financial statements of the Company.

IFRS 10, 'Consolidated financial statement' replaces all of the guidance on control and consolidation in IAS 27, 'Consolidation and separate financial statement', and SIC-12, 'Consolidation - special purpose entities'. IAS 27 is renamed 'Separate financial statement', it continue to be a standard dealing solely with separate financial statements. IFRS 10 has the potential to affect all reporting entities (investors) that control one or more investees under the revised definition of control. The standard presently does not impact financial statements of the Company.



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

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2015 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 new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2016 are considered not to be relevant for Company's financial statements and hence have not been detailed here.

2.4 Staff retirement benefits

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

2.4.1 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.

2.4.2 Defined benefit plan

Gratuity plan

There is an approved funded defined benefit gratuity plan for all 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, 2015. 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 - 10% (2014: 11.25%) per annum;
- Expected rate of increase in salary levels - 9% (2014: 10.25%) per annum; and
- Expected mortality rate SLIC (2001 - 2005) mortality table.

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 profit and loss account.

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 - 9% (2014: 10.5%) per annum;
- Expected rate of increase in salary levels - 4% for first year and at 1% thenceforth (2014: 4% for first year and at 2% thenceforth) per annum; and
- Expected mortality rate SLIC (2001 - 2005) mortality table.

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

The liability recognized in the balance sheet 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 profit and loss account.

2.4.3 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 - 10% (2014: 11.25%) per annum; and
- Expected rate of increase in salary levels - 9% (2014: 10.25%) 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.



2.5 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit and 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.

2.5.1 Current

The charge for current taxation is based on the taxable income for the year, 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.

2.5.2 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 profit and loss account.

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 balance sheet 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.

2.6 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.

2.7 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 balance sheet date and adjusted to reflect current best estimate.

2.8 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.

2.9 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 profit and loss account 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, electrical installations,	5 to 10
- Furniture and fittings	10 to 20
- Office and other equipment	20 to 33.33
- 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 balance sheet 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 balance sheet 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 profit and loss account 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 profit and loss account 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 profit and loss account.

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

2.10 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.

2.11 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 balance sheet 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 profit and loss account. Reversal of impairment losses are also recognised in profit and loss account, however, is restricted to the original cost of the intangible asset.

2.12 Stores and spares

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 balance sheet date.



2.13 Stock in trade

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

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.

2.14 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.


2.15 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash on 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.

2.16 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.

2.17 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 profit and loss account in the period in which they are incurred.

2.18 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 balance sheet date. Exchange gain / loss on foreign currency translations are included in income / equity along with any related hedge effects.

2.19 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.

2.20 Financial instruments

2.20.1 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 profit and loss account 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 profit and loss account 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 balance sheet 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 balance sheet.

- (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 balance sheet date.

2.20.2 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.

2.20.3 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 and loss account 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 profit and loss account. 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 profit and loss account.

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.

2.20.4 Impairment

Impairment loss on investment other than 'available for sale' is recognised in the profit and 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 profit and loss account.

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 and loss account is removed from other comprehensive income and recognised in the profit and loss account. However, any decrease in impairment loss on securities classified as 'available for sale' is reversed through the profit and loss account and is recognised in other comprehensive income.

2.20.5 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.

2.21 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 profit and loss account, 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 profit and loss account.

Amounts accumulated in equity are reclassified to profit and loss account in the periods when the hedged item affects profit and loss account (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 profit and loss account. 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 and loss account.

2.22 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 balance sheet if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

3.1 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:



3.2 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 balance sheet date.

3.3 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 2.4 and 16.6

3.4 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 4) and intangible assets (note 5) with a corresponding affect on the depreciation charge, amortisation charge and impairment.

3.5 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 and loss account of the Company.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	2015	2014
		(Rupees in '000)	
Operating fixed assets	4.1	6,690,826	7,166,705
Capital work in progress	4.2	-	5,440
Major spare parts and stand-by equipments	4.3	40,408	43,262
		<u>6,731,234</u>	<u>7,215,407</u>

4.1 Operating fixed assets

4.1.1 The following is a 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 '000)								
Year ended December 31, 2015								
Opening net book value	185,474	999,444	5,697,429	192,342	34,038	16,710	41,268	7,166,705
Additions	6,561	1,800	100,195	3,543	6,429	2,332	6,570	127,430
Disposals - note 4.1.4	-	-	(221)	-	(104)	(67)	(6,113)	(6,505)
Depreciation charge	(4,719)	(69,651)	(476,091)	(23,579)	(7,737)	(7,669)	(7,358)	(596,804)
Closing net book value	187,316	931,593	5,321,312	172,306	32,626	11,306	34,367	6,690,826
At December 31, 2015								
Cost	218,762	1,291,470	9,717,362	315,761	77,991	72,903	77,379	11,771,628
Accumulated depreciation	(31,446)	(359,877)	(4,396,050)	(143,455)	(45,365)	(61,597)	(43,012)	(5,080,802)
Net book value	187,316	931,593	5,321,312	172,306	32,626	11,306	34,367	6,690,826
Year ended December 31, 2014								
Opening net book value	180,916	952,622	4,992,615	178,988	22,296	9,662	57,654	6,394,753
Additions	9,171	118,416	1,263,595	28,430	18,851	15,935	634	1,455,032
Disposals	-	-	-	-	(49)	(7)	(6,970)	(7,026)
Depreciation charge	(4,613)	(71,594)	(558,781)	(15,076)	(7,060)	(8,880)	(10,050)	(676,054)
Closing net book value	185,474	999,444	5,697,429	192,342	34,038	16,710	41,268	7,166,705
At December 31, 2014								
Cost	212,201	1,289,670	9,617,427	312,218	71,752	70,812	88,031	11,662,111
Accumulated depreciation	(26,727)	(290,226)	(3,919,998)	(119,876)	(37,714)	(54,102)	(46,763)	(4,495,406)
Net book value	185,474	999,444	5,697,429	192,342	34,038	16,710	41,268	7,166,705

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

	Note	2015	2014
		(Rupees in '000)	
Cost of goods manufactured	21.1	576,377	651,284
Distribution cost	22	2,847	3,170
Administrative expenses	23	17,580	21,600
		596,804	676,054

4.1.3 Operating fixed assets include assets having cost of Rs 2.75 billion (2014: Rs 1.46 billion) which were fully depreciated as at the year end.

4.1.4 Details of operating fixed assets disposed off during the year ended December 31, 2015.

The following operating fixed assets with a net book value exceeding Rs 50,000 were disposed off during the year:

Particulars	Sold to	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)
		(Rupees in '000)				
Tubewell & Pumps	Microtech	260	39	221	249	28
Vehicles (Employees)	Muhammad Nadeem	826	556	270	271	1
	Jamil Ahmed	673	452	221	221	-
	Asifa Piracha	654	440	214	214	-
	M. Arif Qazi	782	316	466	481	15
	Masoom Butt	1,298	786	512	513	1
	Khurram Javaid	701	471	230	230	-
	Kamran Qayum	859	578	281	282	1
	Kamran Qayum	470	371	99	264	165
	Kashif Abrar	684	460	224	237	13
	Shayan Azim	788	362	426	454	28
	Ahmed Adeel	782	368	414	444	30
	Rizwan Quddus	692	466	226	234	8
	Omer Ayub	726	488	238	238	-
	Mobeen Asad	726	488	238	314	76
	Imran Sadiq	726	488	238	238	-
	Nadeem Afzal	836	661	175	675	500
	Muhammad Zubair	707	476	231	232	1
	Yasir Kamal Khan	702	472	230	230	-
	Laung Khan	908	611	297	298	1
Vehicles (Outsiders by negotiation)	Noman Ahmed Siddiqui	1,010	679	331	681	350
	Noman Ahmed Siddiqui	505	340	165	394	229
	M. Saleem Alvi	517	348	169	389	220
	A. Samad Khan	646	434	212	545	333
		17,478	11,150	6,328	8,328	2,000

4.1.5 All disposals were made according to the policy of the Company.

4.2 Capital work in progress

Plant and machinery
Building and civil works

4.3 Major spare parts and stand-by equipment

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

5. INTANGIBLE ASSETS

Computer software

At January 1

Cost
Accumulated amortisation
Net book value

Additions during the year

Amortisation for the year
Net book value as at December 31

At December 31

Cost
Accumulated amortisation
Net book value

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

	2015	2014
	(Rupees in '000)	
	-	3,188
	-	2,252
	-	5,440
	43,262	39,350
	8,483	55,471
	(11,337)	(51,559)
	40,408	43,262
	44,577	41,560
	(36,239)	(30,395)
	8,338	11,165
	3,662	3,017
	(5,021)	(5,844)
	6,979	8,338
	48,239	44,577
	(41,260)	(36,239)
	6,979	8,338



6. STORES AND SPARES

Stores
Spares
Stores and spares in transit

Note	2015	2014
	(Rupees in '000)	
	40,773	72,357
	298,953	296,798
	9,168	15,528
	<u>348,894</u>	<u>384,683</u>

7. STOCK IN TRADE

Raw materials
In hand
In transit

Packing materials
Work in process
Finished goods

	744,726	908,470
	122,773	274,802
	<u>867,499</u>	<u>1,183,272</u>
	29,472	37,002
	232,886	366,517
	164,016	90,857
	<u>1,293,873</u>	<u>1,677,648</u>

8. TRADE DEBTS - NET

Unsecured

Considered good
Due from related parties
Others

8.1 & 8.2	65,402	84,076
	1,149,889	1,381,386
	<u>1,215,291</u>	<u>1,465,462</u>

Considered doubtful - others

	96,666	79,425
--	--------	--------

Secured

Considered good
Due from related parties
Others

8.1 & 8.2	1,663	4,059
	10,936	54,008
	12,599	58,067

Less: Provision for doubtful debts

8.3	1,324,556	1,602,954
	(96,666)	(79,425)
	<u>1,227,890</u>	<u>1,523,529</u>



8.1 Trade debts include the following amounts due from related parties:

Note	2015	2014
	(Rupees in '000)	
Packages Limited	65,402	84,076
Packages Lanka (Private) Limited	1,663	4,059
	<u>67,065</u>	<u>88,135</u>

