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FINANCIAL
3RD QUARTER
2019

ROSHAN
Packages Limited.

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Company Information

Company Name: Roshan Packages Limited

Status: Public Listed Entity

CUIN: 0044226

NTN: 1436951-6

STRN: 03-01-4819-303-73

Board of Directors

Mr. Khalid Eijaz Qureshi
Chairman

Mr. Tayyab Aijaz
Chief Executive Officer

Mr. Saadat Eijaz
Executive Director

Mr. Muhammad Naveed Tariq
Independent / Non-Executive Director

Mr. Quasim Aijaz
Non-Executive Director

Mr. Zaki Aijaz
Non-Executive Director

Mrs. Ayesha Mussadaque Hamid
Independent / Non-Executive Director

Company Secretary

Mr. Muhammad Adil, FCMA

Chief Financial Officer (CFO)

Mr. Syed Hamza Gillani, ACA

Tax Consultant

A.F Ferguson & Co.

Bankers

Allied Bank Limited

Askari Bank Limited

Dubai Islamic Bank Limited

Bank of Punjab

Habib Bank Limited

MCB Bank Limited

Meezan Bank Limited

United Bank Limited

Registered Office

325 G-III MA Johar Town, Lahore

Phone: +92-42-35290734-38

Fax: +92-42-35290731

Factory

Corrugation: 7-KM Sunder Raiwind Road, Opposite Gate No 1, Sunder Industrial Estate, Lahore

Flexible: Plot No 141,142 and 142-B, Sunder Industrial Estate, Lahore

Shares Registrar

Central Depository Company of Pakistan Limited

CDC House, 99-B, Block B, S.M.C.H.S. Main Shahra-e-Faisal, Karachi – 74400

Statutory Auditor

KPMG Taseer Hadi & Co.

Head of Internal Audit

Mr. Ahmad Khan, ACCA

Legal Advisor

Zahid Irfan

Stock Symbol

RPL

Website

www.roshanpackages.com.pk

Director's Report

The Directors of the Company present their Directors 'Report along with the un-audited Financial Statements of the Company for the period ended March 31, 2019.

Financial Overview

The financial performance of the Company is summarized as follows:

	Nine Month Ended		Quarter Ended	
	31-March- 2019	31-March- 2018	31-March- 2019	31-March- 2018
	Rupees in Million		Rupees in Million	
Sales-net	4,199	2,999	1,452	993
Cost of Sales	3,934	2,737	1,356	854
Gross Profit	265	262	96	139
Finance Cost	130	85	48.4	28.9
(Loss)/Profit before Tax	(12.7)	14.6	8.4	51.36
Profit/Loss After Tax	(65.2)	6.9	(6.6)	49.8

By the Grace of Almighty Allah, your company is continuing its handsome growth trajectory and has achieved all time highest sales resulting from the capacity enhancement during the last years. Your company has registered net sales during the nine-month period at Rs. 4.19 billion, as compared to Rs. 2.99 billion in the same period last year, showing an increase of Rs. 1.2 billion, which is 40% more than comparable period. Total tonnage dispatched in current nine month is 32,047 ton against 24,139 ton, resulting in volumetric growth of 25% (7,908 Ton).

During the quarter under review your company have recorded revenue of Rs. 1.45b as against 0.99b in comparable period last year resulting an increase of 46% (458 Million). Total tonnage dispatched in current quarter is 10,696 Ton against 7,685 ton, resulting in volumetric growth of 40% (3,011 Ton).

In the quarter under review volumetric growth achieved new height of 50% since your company successfully managed to dispatch 32,047 tons as compare to 21,351 tons during last six months.

Resultantly your company have registered gross profit of Rs. 265 million as compared to 262 million showing slight increase of Rs. 3 million.

Financial cost for the period under review have been increased by Rs. 45 million as compared to last period mainly due to rise in policy rate by State Bank of Pakistan. The company sales show significant increase of 40% for the period under review, however short-term borrowing in comparison only increase by 1%, which shows that company have taken positive measure to manage its working capital requirements.

Further, due to devaluation of Pak Rupee your company has suffered loss of Rs. 42 million during nine months as compare to 64 million in comparable period last year.

The company took measures to control its administrative cost which is reduced by 7% even though the sales have been increased significantly.

The company is successfully able to generate profit before tax from operations under the current quarter of Rs. 8.4 million as compared to loss of Rs. 21.1 million in last six months.

The major reason of loss is shrinking of margins due to lag of passing increased prices of raw material, fuel prices, utility cost, increase in finance cost and foreign exchange loss due to high volatility of Pak Rupee.