8.2 These are in the normal course of business and are interest free.

8.3 Provision for doubtful debts

Balance at beginning of the year		79,425	4,675
Provision for the year - net	23	17,241	74,750
Balance at end of the year		<u>96,666</u>	<u>79,425</u>

8.4 The maximum amount receivable from any related party during the year is Rs 249.64 million (2014: Rs 240.52 million).

8.5 As at December 31, 2015, trade debts of Rs 406.83 million (2014: Rs 306.06 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:

	2015	2014
	(Rupees in '000)	
Upto 1 - 2 months	309,309	106,012
Upto 3 - 4 months	48,965	138,629
Upto 5 - 6 months	18,125	11,148
More than 6 months	30,431	50,273
	<u>406,830</u>	<u>306,062</u>

8.6 As at December 31, 2015, trade receivables of Rs 96.67 million (2014: Rs 79.43 million) were impaired and provided for. The ageing of these receivables is as follows:

	2015	2014
	(Rupees in '000)	
Upto 91 - 180 days	-	20,372
More than 180 days	96,666	59,053
	<u>96,666</u>	<u>79,425</u>

9. ADVANCES AND PREPAYMENTS

Advances, considered good - due from employees
 Advances to suppliers - considered good
 Advances to clearing agents
 Prepayments

Note	2015	2014
	(Rupees in '000)	
9.1	3,911	1,511
	27,827	39,879
	20,479	48,056
	7,807	8,994
	<u>60,024</u>	<u>98,440</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 Nil (2014: Rs 0.86 million) and Rs 4.50 million (2014: Rs 3.09 million) respectively.

10. OTHER RECEIVABLES

Sales tax recoverable
 Rebate on exports recoverable
 Security deposit
 Receivable from pension fund
 Receivable from Workers' profits participation fund
 Rebate receivable
 Car advances to employees
 Others

Note	2015	2014
	(Rupees in '000)	
	-	112,219
	61,129	53,709
	3,757	3,757
	-	3,700
16.5	-	16,071
	21,736	30,714
10.1	26,493	-
	1,425	615
	<u>114,540</u>	<u>220,785</u>

10.1 This represents car financing facility according to which an employee is provided with the car advance 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, outstanding amount is recoverable. Earlier the cars were capitalised and only the amount of salvage values were recovered from employees.

11. CASH AND BANK BALANCES

Cash with banks in
 Current accounts
 Local currency
 Foreign currency
 Cash in hand

2015	2014
(Rupees in '000)	
365,981	686,523
11,687	10,743
365	380
<u>378,033</u>	<u>697,646</u>

12. SHARE CAPITAL

NUMBER OF SHARES

Authorised

100,000,000 Ordinary shares of Rs 10 each

Issued, subscribed and paid-up

30,000,000 Ordinary shares of Rs 10 each fully paid in cash

	2015	2014
	(Rupees in '000)	
Authorised	1,000,000	1,000,000
Issued, subscribed and paid-up	300,000	300,000

12.1 Packages Limited, Mitsubishi Corporation - Japan and IGI Insurance Limited held 10,000,000 (2014: 10,000,000), 7,499,000 (2014: 7,499,000) and 1,353,416 (2014: 1,700,349) ordinary shares of the Company respectively, as at December 31, 2015.

12.2 Issue of rights shares

The Board of Directors in a meeting held on December 4, 2015 announced a rights issue at premium to the existing shareholders at a proportion of 29.33 ordinary shares for every 100 shares held. Total amount expected from the issue is Rs. 1.1 billion divided into 8,800,000 shares of Rs. 125 per share includes premium per share of Rs. 115. The right issues shall rank pari-passu with the existing ordinary shares of the Company in all respects, but shall not be entitled to dividend, if declared, for the year ended December 31, 2015. The right offers were registered in the name of the shareholders on January 15, 2016 and became available for trading from February 1, 2016. The right offer must be accepted and paid for in full to the extent of subscription on or before March 14, 2016. The rights issue is being made to improve capital structure of the Company.

Mitsubishi Corporation of Japan has declined to take up its proportion of the rights issue, which IGI Insurance Limited and Syed Hyder Ali (Director) have undertaken to subscribe, under an agreement between Mitsubishi Corporation of Japan, IGI Insurance Limited and Syed Hyder Ali (Director), subject to approval by the Competition Commission of Pakistan.


13. LONG TERM FINANCES

Secured

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

Less: Current portion of long term finances

Note	2015	2014
	(Rupees in '000)	
13.1	700,000	900,000
13.2	1,000,000	1,000,000
13.3	1,477,677	1,976,924
13.3	437,500	500,000
13.4	1,000,000	1,000,000
	4,615,177	5,376,924
	(950,384)	(861,748)
	3,664,793	4,515,176

- 
- 13.1** The Company had obtained a long term finance facility of Rs 1 billion (2014: Rs 1 billion) from a commercial bank under mark-up arrangements with its first draw down on June 1, 2012 . Mark-up was payable on a semi-annual basis at the rate of six months Karachi Inter Bank Offer Rate (KIBOR) plus 0.75% (2014: 0.75%) per annum. The effective rate of mark-up during the year was 8.80% (2014: 10.83%) per annum. The principal amount was repayable semi annually in 10 equal installments commencing after six months with a grace period of two years from the date of first draw down. The last installment of the repayment of loan will be due in the month of June 2016 .This facility was secured by first pari passu hypothecation / mortgage charges on all the Company's present and future fixed assets including but not limited to land, building, plant and machinery, equipment, furniture and fixtures, etc.
- 13.2** The Company had obtained long term finance facility of Rs 1 billion (2014: Rs. 1 billion) from a commercial bank under mark-up arrangements with Rs. 700 million under long term financing facility (LTFF) scheme provided by State Bank of Pakistan and Rs. 300 million under term loan arrangement. The first draw down from the facility was made on 8 November 2013 . Mark-up payable on LTFF facility is on a semi-annual basis at the rate of 9.5% per annum (2014: 9.5% per annum) whereas markup payable on term loan is on the rate of three months KIBOR plus 0.80% (2014: three months KIBOR plus 0.80%). The effective weighted average rate of mark-up during the year ended is 9.19% (2014: 10.83%). The principal amount is repayable in 10 equal installments commencing after six months with a grace period of two years from the date of first draw down. The last installment of the repayment of loan will be due in the month of March 2020. This facility is secured by first pari passu hypothecation / mortgage charges on all the Company's present and future fixed assets including land and buildings, plant and machinery, equipment, furniture and fixtures etc.
- 13.3** The Company had obtained long term finance facility of Rs 2.5 billion (2014: Rs. 2.5 billion) from a commercial bank under mark-up arrangement with Rs. 1,500 million under long term financing facility (LTFF) scheme provided by State Bank of Pakistan and Rs. 1 billion under term loan arrangement. The first draw down from the facility was made on 7 December 2010 . Mark-up payable on LTFF facility is on a quarterly basis from 9.2% per annum to 10.7% per annum (2014: 9.2% per annum to 10.7% per annum) whereas markup payable on term loan is from three months KIBOR plus 0.75% to six months KIBOR plus 0.75% (2014: three months KIBOR plus 0.75% to six months KIBOR plus 0.75%). The effective weighted average rate of mark-up during the year ended for the two facilities is 9.61% and 8.47% respectively (2014: 10.05% and 10.73%). The principal amount is repayable in 10 equal installments commencing after six months with a grace period of two years from the date of first draw down. The last installment of the repayment of loan will be due in the month of October 2019. This facility is secured by first pari passu hypothecation / mortgage charges on all the Company's present and future fixed assets including land and buildings, plant and machinery, equipment, furniture and fixtures etc.
- 13.4** The Company had obtained a long term finance facility of Rs 1 billion (2014: Rs 1 billion) from a commercial bank under mark-up arrangements with its first draw down on April 1, 2014 . Mark-up was payable on a semi-annual basis at the rate of three months Karachi Inter Bank Offer Rate (KIBOR) plus 0.75% (2014: 0.75%) per annum. The effective rate of mark-up during the year was 8.55% (December 31, 2014: 10.93%) per annum. The principal amount was repayable semi annually in 10 equal installments commencing after six months with a grace period of two years from the date of first draw down. The last installment of the repayment of loan will be due in the month of March 2021. This facility was secured by first pari passu hypothecation / mortgage charges on all 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 TAX LIABILITIES

(Debit) / credit balances arising from:

Accelerated tax depreciation allowance	
Amortisation allowance	
Tax loss	
Provision for accumulated compensated absences	
Provision for doubtful debts	
Minimum Tax	

Note	2015	2014
	(Rupees in '000)	
	740,280	859,213
	(6,264)	(7,008)
	(524,273)	(730,783)
	(8,619)	(8,885)
	(29,000)	(27,799)
	(113,399)	-
	<u>58,725</u>	<u>84,738</u>

15. ACCUMULATED COMPENSATED ABSENCES

Opening balance	
Expense recognised	
Payments made during the year	
Closing balance	

	27,364	33,612
	5,624	11,340
	(2,555)	(17,588)
	<u>30,433</u>	<u>27,364</u>

16. TRADE AND OTHER PAYABLES

Creditors	
Accrued liabilities	
Liability for imported goods	
Advances from customers	
Retention money	
Unclaimed dividend	
Sales Tax Payable	
Workers' profits participation fund	
Staff Retirement Benefits	
- Payable to gratuity fund	
- Payable to pension fund	
Workers' welfare fund	

16.1	33,471	106,635
16.3	520,445	305,284
16.4	1,461,747	1,427,610
	76,992	76,964
	853	853
	10,380	10,389
	55,168	-
16.5	8,675	-
16.6		
	50,174	40,203
	4,444	-
	11,702	1,709
	<u>2,234,051</u>	<u>1,969,647</u>

16.1 Creditors include Rs 2.86 million (2014: Rs 27.44 million) payable to associated undertakings.

16.2 The maximum amount due to any related party during the year is Rs 153.82 million (2014: Rs 292.64 million).

16.3 This includes amount in respect of Gas Infrastructure Development Cess (GIDC) amounting to Rs. 290.08 million (2014: Rs. 133.08 million) which has not been paid due to stay order obtained by the Company in the Honourable High Courts of Sindh and Peshawar against demand and collection under GIDC Act 2015.

16.4 The amount includes Rs. 418.96 million in relation to letter of credits under supplier financing arrangement.

16.5 Workers' profits participation fund

	2015	2014
	(Rupees in '000)	
Asset / (liability) at the beginning of the year	16,071	(1,189)
Allocation for the year	(24,983)	-
	(8,912)	(1,189)
Payments during the year	237	17,260
(Liability) / asset at the end of the year	(8,675)	16,071

16.6 Staff retirement benefits

As stated in note 2.4.2 the company operates approved funded defined benefit gratuity plan for all 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 in the respective trust deed. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at December 31, 2015.

Plan assets held in trust are governed by local regulations which mainly include Trust Act, 1882; the 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 and all trustees are employees of the company.

The latest actuarial valuations of the Plans as at December 31, 2015 were carried out using the Projected Unit Credit Method. Details of the Funds as per the actuarial valuations are as follows:

	Note	2015	2014	2015	2014
		Pension Fund		Gratuity Fund	
(Rupees in '000)					
16.6.1 The amounts recognised in the balance sheet are as follows:					
Present value of defined benefit obligation	16.6.3	58,586	56,903	116,134	94,850
Fair value of plan assets	16.6.4	(54,142)	(60,603)	(65,960)	(54,647)
Net (asset) / liability as at December 31		4,444	(3,700)	50,174	40,203
16.6.2 Net (asset) / liability as at January 1		(3,700)	1,368	40,203	27,875
Change to profit and loss account		(388)	171	15,274	12,463
Loss / (Gain) charged to other comprehensive income		8,532	(5,239)	10,310	13,889
Contribution by the Company		-	-	(15,613)	(14,024)
Net (asset) / liability as at December 31		4,444	(3,700)	50,174	40,203

16.6.3 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
Interest cost on defined benefit obligation
Benefits paid
Experience loss
Present value of defined benefit obligation as at December 31

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

Fair value as at January 1
Contributions made by employer
Income on plan assets
Return on plan assets excluding interest income
Benefits paid
Fair value of as at December 31

16.6.5 The amounts recognized in the profit and loss account are as follows:

Current service cost
Interest cost on defined benefit obligation
Interest income on plan assets

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

Experience loss
Return on plan assets excluding interest income

16.6.7 Plan assets are comprised as follows:

Debt
Equity
Cash

	2015	2014	2015	2014
	Pension Fund		Gratuity Fund	
	(Rupees in '000)			
Present value of defined benefit obligation as at January 1	56,903	50,495	94,850	81,474
Current service cost	-	-	11,630	9,751
Interest cost on defined benefit obligation	5,660	5,956	10,131	9,380
Benefits paid	(6,001)	(5,697)	(9,586)	(18,637)
Experience loss	2,024	6,149	9,109	12,882
Present value of defined benefit obligation as at December 31	58,586	56,903	116,134	94,850
Fair value as at January 1	60,603	49,127	54,647	53,599
Contributions made by employer	-	-	15,613	14,024
Income on plan assets	6,048	5,785	6,487	6,668
Return on plan assets excluding interest income	(6,508)	11,388	(1,201)	(1,007)
Benefits paid	(6,001)	(5,697)	(9,586)	(18,637)
Fair value of as at December 31	54,142	60,603	65,960	54,647
Current service cost	-	-	11,630	9,751
Interest cost on defined benefit obligation	5,660	5,956	10,131	9,380
Interest income on plan assets	(6,048)	(5,785)	(6,487)	(6,668)
	(388)	171	15,274	12,463
Experience loss	2,024	6,149	9,109	12,882
Return on plan assets excluding interest income	6,508	(11,388)	1,201	1,007
	8,532	(5,239)	10,310	13,889
Debt	25,008	21,646	27,378	34,408
Equity	28,771	34,090	37,153	12,681
Cash	363	4,867	1,429	7,558
	54,142	60,603	65,960	54,647

16.6.8 The Company ensures asset / liability matching by investing in government securities, bank deposits, mutual funds and does not use derivatives to manage its risk.

16.6.9 The expected return on respective plan assets has been determined by considering the expected returns available on the assets underlying the current investment policy.

16.6.10 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Year end sensitivity analysis on defined benefit obligation:

	2015	
	Pension Fund	Gratuity Fund
	(Rupees in '000)	
Discount rate + 100 bps	59,489	105,106
Discount rate - 100 bps	69,806	129,022
Salary increase + 100 bps	70,533	129,199
Salary increase - 100 bps	58,818	104,760

- Average expected remaining working life time of gratuity management employees is 10 years.
- Average expected remaining working life time of pension management employees is 9 years.

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied.

17. ACCRUED MARK-UP

On long term finances
On short term finances

Note	2015	2014
	(Rupees in '000)	
	65,691	84,165
	14,149	84,060
	<u>79,840</u>	<u>168,225</u>

18. SHORT TERM BORROWINGS

Secured

Short term money market loans
Short term running finance
Export re-financing loan

Short term loan

18.1	1,700,000	1,975,000
18.2	482,897	824,488
	-	280,000
	<u>2,182,897</u>	<u>3,079,488</u>
18.3	-	735,735
	<u>2,182,897</u>	<u>3,815,223</u>

- 18.1** Short term money market loans have been arranged from commercial banks as a sub-limit of the running finance facility. These facilities are secured by joint hypothecation by way of first floating charge over current assets including but not limited to stores and spares, stock in trade and trade debts. Rate of mark-up applicable to these facilities ranges between 6.58% to 10.16% (2014: 9.92% to 10.61%) per annum. The facilities are available for the maximum period of one year from the date of agreement with the latest facility expiring on 30 September 2016.
- 18.2** Short term running finances have been obtained under mark-up arrangement with banks payable on various maturity dates up to September 30, 2016. These facilities are secured by joint hypothecation by way of first floating charge over current assets including but not limited to stores and spares, stock in trade and trade debts. Rate of mark-up applicable to these facilities ranges between 7.0% to 10.81% (2014: 10.06% to 11.49%) per annum.
- 18.3** During the year the Company repaid short term loan of Rs 735.74 million, which was obtained from a commercial bank under murabaha financing arrangement.
- 18.4** Total facilities available under mark-up arrangements aggregated Rs 8.75 billion (2014: Rs 8.45 billion) out of which the amount unavailed at the year end was Rs 6.57 billion (2014: Rs 4.64 billion).

19. CONTINGENCIES AND COMMITMENTS

Contingencies

Guarantees issued by banks on behalf of the Company

	2015	2014
	(Rupees in '000)	
Guarantees issued by banks on behalf of the Company	277,436	244,786
Commitments		
Letters of credit for purchase of raw materials and spares	299,507	587,486

- 19.1** The facilities for opening of letter of credits and for guarantees as at December 31, 2015 amount to Rs 12.15 billion (2014: Rs 12.15 billion) and Rs 395 million (2014: Rs 395 million) respectively, of which the amount remaining unutilised was of Rs 10.39 billion (2014: Rs 10.14 billion) and Rs 117.56 million (2014: Rs 150.21 million) respectively.
- 19.2** In respect of tax year 2013, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 221 of the Ordinance for levy of WWF assessed as Rs. 16.30 million viz-a-viz the returned amount of Rs. 13.65 million. An application for rectification was filed against the said order with the DCIR. The Commissioner Inland Revenue (Appeals) (CIR(A)) through appellate order upheld the action of DCIR of levying WWF as per amended provisions of WWFO and direction was given to DCIR to allow proper credit of taxes paid / deducted after verification. An appeal against the said order was filed with Appellate Tribunal Inland Revenue (ATIR) on February 12, 2015. The management of the Company, based on the advice of its tax consultant, is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.
- 19.3** 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. 6.34 million. Further adjustment of minimum tax liability carried forward amounting to Rs. 42.93 million was disallowed. The Company has filed an appeal before the ATIR in respect of the matters maintained. The management of the Company, based on the advice of its tax consultant, is confident that the ultimate decision in respect of the aforementioned matter shall be made in its favour.

19.4 In respect of tax year 2009, the Commissioner Inland Revenue (Appeals) through appellate order dated May 19, 2015 has disposed off the appeal in favor 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 ATIR 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. REVENUE

	Note	2015	2014
		(Rupees in '000)	
Sale of goods:			
- Local		13,264,008	14,763,714
Less: Sales tax		(1,975,169)	(2,144,789)
		<u>11,288,839</u>	<u>12,618,925</u>
- Export		665,332	978,156
		<u>11,954,171</u>	<u>13,597,081</u>

21. COST OF SALES

Opening stock of finished goods		90,857	109,798
Cost of goods manufactured	21.1	10,170,065	12,356,274
Less: Closing stock of finished goods		(164,016)	(90,857)
		<u>10,096,906</u>	<u>12,375,215</u>

21.1 Cost of goods manufactured

Opening stock of work in process		366,517	466,456
Raw materials consumed	21.2	7,631,617	9,864,505
Salaries, wages and other benefits		518,312	443,993
Fuel, power and water		686,826	645,066
Packing materials consumed	21.3	311,575	321,280
Repairs and maintenance	21.4	175,625	175,564
Insurance		47,406	67,509
Vehicle running and maintenance		31,242	29,680
Travelling		8,719	7,715
Staff retirement benefits	21.5	37,678	35,678
Depreciation	4.1.2	576,377	651,284
Lease rentals		1,998	1,184
Others		9,059	12,877
		<u>10,402,951</u>	<u>12,722,791</u>
Less: Closing stock of work in process		(232,886)	(366,517)
		<u>10,170,065</u>	<u>12,356,274</u>

21.2 Raw materials consumed

Note	2015	2014
	(Rupees in '000)	
	1,183,272	1,710,069
	7,315,844	9,337,708
	(867,499)	(1,183,272)
	<u>7,631,617</u>	<u>9,864,505</u>

21.3 Packing materials consumed

Opening stock	37,002	21,244
Purchases	304,045	337,038
Less: Closing stock	(29,472)	(37,002)
	<u>311,575</u>	<u>321,280</u>

21.4 This includes stores and spares consumed amounting to Rs 85.74 million (2014: Rs 64.83 million).

21.5 This includes Rs 9.48 million (2014: Rs 8.14 million) in respect of contribution to provident fund, Rs 9.69 million (2014: Rs 7.96 million) in respect of gratuity fund, Rs 14.77 million (2014: Rs 13.23 million) in respect of pension fund and Rs 3.74 million (2014: Rs 6.35 million) in respect of compensated absences.