Future Outlook

The measures that the new Government have taken, slow down the pace of the economy. According to World Bank the expected GDP ratio have been dropped down to 2.5%. The constant increase in policy rates, fuel and utility cost and devaluation of PKR shattered the confidence of local investor. Since, this is unprecedented that all the cost factors are constantly increasing, there is no stability in it and situation of uncertainty persists.

Your company despite all the micro and macro challenges taking record growth of 40% which is unprecedented.

We believe that measures like discouraging imports in order to control import bill will trigger growth in local industries which is ultimately beneficial for the country. The demand for local products will grow which ultimately raises the demand for the packaging products in upcoming quarters.

Management of your company is optimistic about the future of the packaging industry in Pakistan. Being fully aware of the situation, the management is focusing on deploying the most feasible sales mix and taking all possible measures to increase sales by maximizing capacity utilization. Management is continually reviewing the business strategy to cope with the challenges and has been incessantly endeavouring not only to tap alternative inexpensive sources of raw material but also focusing on rationalization of other costs as well as passing its cost to customers.

Your company is not only meeting the demands of large national and multinational companies but also strengthening its long-term association with them, by providing value added products and broadening its product range along with constant addition of new potential clients.

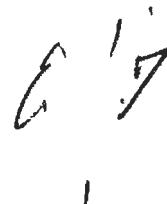
Furthermore, your company knows the importance of online sales which is the successful sales phenomena of this era and realises that the demand from small and medium size business will rapidly grow. As part of its strategy to explore new avenues and use modern technology to increase its sales volumes. Your company has started online sales to meet the demands of small and medium size customers. Your company is a pioneer who has started the first B to B online packaging sale in Pakistan. The company is optimistic that these unconventional channels will further boost the sales of your company and contribute to its bottom line.

Acknowledgment:

The management thanks its valued customers for their trust and confidence in the Company's products. Heartfelt gratitude is also extended to all other stakeholders including suppliers, bankers, shareholders and employees for their whole-hearted support.



Chief Executive Officer



Chairman

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 31 مارچ 2019ء کو ختم ہونے والے دورانیہ کے لیے ڈائریکٹرز کی رپورٹ مع ادارے کے بغیر جانچ پڑتال کے (Un-Audited) مالیاتی گوشوارے پیش کرتے ہیں۔

مالیاتی جائزہ

مجوزہ دورانیہ کے لیے کمپنی کی مالیاتی کارکردگی کو مندرجہ ذیل جدول میں مختصراً بیان کیا جاتا ہے:

صرف تیسری سہ ماہی کا جائزہ		تین سہ ماہیوں کا مجموعی جائزہ		
31 مارچ 2018	31 مارچ 2019	31 مارچ 2018	31 مارچ 2019	
روپے ملین میں		روپے ملین میں		
993	1,452	2,999	4,199	فروخت سے ہونے والی آمدن
854	1,356	2,737	3,934	فروخت کی لاگت
138	96	262	265	مجموعی منافع
28.9	48.4	85	130	فنانس کی لاگت
51.36	8.4	14.6	(12.7)	منافع/نقصان قبل از ٹیکس
49.8	(6.6)	6.9	(65.2)	منافع/نقصان بعد از ٹیکس

اللہ کے فضل و کرم سے آپ کی کمپنی نے تیز رفتار ترقی کے سفر کو جاری رکھا ہوا ہے اور گزشتہ سال کے دوران پیداواری صلاحیت میں اضافے کی وجہ سے تاریخ میں سب سے زیادہ فروخت حاصل کرنے میں کامیاب رہی ہے۔ آپ کی کمپنی نے گزشتہ تین سہ ماہیوں کے دوران 4.19 بلین روپے کی کل فروخت حاصل کی، جبکہ گزشتہ سال اسی دورانیہ کی کل فروخت 2.99 بلین روپے تھی، یعنی 1.2 بلین روپے زیادہ جو کہ زیر جائزہ دورانیہ کے لیے 40 فیصد زیادہ ہے۔ زیر جائزہ تین سہ ماہیوں کے دوران 24,139 ٹن کے مقابلے میں 32,047 ٹن کا تیار شدہ مال بھیجا گیا یعنی مقداری لحاظ سے 25% (7,908 ٹن) کا اضافہ ہوا۔

زیر جائزہ موجودہ سہ ماہی کے دوران آپ کی کمپنی نے 0.99 بلین روپے کے مقابلے میں 1.45 بلین روپے کی آمدنی حاصل کی یعنی گزشتہ سال اسی دورانیہ کے مقابلے میں 46 فیصد (458 ملین) کا اضافہ۔ موجودہ سہ ماہی کے دوران 7,685 ٹن کے مقابلے میں 10,696 ٹن کا کل مال بھیجا گیا یعنی مقداری لحاظ سے 40 فیصد (3,011 ٹن) کا اضافہ ہوا۔

زیر جائزہ موجودہ سہ ماہی کے دوران مقداری لحاظ سے 50 فیصد کی نئی حد کو عبور کیا گیا کیونکہ آپ کی کمپنی گزشتہ چھ ماہ کے دوران 21,351 ٹن کے مقابلے میں 32,047 ٹن کا مال بھیجنے میں کامیاب رہی ہے۔

اس کے نتیجے میں آپ کی کمپنی نے 262 ملین روپے کے مقابلے میں 265 ملین روپے کا مجموعی منافع حاصل کیا یعنی گزشتہ عرصہ کے مقابلے میں 3 ملین روپے کا اضافہ ہوا۔

زیر جائزہ موجودہ سہ ماہی کے دوران فنانس کی لاگت میں گزشتہ سال کی نسبت 45 ملین روپے کا اضافہ ہوا جس کی بڑی وجہ اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ میں اضافہ ہے۔ زیر جائزہ سہ ماہی کے دوران کمپنی کے معاملات میں قابل قدر یعنی 40 فیصد تک اضافہ دیکھنے میں آیا ہے، تاہم قلیل مدتی قرضوں میں گزشتہ سال کی اسی سہ ماہی کی نسبت صرف 1 فیصد اضافہ ہوا جو اس بات کا ثبوت ہے کہ کمپنی نے کام کے لیے درکار سرمایے کی دستیابی کے لیے مثبت اقدامات اٹھائے ہیں۔ مزید برآں پاکستانی روپے کی قدر میں کمی کی وجہ سے آپ کی کمپنی کو تین سہ ماہیوں کے دوران 46.70 ملین روپے کا نقصان اٹھانا پڑا ہے، جو کہ گزشتہ سال اسی عرصہ میں 64 ملین روپے تھا۔

کمپنی نے اپنی انتظامی لاگت کو کم کرنے کے لیے اقدامات اٹھائے ہیں جس کی وجہ سے اس میں 7 فیصد کمی واقع ہوئی ہے حالانکہ فروخت میں قابل قدر اضافہ ہوا۔

موجودہ سہ ماہی کے دوران کمپنی اپنے معاملات کی وجہ سے 8.4 ملین روپے کا منافع حاصل کرنے میں کامیاب رہی ہے جبکہ اس مالی سال کے پہلے چھ ماہ کے دوران 21.1 ملین روپے کا نقصان ہوا تھا۔

نقصان کی بڑی وجہ منافع میں کمی ہے جس کا باعث خام مال کی اور ایندھن کی قیمتیں، اشیائے ضروریہ اور فنانس کی بڑھتی لاگت، شرح سود میں اضافہ اور پاکستانی روپے کی قدر میں بے تحاشا کمی ہے۔ ان تمام عناصر کے اثر کو گاہکوں تک منتقل نہیں کیا جاسکا۔ مستقبل کا منظر نامہ

نئی حکومت کے اقدامات کی وجہ سے معیشت سست روی کا شکار ہے۔ ورلڈ بینک کے مطابق جی ڈی پی کی متوقع شرح 2.5 فیصد تک گر چکی ہے۔ پالیسی ریٹ میں مسلسل اضافہ، ایندھن اور اشیائے ضروریہ اور پاکستانی روپے کی قدر میں کمی نے مقامی سرمایہ کار کے اعتماد کو بری طرح مجروح کیا ہے۔ لاگت کے تمام عوامل مسلسل بڑھ رہے ہیں اور ان میں کوئی ٹھہراؤ نہیں ہے جس کے باعث غیر یقینی صورت حال کا سامنا ہے۔

انتہائی نامساعد حالات کے باوجود آپ کی کمپنی نے نمونہ کی شرح کو 40 فیصد تک پہنچا دیا ہے جو کہ بہت شاندار ہے۔ ہمیں یقین ہے کہ برآمدی بل میں کمی لانے کے لیے برآمدی ایشیا کی حوصلہ شکنی جیسے اقدامات سے مقامی صنعت کی نمو میں اضافہ ہوگا جس سے آخر کار ملک کو ہی فائدہ ہوگا۔ مقامی مصنوعات کی طلب میں اضافہ بلا آخر آنے والی سہ ماہیوں میں پیکیجنگ کی مصنوعات کی طلب میں اضافے کا باعث بنے گا۔