22. DISTRIBUTION COSTS

	2015	2014
	(Rupees in '000)	
Salaries, wages and other benefits	67,571	65,005
Outward freight	182,532	297,078
Travelling	6,952	8,973
Rent, rates and taxes	5,872	5,411
Repairs and maintenance	1,464	2,200
Vehicle running and maintenance	2,567	4,111
Insurance	1,967	2,013
Staff retirement benefits	22.1 8,626	8,703
Depreciation	4.1.2 2,847	3,170
Lease rentals	917	699
Other expenses	4,913	3,230
	<u>286,228</u>	<u>400,593</u>

22.1 This includes Rs 2.01 million (2014: Rs 1.82 million) in respect of contribution to provident fund, Rs 2.06 million (2014: Rs 1.42 million) in respect of gratuity fund, Rs 3.87 million (2014: Rs 3.57 million) in respect of pension fund and Rs 0.68 million (2014: Rs 1.89 million) in respect of compensated absences.

23. ADMINISTRATIVE EXPENSES

	Note	2015	2014
(Rupees in '000)			
Salaries, wages and other benefits		168,098	127,596
Rent, rates and taxes		8,669	7,412
Printing, stationery and periodicals		8,491	7,068
Postage and telephone		9,130	11,065
Repairs and maintenance		11,633	12,479
Vehicle running and maintenance		5,229	5,334
Travelling		15,920	7,629
Insurance		3,333	4,559
Staff training and development		4,848	4,385
Provision for doubtful debts	8.3	17,241	74,750
Staff retirement benefits	23.1	17,015	15,922
Auditors' remuneration	23.2	8,591	3,880
Legal and professional expenses		25,470	11,573
Depreciation	4.1.2	17,580	21,600
Amortization	5.1	5,021	5,844
Electricity, gas and water		2,948	3,758
Advertisement		1,330	722
Donations	23.3	200	630
Lease rentals		6,109	2,687
Other expenses		5,786	5,529
		342,642	334,422

23.1 Staff retirement benefits include Rs 3.41 million (2014: Rs 2.67 million) in respect of contribution to provident fund, Rs 3.52 million (2014: Rs 3.08 million) in respect of gratuity fund, Rs 8.89 million (2014: Rs 7.07 million) in respect of pension fund and Rs 1.2 million (2014: Rs 3.09 million) in respect of compensated absences.

23.2 Auditors' remuneration

	2015	2014
(Rupees in '000)		
Audit fee	1,400	1,210
Review of half yearly accounts, review of statement of compliance on best corporate practices, audit of employees' retirement funds and other special reviews	2,131	1,056
Tax services	4,633	1,218
Out of pocket expenses	427	396
	8,591	3,880

23.3 During the current year, donations were not made to any donee in which the Company or a director or his spouse had any interest.

24. 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
Exchange gain

Note	2015	2014
	(Rupees in '000)	
	1,095	456
	2,045	1,124
	51,060	31,916
	53,105	33,040
	6,475	6,851
	-	65,099
	6,475	71,950
	60,675	105,446

25. OTHER EXPENSES

Workers' profits participation fund
Workers' welfare fund

24,983	-
9,993	-
34,976	-

26. FINANCE COST

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

465,463	545,987
207,588	367,473
8,024	9,578
100,841	-
781,916	923,038

27. INCOME TAX EXPENSE

Current
For the year
For prior year
Deferred

27.2	-	-
	-	-
	-	-
	26,013	(131,095)
	26,013	(131,095)

27.1 Tax reconciliation

Profit / (loss) before income tax

Tax @ 32% (2014: 33%)

Effect of

- Minimum tax

- Final tax regime

- Tax rebate

- Income not subject to tax

- Inadmissible expenses

- Others

Effective tax rate

2015	2014
(Rupees in '000)	
472,178	(330,741)
151,097	(109,145)
-	126,508
192	(7,063)
(120,700)	(136,975)
(7,867)	(12,492)
1,574	1,732
(50,309)	6,340
(26,013)	(131,095)
(5.51)%	39.64%

27.2 The investment tax credit amounting to Rs 120.7 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. EARNINGS / (LOSS) PER SHARE - basic and diluted

Profit / (loss) after taxation attributable to ordinary shareholders

Weighted average number of ordinary shares outstanding during the year - note 28.1

Basic earnings / (loss) per share

2015	2014
(Rupees in '000)	
498,191	(199,646)
Number of shares in '000	
33,528	(Re-stated) 33,528
(Rupees)	
14.86	(Re-stated) (5.95)

28.1 The weighted average number of outstanding shares as at December 31, 2015 have increased due to the bonus element in the right issue.

There were no convertible dilutive potential ordinary shares outstanding as at December 31, 2015 and 2014.

29. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Note	2015		2014	
	Chief Executive	Executives	Chief Executive	Executives
	(Rupees in '000)			
Managerial remuneration	12,913	75,206	9,814	59,968
Bonus	11,014	35,930	6,039	11,250
Staff retirement benefits	2,583	27,955	1,961	22,351
Housing	5,811	50,705	5,294	40,642
Utilities	1,291	7,487	981	5,960
Leave passage	1,076	6,224	1,552	11,025
Medical expenses	87	3,506	177	2,319
Other allowances and benefits	10,919	45,840	1,828	22,441
	45,694	252,853	27,646	175,956
Number of persons	1	66	2	47

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

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

29.3 Remuneration to non-executive director

Aggregate amount charged in these financial statements for meetings fee to One (2014: One) non-executive director was Rs 0.3 million (2014: Rs 0.34 million).

30. CASH GENERATED FROM OPERATIONS

	2015	2014
	(Rupees in '000)	
Profit / (loss) before taxation	472,178	(330,741)
Adjustments for non-cash charges and other items:		
Depreciation	596,804	676,054
Amortization expense	5,021	5,844
Finance cost	681,075	923,038
Exchange loss / (gain) - unrealised	29,276	(22,072)



	2015	2014
	(Rupees in '000)	
Profit on bank balances	(1,095)	(456)
Provision for accumulated compensated absences	5,624	11,340
Provision for staff retirement benefits	57,695	48,963
Gain on disposal of operating fixed assets	(2,045)	(1,124)
Working capital changes	1,077,330	(126,113)
	2,449,685	1,515,474
	2,921,863	1,184,733
30.1 Working capital changes		
Decrease in current assets:		
Stores and spares	35,789	(40,809)
Stock in trade	383,775	629,919
Trade debts	295,639	255,453
Advances and prepayments	38,416	177,152
Other receivables	106,245	(93,935)
	859,864	927,780
Increase / (decrease) in current liabilities:		
Trade and other payables	217,466	(1,053,893)
	1,077,330	(126,113)
31. CASH AND CASH EQUIVALENTS		
Short term running finance	(482,897)	(824,488)
Cash and bank balances	378,033	697,646
	(104,864)	(126,842)
32. FINANCIAL INSTRUMENTS BY CATEGORY		
Financial assets		
a) Loans and receivables		
Long term deposits	3,115	4,398
Trade debts - net	1,227,890	1,523,529
Advances and prepayments	24,390	49,567
Other receivables	49,654	31,329
Cash and bank balances	378,033	697,646
	1,683,082	2,306,469

Financial Liabilities

a) Financial liabilities at amortised cost

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

	2015	2014
(Rupees in '000)		
	4,615,177	5,376,924
	2,016,516	1,840,382
	79,840	168,225
	2,182,897	3,815,223
	<u>8,894,430</u>	<u>11,200,754</u>

33. 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:

33.1 Market risk

33.1.1 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 18) and cash at bank in current accounts (note 11).

At December 31, 2015, 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:

	2015		2014	
	At higher interest rate	At lower interest rate	At higher interest rate	At lower interest rate
(Rupees in '000)				
Finance cost	(33,991)	33,991	(45,961)	45,961
Taxation	10,877	(10,877)	15,167	(15,167)
Net impact on profit after taxation	<u>(23,114)</u>	<u>23,114</u>	<u>(30,794)</u>	<u>30,794</u>



33.1.2 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 account payables (note 16) 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.

As per the Company's risk management policy, the Company hedges its exposure on firm commitment to purchase property, plant and equipment and stocks.

At December 31, 2015, 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 72.31 million (2014: Rs 55.89 million), mainly as a result of foreign exchange losses / gains on translation of financial assets and liabilities denominated in USD.

33.1.3 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.

33.2 Concentration of credit risk

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 1.68 billion (2014: Rs 2.31 billion). The management of the Company believes that it is not exposed to major concentration of credit risk.

Total bank balance of Rs 377.67 million (2014: Rs 697.27 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.

33.3 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	Between 5 to 10 years
	(Rupees in '000)				
Long term finances	6,676,109	1,263,102	1,433,123	3,497,059	482,825
Accrued mark-up	79,840	79,840	-	-	-
Short term borrowings	2,182,897	2,182,897	-	-	-
Trade and other payables	2,016,516	2,016,516	-	-	-
	<u>10,955,362</u>	<u>5,542,355</u>	<u>1,433,123</u>	<u>3,497,059</u>	<u>482,825</u>

33.4 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 divided by long term portion of debt plus total equity.

The debt equity ratios as at December 31 were as follows:

	Note	2015	2014
		(Rupees in '000)	
Long term portion of debt	13	3,664,793	4,515,176
Total equity		2,113,802	1,634,453
Total		<u>5,778,595</u>	<u>6,149,629</u>
Debt equity ratio		63:37	73:27

The decrease in the debt equity ratio is mainly due to the profit after tax during the current year.

33.5 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.

34. 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	2015	2014
		(Rupees in '000)	
Purchase of goods and services	Associated undertaking	433,327	1,498,204
Sale of goods and services	Associated undertaking	969,612	1,244,895
Contributions to staff retirement benefit funds	Retirement benefit funds	57,696	50,353
Commission earned	Associated undertaking	6,475	6,851
Salaries and other employee benefits	Key management personnel	100,481	82,254

The amounts payable to and receivable from related parties have been disclosed in the relevant notes to these financial statements.

35. PLANT CAPACITY AND ACTUAL PRODUCTION

Operational capacity

Production

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

36. NUMBER OF EMPLOYEES

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

Average number of employees during the year

Number of employees as at December 31

37. PROVIDENT FUND RELATED DISCLOSURE

The following information is based on un-audited financial statements of the Provident Fund (the Fund) as at December 31, 2015:

Size of the Fund - total assets

Cost of investment made

Fair value of investments

Percentage of investment made

	2015	2014
	(Metric tons)	
Operational capacity	83,800	82,300
Production	48,060	49,402

	2015	2014
Average number of employees during the year	420	449
Number of employees as at December 31	409	436

Note	2015	2014
	(Rupees in '000)	
Size of the Fund - total assets	142,456	129,588
Cost of investment made	111,190	91,819
Fair value of investments	134,408	127,945
Percentage of investment made	78%	71%

37.1 The break up of fair value of investment is as follows:

Shares
Bank balances
Debt securities
Mutual funds units

2015		2014	
(Rupees in '000)	Percentage	(Rupees in '000)	Percentage
629	0.5%	1,107	1%
640	0.5%	9,309	7%
54,017	40%	32,655	26%
79,122	59%	84,874	66%
<u>134,408</u>	<u>100%</u>	<u>127,945</u>	<u>100%</u>

37.2 The investment out of the Fund have been made in accordance with the provisions of Section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

38. SUBSEQUENT EVENTS

The Board of Directors in its meeting held on 17 February, 2016 proposed a final cash dividend for the year ended December 31, 2015 of Rs. 5 per share amounting to Rs. 150 million (2014: Nil) subject to the approval of the Company in the forthcoming annual general meeting.

The Finance Act, 2015 introduced income tax at the rate of 10% on undistributed reserves where such reserves of the company are in excess of its paid up capital and the company derives profits for a tax year but does not distribute requisite cash dividend within six months of the end of the said tax year. Liability in respect of such income tax, if any, is recognised when the prescribed time period for distribution of dividend expires.

39. DATE OF AUTHORISATION

39.1 These financial statements were authorised for issue on 17 February, 2016 by the Board of Directors of the Company.



Syed Aslam Mehdi
Chief Executive



Asif Qadir
Director

notice of annual general meeting

Notice is hereby given that the 24th Annual General Meeting of Tri-Pack Films Limited will be held on Thursday, March 31, 2016 at 10.30 a.m. at the Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi to transact the following ordinary business :-

1. To confirm the minutes of the Extraordinary General Meeting of the Company held on October 1, 2015.
2. To receive and adopt the Audited Accounts of the Company for the year ended December 31, 2015 together with the Directors' and Auditors' Reports thereon.
3. To consider and approve payment of cash dividend at the rate of Rs. 5.00 per ordinary share of Rs.10.00 (50%) for the year ended December 31, 2015 as recommended by the Board of Directors.
4. To appoint Auditors for the year 2016 and to fix their remuneration.

Karachi
February 17, 2016



By Order of the Board
Adi J. Cawasji
Company Secretary

Notes:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from March 24, 2016 to March 31, 2016 (both days inclusive). Transfers received in order at the office of the Company's 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 March 22, 2016 will be treated in time to attend and vote at the meeting.

2. Participation in the Annual General Meeting

All members entitled to attend and vote at the Meeting, are entitled to appoint another person in writing as their proxy to attend and vote on their behalf. A proxy need not be a member of the Company. A corporate entity, being a member, may appoint any person, regardless whether they are a member or not, as its proxy. In case of corporate entities, a resolution of the Board of Directors/Power of Attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted to the Company along with a completed proxy form. The proxy holders are requested to produce their national CNICs or original passports at the time of the Meeting.

In order to be effective, duly completed and signed proxy forms must be received at the Company's Registered Office at 4th Floor, The Forum, Suite # 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi-75600 at least 48 hours before the time of the Meeting.

3. Notice to Shareholders who have not Provided Their CNICs

As directed by the SECP through its Circular No.EMD/D-II/Misc/2009-1342 dated April 4, 2013, dividend warrants cannot be issued without valid CNICs. All shareholders holding physical shares who have not submitted their valid CNICs are requested to send attested copies of their valid CNICs along with their folio numbers to the Company's Shares Registrar. In the absence of a shareholder's valid CNIC, the Company will be constrained to withhold dispatch of dividend to such shareholders.



4. Deduction of Income Tax From Dividend

- (i) The Government of Pakistan through Finance Act, 2015 has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:
- (a) For filers of income tax returns: 12.5%
 - (b) For non-filers of income tax returns: 17.5%

To enable the Company to make tax deduction on the amount of cash dividend @12.5% instead of 17.5%, all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL, otherwise tax on their cash dividend will be deducted @17.5% instead @12.5%.

- (ii) 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. S.M. Munawar Moosvi
Tel. # 92 21 35831618 / 35831664 / 35833011
Email: munawar.moosvi@packages.com.pk

Mr. Ovais Khan
Tel. # 92 21 34380101-2
Email: ceo@famco.com.pk

- (iii) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or its Share Registrar i.e. Messrs FAMCO ASSOCIATES (PVT.) LIMITED. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

5. Payment of Dividend Electronically (E-mandate)

In order to enable a more efficient method of cash dividend (if declared), through its Circular No.8(4) SM/CDC 2008 of April 5, 2013, the SECP has announced an e-dividend mechanism where shareholders can get their dividend credited directly into their respective bank accounts electronically by authorizing the Company to do so. Accordingly, all non-CDC shareholders are requested to send their bank account details to the Company's Registrar. Shareholders who hold shares with CDC or Participants/Stock Brokers, are advised to provide the mandate to CDC or their Participants/Stock Brokers.

6. Rights Shares Not Eligible to Dividend

The Company is making an issue of 8,800,000 rights shares. These rights shares shall be allotted subsequent to the date of this Meeting and will not be eligible to dividend declared in this Meeting.



7. Audited Financial Statements Through E-mail

SECP through its Notification SRO 787(I)/2014 dated September 8, 2014, has allowed the circulation of Audited Financial Statements along with the Notice of Annual General Meeting to the members of the Company through email. Therefore, all members who wish to receive the soft copy of Annual Report are requested to send their email addresses. The consent form for electronic transmission can be downloaded from the Company's website: www.tripack.com.pk.

The Company shall, however, provide hard copy of the Audited Financial Statements to its shareholders, on request, free of cost, within seven days of receipt of such request.

The Company shall place the financial statements and reports on the Company's website: www.tripack.com.pk at least twenty one (21) days prior to the date of the Annual General Meeting in terms of SRO 634(I)/2014 dated July 10, 2014 issued by the SECP.

8. Change of Address and Non-deduction of Zakat Declaration Form

Physical shareholders are requested to notify any change in their addresses immediately and if applicable provide their non-deduction of Zakat Declaration Form to the Company's Shares Registrar, Messrs FAMCO ASSOCIATES (PVT.) LIMITED. Furthermore, if not provided earlier, members holding shares in CDC/Participants accounts are also requested to update their addresses and if applicable, to provide their non-deduction of Zakat Declaration Form to CDC or their Participants/Stock Brokers.

9. Video Conference Facility

In this regard, please fill the following form and submit to registered address of the Company 10 days before holding of the Annual General Meeting.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference 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.

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

Signature of member

10. Guidelines for CDC Account Holders

CDC account holders will have to follow the guidelines with respect to attending the Meeting and appointing of Proxies as issued by the Securities and Exchange Commission of Pakistan through its Circular 1 of January 26, 2000.

11. 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 are mentioned on the forms.

glossary

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



نظام بینک الیکٹرانک

ساتھ اجازت نامہ کی اطلاع

ذیل کی معلومات کے ساتھ بینکنگ سروس فراہم کرنے والے بینکوں کو درخواست دہندگان کے ناموں کی فہرستوں کی اجازت نامہ فراہم کیا جائے گا۔

1. ایک ایسی فہرست جو بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں پر مشتمل ہوگی۔
2. ایک ایسی فہرست جو بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں پر مشتمل ہوگی۔
3. ایک ایسی فہرست جو بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں پر مشتمل ہوگی۔

بینکنگ سروس فراہم کرنے والے
بینکوں کے ناموں کی فہرست

1. بینکنگ سروس فراہم کرنے والے
بینکوں کے ناموں کی فہرست

2. بینکنگ سروس فراہم کرنے والے
بینکوں کے ناموں کی فہرست

3. بینکنگ سروس فراہم کرنے والے
بینکوں کے ناموں کی فہرست

4. بینکنگ سروس فراہم کرنے والے
بینکوں کے ناموں کی فہرست

5. بینکنگ سروس فراہم کرنے والے
بینکوں کے ناموں کی فہرست

6. بینکنگ سروس فراہم کرنے والے
بینکوں کے ناموں کی فہرست

1. بینکنگ سروس فراہم کرنے والے
بینکوں کے ناموں کی فہرست

ذیل کی معلومات کے ساتھ بینکنگ سروس فراہم کرنے والے بینکوں کو درخواست دہندگان کے ناموں کی فہرستوں کی اجازت نامہ فراہم کیا جائے گا۔

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2. ایک ایسی فہرست جو بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں پر مشتمل ہوگی۔

3. ایک ایسی فہرست جو بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں پر مشتمل ہوگی۔

4. ایک ایسی فہرست جو بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں پر مشتمل ہوگی۔

5. ایک ایسی فہرست جو بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں پر مشتمل ہوگی۔

1. بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں کی فہرست
2. بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں کی فہرست
3. بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں کی فہرست