آپ کی کمپنی کی انتظامیہ پاکستان میں پیکیجنگ کی صنعت کے مستقبل کے بارے میں بہت پر امید ہے۔ صورت حال سے پوری طرح آگاہ ہونے کی وجہ سے، انتظامیہ متفرق فروخت کے تمام مروجہ طریقہ کار اپنا رہی اور بڑھتی ہوئی صلاحیت کو استعمال کرتے ہوئے فروخت میں اضافے کے لیے تمام ممکنہ اقدامات اٹھا رہی ہے۔ انتظامیہ چیلنجز کا سامنا کرنے کے لیے کاروباری حکمت عملی کا مسلسل جائزہ لے رہی ہے اور خام مال کے متبادل سستے ذرائع ڈھونڈنے کے لیے نہ صرف متواتر کوشاں ہے بلکہ گاہکوں تک لاگت کے اثرات پہنچانے کے ساتھ ساتھ اخراجات کو کم کرنے پر بھی غور کر رہی ہے۔

آپ کی کمپنی نہ صرف ملکی اور غیر ملکی کمپنیوں کی طلب کو پورا کر رہی ہے بلکہ ان کے ساتھ اپنے تعلق کو طویل بنیادوں پر بھی استوار کر رہی ہے۔ اس کے لیے کمپنی قدر افزوں مصنوعات فراہم کر رہی ہے اور نئے ممکنہ گاہکوں میں مسلسل اضافہ کے لیے بھی اپنی مصنوعات کو وسعت دے رہی ہے۔

مزید برآں، آپ کی کمپنی آن لائن فروخت کی اہمیت سے آگاہ ہے جو موجودہ دور میں فروخت کا کامیاب طریقہ ہے اور اس بات کا ادراک رکھتی ہے کہ چھوٹے اور درمیانے درجے کے کاروبار کی طلب میں تیزی سے اضافہ ہوگا۔ اس لیے کمپنی کی یہ حکمت عملی ہے کہ نئی ٹیکنالوجی کو دریافت کیا جائے اور اپنی فروخت میں اضافے کے لیے نئے راستے تلاش کیے جائیں۔ آپ کی کمپنی نے چھوٹے اور درمیانے درجے کے گاہکوں کی طلب کو پورا کرنے کے لیے آن لائن فروخت کا آغاز کر دیا ہے۔ آپ کی کمپنی نے پاکستان میں سب سے پہلے بی ٹو بی (B2B) پیکیجنگ کی آن لائن فروخت کا آغاز کیا ہے۔ کمپنی اس بارے میں پر امید ہے کہ یہ غیر روایتی طریقے آپ کی کمپنی کی فروخت میں اضافے کا باعث بنیں گے جس کے نتیجے میں مجموعی فروخت میں اضافہ ہوگا۔

اظہار تشکر

ہم اپنے قابل قدر صارفین کا شکریہ ادا کرنا چاہتے ہیں جنہوں نے کمپنی کی مصنوعات اور خدمات پر اعتماد کا اظہار کیا۔ ہم اپنے اسٹیک ہولڈرز بشمول فراہم کنندگان، بینکرز، حصہ داران اور ملازمین کے بھی توجہ سے شکر گزار ہیں جن کی کوششوں سے یہ سب ممکن ہوا۔

.....

چیئر مین

.....

چیف ایگزیکٹو آفیسر

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

	Note	Mar-19 Rupees	Jun-18 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 150,000,000 (2018: 150,000,000) ordinary shares of Rs 10 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
141,900,000 ordinary shares of Rs 10 each	5	1,419,000,000	1,182,500,000
Share Premium		1,994,789,053	2,231,665,370
Surplus on revaluation of operating fixed assets		1,063,587,489	1,078,519,283
Revenue reserve: Un-appropriated profit		599,698,504	649,996,341
		5,077,075,046	5,142,680,994
NON-CURRENT LIABILITIES			
Supplier's credit - unsecured		149,605,082	186,145,423
Liabilities against assets subject to finance lease		9,407,841	9,850,797
Deferred taxation		295,791,946	277,646,741
Deferred liabilities		71,750,560	66,013,343
		526,555,429	539,656,304
CURRENT LIABILITIES			
Current portion of long term liabilities		530,748,679	638,365,183
Short term borrowings - secured	6	1,347,760,762	1,333,809,379
Trade and other payables		1,185,842,414	715,501,683
Unclaimed dividend		801,243	882,883
Accrued finance cost		37,353,298	21,289,992
		3,102,506,396	2,709,849,120
		<u>8,706,136,871</u>	<u>8,392,186,418</u>