6. ایک ایسی فہرست جو بینکنگ سروس فراہم کرنے والے بینکوں کے ناموں پر مشتمل ہوگی۔

پیٹرن آف شیئر ہولڈنگ

Pattern of Shareholding

کمپنی میں 31 دسمبر 2015ء تک مخصوص افراد کی شیئر ہولڈنگ کی تفصیلات جو رپورٹنگ فریم ورک کا تقاضا ہے رپورٹ میں شامل ہیں۔ یہ تفصیلات حصص یافتگان کے بارے میں معلومات پر مبنی صفحے میں دی گئی ہیں۔

ایکسٹرنل آڈیٹرز

(External Auditors)

موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور انہوں نے اپنی اہلیت کی بنیاد پر خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ سالانہ اجلاس عام تک باہمی رضامندی سے طے پانے والے مشاہرے (فیس) کے عوض تقرری کی تجویز پیش کرتا ہے۔

اعتراف تعاون / اظہار تشکر

(Acknowledgement)

ہم اپنے قابل قدر اسٹیک ہولڈرز بشمول گاہکوں، بینکنس، سپلائرز، کنٹریکٹرز اور حصص یافتگان کی بھرپور مدد اور کیے جانے والے اعتماد پر ان کے شکر گزار ہیں۔ اس پورے عرصے میں انتھک محنت اور لگن کے ساتھ فرائض کی ادائیگی کے لیے ہم اپنے ملازمین کے بھی انتہائی مشکور ہیں۔

سید اسلم مہدی

سید اسلم مہدی

چیف ایگزیکٹو

کراچی۔ 17 فروری، 2016ء

رکن کا نام	اجلاسوں میں حاضری
جناب آصف قادر (چیئر مین)	4
جناب خرم رضا مختیاری	3
جناب کمی ہانڈ آندو	1
جناب یاسو ماسا کوندو	صفر
جناب ماسا ہیکوتا کاہاشی	4
(جناب یاسو ماسا کوندو کے متبادل)	

آڈٹ کمیٹی کے اجلاس میں شرکت نہ کر سکنے والے ارکان کی رخصت کی منظوری دی گئی۔

ہیومن ریسورس اینڈ ریمریٹیشن کمیٹی

Human Resource & Remuneration (HR&R) Committee

سال 2015ء میں ایچ آر اینڈ آر (HR&R) کمیٹی کے 2 اجلاس ہوئے۔ ہر رکن کی اجلاس میں حاضری درج ذیل ہے۔

رکن کا نام	اجلاسوں میں حاضری
جناب آصف قادر (چیئر مین)	2
سید اسلم مہدی	2
جناب خرم رضا مختیاری	2
جناب کمی ہانڈ آندو	1

دوران سال جناب کمی ہانڈ آندو کو ایچ آر اینڈ آر (HR&R) کمیٹی کا رکن مقرر کیا گیا۔

قومی خزانے میں ادائیگی

(Contribution to National Exchequer)

سال 2015ء میں آپ کی کمپنی نے قومی خزانے میں سیلز ٹیکس، کسٹمز ڈیوٹی اور انکم ٹیکس وغیرہ کی مد میں تقریباً 2,460 ملین روپے جمع کرائے۔

بورڈ آف ڈائریکٹرز کے اجلاس
(Meetings of Board of Directors)

سال 2015ء کے دوران بورڈ آف ڈائریکٹرز کے 6 اجلاس منعقد ہوئے۔ اجلاس میں ہر ڈائریکٹر کی حاضری کی تفصیل کچھ اس طرح ہے۔

نمبر شمار	ڈائریکٹر کا نام	اجلاسوں میں شرکت
1	سید بابر علی (چیئر مین)	5
2	سید اسلم مہدی (چیف ایگزیکٹو)	6
3	جناب آصف قادر	6
4	سید حیدر علی	4
5	جناب خرم رضا بختیاری	4
6	جناب کمی ہانڈ آندو	4
7	جناب یاسو ماسا کوندو	2
8	جناب ماسا ہیکوتا کاشی (جناب یاسو ماسا کوندو کے متبادل)	4

جو ڈائریکٹرز بورڈ کے اجلاسوں میں شرکت نہیں کر سکے ان کی رخصت کی منظوری دی گئی۔

آڈٹ کمیٹی
(Audit Committee)

سال 2015ء میں آڈٹ کمیٹی کے 14 اجلاس منعقد ہوئے۔ ان اجلاسوں میں ہر رکن کی حاضری اس طرح رہی۔

(vii) کمپنی کے گذشتہ دس سال کے آپریٹنگ اور مالیاتی اعداد و شمار رپورٹ میں شامل ہیں۔

(viii) ٹیکسز اور محصولات کے بارے میں معلومات فنانشل اسٹیٹمنٹس کے نوٹس میں دی گئی ہیں۔

(ix) ایک ترقی کرتے ہوئے ادارے کی حیثیت سے کمپنی کی اہلیت پر شبہ نہیں کیا جاسکتا۔

(x) لسٹنگ ریگولیشنز میں دیے گئے کارپوریٹ گورننس کے بہترین طریقوں اور اصولوں سے انحراف نہیں کیا گیا۔

(xi) پراویڈٹ اور گریجویٹ فنڈز کی سرمایہ کاری کی مالیت کی قدر 30 جون 2015 پر (غیر آڈٹ شدہ) حسب ذیل ہے

(000' روپے میں)

131,396 روپے

پراویڈٹ فنڈ

57,325 روپے

گریجویٹ فنڈ

(xii) کمپنی نے دوران سال اپنے ڈائریکٹرز کے لیے ایک آگاہی کورس کا اہتمام کیا۔ تین ڈائریکٹرز جن

میں سید بابر علی، سید حیدر علی اور جناب آصف قادر کو ڈی آف کارپوریٹ گورننس کی شق 5.19.7 کے

تحت ڈائریکٹرز ٹریننگ پروگرام سے مستثنیٰ ہیں کیوں کہ انہیں 14 سال کی تعلیم کے ساتھ ساتھ لٹریچر کمپنیز

کے بورڈز پر 15 سال یا اس سے زیادہ عرصہ رہنے کا تجربہ ہے۔ سید اسلم مہدی، جناب کمی ہانڈ آندو

جناب یاسو ماسا کوندو اور جناب خرم رضا بختیاری کا تجربہ لٹریچر کمپنیوں کے بورڈز پر 15 سال سے کم

ہے۔ اس سال سید اسلم مہدی اور جناب کمی ہانڈ آندو نے ڈائریکٹرز ٹریننگ پروگرام کے تحت

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے مقرر کردہ معیار کے مطابق سند حاصل کی ہے۔

جناب خرم رضا بختیاری اور جناب یاسو ماسا کوندو آئندہ چھ ماہ میں یہ سند حاصل کریں گے۔

کمپنی کے چیف ایگزیکٹو آفیسر (CEO)، ڈائریکٹرز، کمپنی سیکرٹری اور ان کی ازواج یا ان کے بچوں نے کمپنی

کے شیئرز میں کوئی لین دین (سودا) نہیں کیا۔

کارپوریٹ گورننس کا ضابطہ اخلاق (Code of Corporate Governance)

پاکستان اسٹاک ایکسچینج لسٹنگ ریگولیشنز میں شامل کوڈ آف کارپوریٹ گورننس اختیار کیا گیا ہے اور اس کی تعمیل کی جاتی ہے۔ اس حوالے سے ایک بیان رپورٹ میں شامل کیا گیا ہے۔

کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک (Corporate and Financial Reporting Framework)

- (i) کمپنی کی جانب سے تیاری کی گئی مالیاتی تفصیلات (Financial Statements) کمپنی کی صورت حال، کاروباری نتائج، نقد قوم کی آمد اور ایکویٹی میں رد و بدل کی صحیح تصویر پیش کرتی ہیں۔
- (ii) کمپنی کے حساب کتاب اور کھاتوں کو مناسب طریقے سے رکھا جا رہا ہے۔
- (iii) مالیاتی اسٹیٹمنٹس اور اکاؤنٹنگ کے تخمینوں کی تیاری میں درست اکاؤنٹنگ پالیسیز پر عمل کیا جا رہا ہے سوائے ان تبدیلیوں کے جن کا ذکر مالیاتی اسٹیٹمنٹس کے نوٹس میں کیا گیا ہے۔ اکاؤنٹنگ پالیسیز کی بنیاد معقولیت اور دائمی برائی فیصلے ہیں۔
- (iv) فنانشل اسٹیٹمنٹس کی تیاری میں پاکستان میں موثر اور نافذ انٹرنیشنل فنانشل رپورٹنگ کے معیارات اختیار کیے گئے ہیں۔
- (v) داخلی کنٹرول کا نظام ڈیزائن کے اعتبار سے محفوظ ہے جسے موثر طریقے سے نافذ کیا گیا ہے اور اس کی نگرانی کی جاتی ہے۔ انٹرنل آڈٹ اور مانیٹرنگ کے دوسرے طریقوں سے اس نظام کی مسلسل نگرانی کی جاتی ہے۔ داخلی کنٹرول کی نگرانی ایک مسلسل عمل ہے جس کا مقصد کنٹرول کو مزید مضبوط اور موثر بنانا ہے۔
- (vi) گزشتہ برس کے مقابلے میں اس سال کے کمپنی کے کاروباری نتائج میں آنے والی نمایاں تبدیلیاں مستقبل کے اہم منصوبے، فیصلے اور منفعات کے امکانات کی تفصیلات رپورٹ میں شامل کی گئی ہیں۔

حکمت عملی یہ ہے کہ ہمارا ملازم ہم پر اعتماد کرے۔ ہم اپنا جائزہ لینے اور یہ جاننے کے لیے ملازمین سے سروے کرتے ہیں کہ کمپنی میں رہتے ہوئے اس کے اطمینان اور ہم پر اعتماد کی سطح کیا ہے۔ اس طرح ہمیں دوسری بڑی کمپنیوں سے اپنا موازنہ کرنے اور خود کو بہتر بنانے کے طریقے تلاش اور اختیار کرنے میں مدد ملتی ہے۔

آپ کی کمپنی یہ یقین رکھتی ہے کہ اس کی کامیابی اور مسابقتی اہلیت کا انحصار تنوع اپنانے کی صلاحیت میں ہے۔ کام کی جگہ پر ایسا ماحول پیدا کرنا، جہاں لوگوں سے عزت و احترام سے پیش آیا جائے اور بلا تفریق رنگ و نسل، شہریت، قومیت، صنف، عمر، ازدواجی حیثیت، جنسی رجحان، معذوری، مذہب یا سیاسی نظریات و عقائد سب کے لیے یکساں مواقع ہوں اور حوصلہ افزائی کی جائے۔

کمپنی نے چارٹرڈ اکاؤنٹنٹس کی تربیت کے لیے انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس ان انگلینڈ اینڈ ویلز (ICAEW) کے مجاز ٹریڈرز کے پیپل کی خدمات حاصل کی ہیں۔

معیار انتظام (Quality Management)

دوران سال آپ کی کمپنی نے نافذ العمل معیارات پر پوری طرح عمل کیا۔

مزید یہ کہ مشینوں کی کارکردگی بہتر بنا کر پیداوار میں اضافہ کیا گیا اور دوران پیداواری عمل ضیاع کو کم کرنے کے لیے ٹوٹل پروڈکٹیو مینٹیننس (TPM) کو فروغ دیا گیا اور سال کے دوران تمام پلانٹس میں چھ سیشنز منعقد کیے گئے جن سے سارے کارکنوں نے استفادہ کیا۔

متعلقہ کاروباری فریق / کاروباری شریک (Related Parties)

کاروباری شریکوں سے تمام لین دین غیر جانبداری سے کیا جاتا ہے۔ ایسے تمام لین دین کی مکمل فہرست ہر سہ ماہی آڈٹ کمیٹی کو فراہم کر دی جاتی ہے۔ کمیٹی کی نظر ثانی کے بعد لین دین کی فہرست غور اور منظوری کے لیے بورڈ کے سامنے پیش کی جاتی ہے۔

چاہتے ہیں۔ یہ نہ صرف روزگار دینے اور ٹیکسوں کے ذریعے حکومت کی آمدنی بڑھانے والی مقامی صنعت کو نقصان پہنچانے کا سبب ہیں بلکہ ٹیکسوں اور ڈیوٹیوں کی مد میں سرکاری خزانے کو بھی نقصان پہنچا رہے ہیں۔

کیش فلو کی حکمت عملی (Cash Flow Strategy)

زیر جائزہ مدت میں 3 بلین روپے کمپنی کی کاروباری سرگرمیوں سے حاصل ہوئے۔ (2014: 493 ملین روپے) یہ رقم بنیادی طور پر مالیاتی لاگت (Financial Cost) اور طویل المیعاد قرضوں کی ادائیگی پر خرچ کی گئی۔

کمپنی نے حصص یافتگان کے لیے اپنے پہلے رائٹ شیئرز کے اجراء کا اعلان کیا جو 2016ء کی دوسری سہ ماہی میں مکمل ہو جائے گا۔ اس طرح حاصل ہونے والی رقم بینکوں کے قرضوں اور سپلائرز کے ڈیٹ کی ادائیگی پر خرچ کی جائے گی تاکہ ایکسیچج رسک کم کیا جاسکے۔ اس کے علاوہ حاصل ہونے والی رقم سے قرض اور ایکویٹی کے تناسب پر مثبت اثر ہوگا اور قرضوں کی لاگت میں کمی آئے گی۔ اس کے ساتھ ہی کاروباری سرمائے کا موثر انتظام جاری رہے گا تاکہ نقد رقوم کی آمد (Cash Inflows) بہتر بنائی جاسکے۔

انتظامی اطلاعاتی نظام (Management Information System)

ای آر پی (ERP) نظام کے موثر استعمال کے لیے مسلسل بہتری لائی جا رہی ہے تاکہ کنٹرولز کو بہتر بنا کر کارکردگی اور مالیاتی اطلاعات کی درستگی کو یقینی بنایا جاسکے۔ یہ (کوشش) کمپنی کے اس عزم کی آئینہ دار ہے جس کا مقصد انفارمیشن ٹیکنالوجی کے ڈھانچے کو کاروبار اور رپورٹنگ کے چیلنج کا سامنا کرنے کے قابل بنانا ہے۔

افراد قوت/انسانی وسائل (Human Resource)

ادارے سے وابستہ افراد ہماری حکمت عملی کے ہر پہلو کا اہم حصہ ہیں۔ ہماری کوشش ہے کہ معیاری افراد کو اپنی طرف متوجہ کریں، ان کی صلاحیتوں کو جلا بخشیں اور انہیں اپنے ساتھ رکھیں تاکہ ہم اپنے صارفین کو بہتر خدمات فراہم کر سکیں۔ ہم اس بات پر یقین رکھتے ہیں کہ ایک کاروبار کی حیثیت سے ترقی کرتے ہوئے ہمارے لوگ بھی ترقی کریں۔ افراد کو قابل اور کام کے لائق بنا کر اچھے کاروباری نتائج حاصل کریں۔ ہماری کام کرنے کی

ڈائریکٹرز نے 50 فیصد یعنی 5 روپے فی شیئر نقد منافع تجویز کیا ہے۔ (صفر: 2014ء)

مستقبل کا منظر نامہ (Future Outlook)

مثبت اقتصادی اشاریوں کے ساتھ توقع ہے کہ 2016ء میں کاروباری سرگرمیاں بہتر ہوں گی۔ افراط زر اور سود کی موجودہ شرح کے نتیجے میں توقع ہے کہ پخت کی سطح بہتر رہے گی۔ موجودہ تناظر میں ہم توقع کر رہے ہیں کہ ایف ایم سی جی (FMCG) سیکٹر میں شرح نمو 6 تا 7 فیصد رہے گی۔

رسد کے اعتبار سے خام مال کی قیمتوں میں کمی کے موجودہ رجحان کو دیکھتے ہوئے توقع ہے کہ سال 2016ء کی پہلی سہ ماہی کے اختتام تک قیمتیں مستحکم ہو جائیں گی۔ تب تک ہماری قیمتیں مچھی سطح پر رہیں گی۔ تاہم اس کا بڑی حد تک انحصار تیل کی قیمتوں کے رجحان اور قیمتوں کی موجودہ سطح پر پلائس کے پیداواری تسلسل پر ہے۔

صحت، حفاظت اور ماحولیات (HSE) کے انتظامی نظام میں بہتری، آگاہی اور تعمیل کمپنی کی ترجیح رہے گی۔ اس مقصد کے لیے بعض تنظیمی تبدیلیاں کی جا رہی ہیں۔ ہم ”منی آن دی فلور“ کے اپنے نعرے پر کمپنی اور صارفین کے لیے تقسیم قدر کی خاطر انحصار جاری رکھیں گے۔

مارکیٹ میں طلب سے زیادہ رسد اور کم قیمتوں کی وجہ سے 2016ء ایک چیلنجنگ (Challenging) سال ہوگا۔ اس آگاہی کے ساتھ ہماری توجہ کاروباری سرمائے (ورکنگ کیپٹل) کے مضبوط انتظام، لاگت کاروبار میں کمی اور ضیاع میں کمی (Waste Reduction) پر ہوگی۔ اس مرحلے پر نئی مصنوعات کی تیاری پر خاص توجہ دی جائے گی۔

اچھی خبر یہ ہے کہ ہمارے بڑے صارفین پیکیجنگ کی صنعت کے مستقبل کے بارے میں بہت پر امید ہیں اور انہوں نے پرنٹنگ اور کنورٹنگ کی جدید مشینوں و آلات میں سرمایہ کاری کے عزم کا اظہار کیا ہے۔ ٹرائی بیک پیکیجنگ کی صنعت کے صارفین سے قریبی تعاون کے ذریعے ترقی میں اپنا اہم کردار دیکھتی ہے۔

اس موقع سے فائدہ اٹھاتے ہوئے ہم وزارت تجارت، وزارت خزانہ اور فیڈرل بورڈ آف ریونیو (FBR) کی توجہ افغان ٹرانزٹ ٹریڈ اور دیگر ذرائع بشمول ایکسپورٹ پروسیڈنگ زون سے ہونے والی غیر قانونی درآمدات پر دلانا

دوران سال خام مال کی قیمتوں میں نمایاں اتار چڑھاؤ دیکھا گیا۔ اس اتار چڑھاؤ کی وجہ صرف تیل کی قیمتیں نہیں بلکہ طلب اور رسد بھی اس کی وجہ رہی۔ خام مال کی قیمتوں میں عدم استحکام کے نتیجے میں مارجن برقرار اور قیمتوں کو متوازن رکھنا بڑا چیلنج تھا۔

افغان ٹرانزٹ ٹریڈ اور دوسرے ذرائع سے ہونے والی درآمدات خصوصاً بی او پی پی (BOPP) فلمز اور سی پی پی (CPP) کی رسد زیادہ ہونے سے ہمارے کاروبار کے حجم پر بڑے اثرات مرتب ہوئے۔ دوران سال بی او پی پی (BOPP) کی مقامی طلب کا تقریباً 7 فیصد غیر قانونی درآمدات سے پورا کیا گیا جو ڈیوٹیز اور ٹیکس ادا کیے بغیر سستے داموں بیچی گئیں۔

درج بالا شدید منفی حالات کے باوجود سال کے دوران ہماری مقامی فروخت کا حجم 2014ء کی سطح پر برقرار رہا تاہم مجموعی فروخت بشمول برآمدات 47004 ٹن رہیں جو 2014ء کے مقابلے میں 3 فیصد کم ہیں۔ ہماری فروخت کے حجم کا تعلق ایف ایم سی جی (FMCG) کی نمو سے ہے اور ایسا لگتا ہے کہ کئی ایف ایم سی جی (FMCG) کمپنیوں کے کاروباری حجم میں اضافہ گزشتہ برسوں سے کم رہا ہے۔

کاروبار کے بدلتے ہوئے تقاضوں کو پورا کرنے کی خاطر آپ کی کمپنی نئی مصنوعات کی تیاری پر سرگرمی سے کام کر رہی ہے تاکہ صارفین کے لیے قدر میں اضافہ اور مارکیٹ میں اپنا حصہ بڑھایا جاسکے۔

ہماری طرف سے ایٹنی ڈمپنگ ڈیوٹی (ADD) کے لیے نظر ثانی کی درخواست پر نیشنل ٹیرف کمیشن (NTC) نے کم قیمت پر ڈمپنگ کے خلاف تحقیقات شروع کر دی ہیں۔

مالیاتی جھلکیاں

(Financial Highlights)

گذشتہ برس کے مقابلے میں زیر نظر سال میں فروخت کاری سے ہونے والی خالص آمدنی 12 فیصد کم رہی۔ جس کی بڑی وجہ خام مال کی قیمتیں گرنے کے نتیجے میں قیمتوں میں آنے والی کمی ہے۔

آپ کی کمپنی اوپر بیان کی گئی مشکلات سے آگاہ ہے اور استعداد کار پر خصوصی توجہ دے کر اس کے اثرات کو جزوی طور پر کم کیا گیا ہے۔ اس کے لیے بروقت موثر اقدام کیے گئے ہیں۔ خریداری کی بہتر حکمت عملی اختیار کی گئی، بہتر موثر اقدام کیے گئے، بروقت کاروباری فیصلوں اور دو بدل کے نتیجے میں گزشتہ برس کے مقابلے میں بہتر نتائج حاصل ہوئے اور مجموعی منافع گزشتہ برس کے مقابلے میں 52 فیصد زیادہ رہا۔

اس مدت میں انتظامی اور فروخت کاری کے اخراجات میں 14 فیصد کمی ہوئی، جس کی بڑی وجہ ترسیل کے اخراجات میں کمی ہے جو تیل کی قیمتوں میں کمی اور ٹرانسپورٹیشن کے ٹیکوں پر نظر ثانی کے نتیجے میں ممکن ہوئے۔

گذشتہ برس کے مقابلے میں مالیاتی لاگت 15 فیصد کم رہی۔ روپے کی قدر میں اہم کرنسیوں کے مقابلے میں ہونے والی کمی کے نتیجے میں ہونے والے نقصان کو نکال کر مالیاتی لاگت 26 فیصد کم رہی، جس کی وجہ مارک اپ کی کم شرح اور کاروباری سرگرمیوں سے نقد رقوم کی آمد میں نمایاں اضافہ ہے اور جبکہ کاروباری سرمائے پر مسلسل توجہ دی گئی۔ اس کے نتیجے میں کمپنی نے زیر جائزہ سال میں 498 ملین روپے بعد از ٹیکس منافع کمایا۔ (2014ء میں بعد از ٹیکس خسارہ 200 ملین روپے تھا)

زیر جائزہ سال میں کاروبار سے نقد رقوم کی آمد 3 بلین روپے رہی جو گزشتہ برس کی 493 ملین روپے سے نمایاں طور پر زیادہ رہی۔

2014 2015

48,226	47,004	فروخت کا حجم (میٹرک ٹن میں)
13,597	11,954	فروخت کی خالص مالیت (روپے ملین میں)
1,222	1,857	مجموعی منافع (روپے ملین میں)
(200)	498	خالص منافع/نقصان (روپے ملین میں)
(5.95)*	14.86	آمدنی فی حصص (EPS)

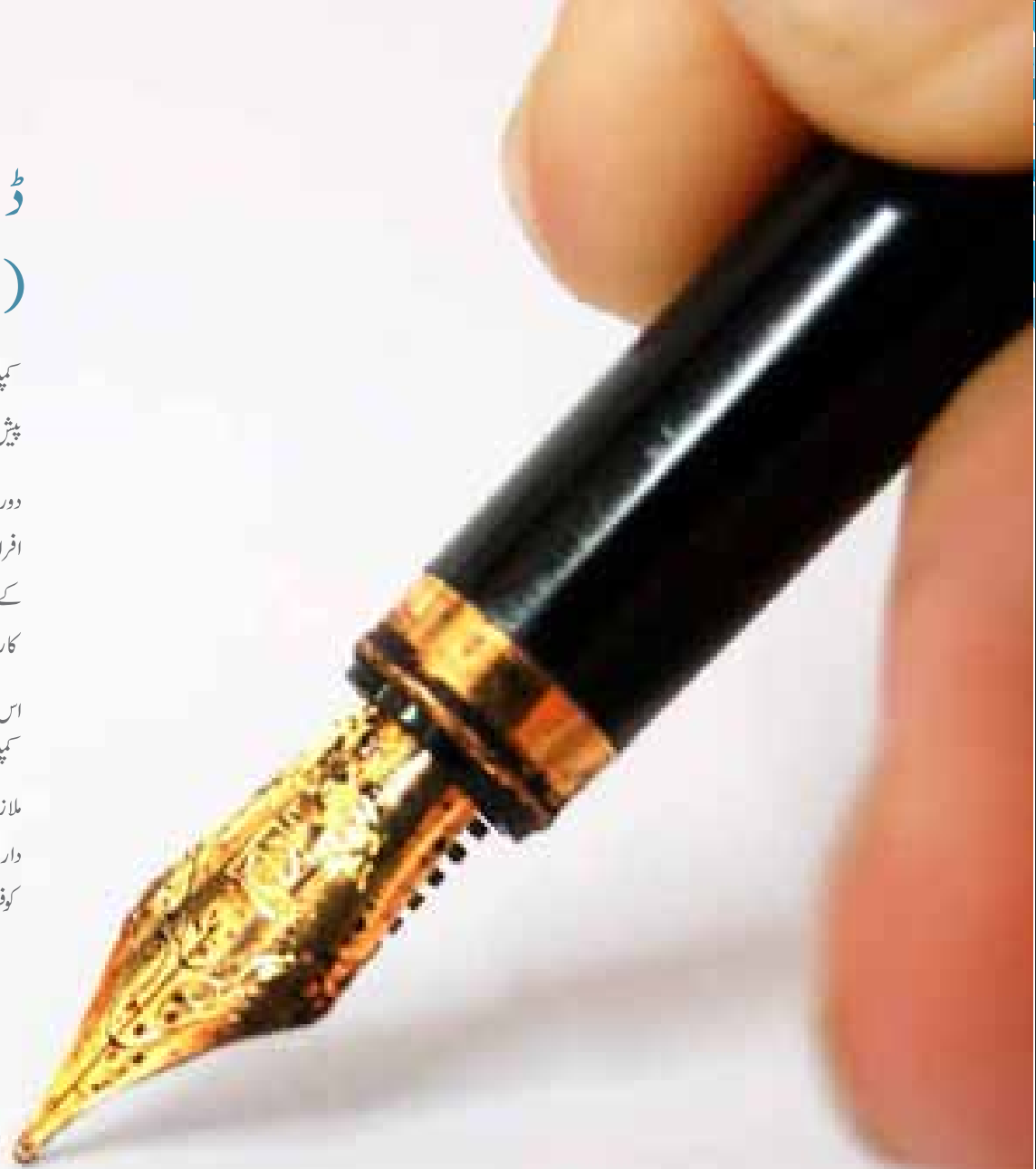
* Re-stated

ڈائریکٹرز رپورٹ برائے حصص یافتگان (ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز)

کمپنی کے ڈائریکٹرز 31 دسمبر 2015ء کو ختم ہونے والے سال کی رپورٹ اور کمپنی کے آڈٹ شدہ حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

دوران سال اقتصادی اشاریے مثبت رہے۔ مجموعی قومی پیداوار (GDP) میں توقع سے بڑھ کر بہتری رہی۔ افراط زر کی شرح اور شرح سود (مارک اپ) میں کمی واقع ہوئی۔ توانائی کی قلت پورے سال کاروباری ماحول کے لیے چیلنج بنی رہی۔ اس سے بڑھ کر افغان ٹرانزٹ اور دیگر غیر قانونی ذرائع سے بغیر ڈیوٹی اور ٹیکس درآمدات کاروباری حجم بڑھانے میں رکاوٹ بنی رہیں۔

اس سال بھی ملازمین اور کارکنوں کی صحت، کام کے دوران تحفظ اور ماحولیات (HSE) کے معیار برقرار رکھنا کمپنی کی اہم ترجیحات میں شامل رہے ہیں۔ تاہم سال کے آخر میں کام کے دوران ایک حادثے میں ایک ملازم کا بازو ٹوٹ گیا۔ متاثرہ کارکن تیزی سے صحت یاب ہو رہا ہے اور امید ہے کہ وہ جلد ہی اپنی دفتری ذمے داریاں سنبھال لے گا۔ اس حادثے کی تحقیقات کی گئی اور حادثے کی وجوہات پر مبنی رپورٹ ایکزیکیوٹو مینجمنٹ ٹیم کو فراہم کر دی گئی ہے۔





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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 Thursday,
March 31, 2016 at 10.30 a.m. at the Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi and at any adjournment thereof.

Signed thisday of.....2016

WITNESSES:

Signature

1. Signature: _____
Name: _____
Address: _____

CNIC or _____
Passport No: _____

2. Signature: _____
Name: _____
Address: _____

CNIC or _____
Passport No: _____

Signature



(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.



AFFIX
CORRECT
POSTAGE

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.

میں / ہم _____
 ساکن _____ بطور ٹرائی پیک فلم لمیٹیڈ
 رکن و حامل _____ عام حصص بمطابق شیئرز رجسٹرڈ فولیو نمبر _____ اور ایسی ڈی سی کے شراکتی آئی ڈی نمبر _____
 اور ذیلی کھاتہ نمبر _____ ساکن _____ یا بصورت دیگر _____
 ساکن _____ یا بصورت دیگر _____ ساکن _____

کو اپنی جگہ بروز جمعرات مورخہ 31 مارچ 2016 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 ہوں۔
 دستخط کیے گئے مورخہ _____ 2016

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 کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پراکسی فارم
 کے ساتھ کمپنی میں جمع کرائیں۔





Tri-Pack Films Limited

Registered Office:

4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton,
Khayaban-e-Jami, Karachi-75600, Pakistan.
Tel: 92 21-3587 4047-49, 3583 1618
Fax: 92 21-3586 0251

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