ASSETS

NON-CURRENT ASSETS

	Note	Mar-19 Rupees	Jun-18 Rupees
Property, plant and equipment	7	3,587,284,321	3,625,358,017
Intangibles		2,291,956	3,197,979
Investment in subsidiary		111,376,130	111,376,130
Long term loan - unsecured, considered good		240,079,840	82,972,338
Long term deposits		18,862,623	20,501,701
		<u>3,959,894,870</u>	<u>3,843,406,165</u>

CURRENT ASSETS

Stores and spares	155,029,212	146,559,980
Stock-in-trade	741,961,683	631,651,871
Trade debts - unsecured	1,618,936,418	1,231,373,541
Short term loan - unsecured, considered good	92,186,870	92,186,870
Advances, deposits, prepayments and other receivables	796,600,537	697,714,593
Cash and bank balances	1,341,527,281	1,749,293,398
	4,746,242,001	4,548,780,253
	<u>8,706,136,871</u>	<u>8,392,186,418</u>

The annexed notes from 1 to 12 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive
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Director

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED MARCH 31, 2019 (Un-audited)

	Note	Nine Months Ended		Quarter ended March 2019	
		31 March 2019 Rupees	31 March 2018 Rupees	31 March 2019 Rupees	31 March 2018 Rupees
Sales		4,199,605,574	2,998,997,554	1,452,201,696	993,544,590
Cost of sales	8	<u>(3,934,197,375)</u>	<u>(2,737,050,905)</u>	<u>(1,356,374,311)</u>	<u>(854,834,150)</u>
Gross profit		265,408,199	261,946,649	95,827,385	138,710,440
Administrative expenses		(87,058,117)	(94,085,448)	(29,272,686)	(33,261,674)
Selling and distribution expenses		(124,274,840)	(88,115,043)	(48,225,114)	(33,912,904)
Net of other operating income and expenses		63,554,110	19,737,351	38,601,000	8,761,551
Finance cost		<u>(130,371,230)</u>	<u>(84,896,263)</u>	<u>(48,483,288)</u>	<u>(28,928,426)</u>
(Loss)/Profit before taxation for the period		(12,741,878)	14,587,246	8,447,297	51,368,987
Taxation		(52,487,753)	(7,618,173)	(15,109,112)	(1,525,495)
(Loss)/Profit after taxation for the period		<u>(65,229,631)</u>	<u>6,969,073</u>	<u>(6,661,815)</u>	<u>49,843,492</u>
Earning Per Share-Basic & diluted		(0.46)	0.06	(0.05)	0.42
Items that will not be reclassified subsequently to profit or loss					
Surplus on revaluation of operating fixed assets realised through incremental depreciation charged on related assets for the period - net of tax		<u>14,931,794</u>	<u>23,274,546</u>	<u>4,977,265</u>	<u>5,813,864</u>
		14,931,794	23,274,546	4,977,265	5,813,864
Total comprehensive income for the period		<u><u>(50,297,837)</u></u>	<u><u>30,243,619</u></u>	<u><u>(1,684,550)</u></u>	<u><u>55,657,356</u></u>

The annexed notes from 1 to 12 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive
8


Director

ROSHAN PACKAGES LIMITED

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019 (Un-audited)

	Share capital Rupees	Revenue reserve: Un-appropriated profit Rupees	Surplus on revaluation of property, plant and equipment	Share Premium Rupees	Total Rupees
Balance as on July 01, 2017-Restated	1,075,000,000	820,970,146	1,073,890,796	2,339,165,370	5,309,026,312
Loss after taxation		(90,547,997)	-		(90,547,997)
Other comprehensive income:					
Remeasurement of retirement benefits - net of tax		2,951,215			2,951,215
Effect of change in tax rate on balance of revaluation on property, plant and equipment	-	-	-	-	-
		28,751,464	28,751,464		28,751,464
	-	(87,596,782)	28,751,464	-	(58,845,318)
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the year - net of tax		24,122,977	(24,122,977)		-
Transaction with owners of the Company					
Final cash dividend for the year ended 30 June 2017 @ Rs. 1 per share	-	(107,500,000)	-	-	(107,500,000)
Bonus shares issued	107,500,000	-	-	(107,500,000)	-
	107,500,000	(107,500,000)	-	(107,500,000)	(107,500,000)
As at 30 June 2018	1,182,500,000	649,996,341	1,078,519,283	2,231,665,370	5,142,680,994
Bonus shares issued	236,500,000			(236,500,000)	-
Loss for the period		(65,229,631)			(65,229,631)
Other Comprehensive income for the period		14,931,794	(14,931,794)		-
Expenses incurred on issuance of bonus shares		-		(376,317)	(376,317)
	236,500,000	(50,297,837)	(14,931,794)	(236,876,317)	(65,605,948)
Balance as on March 31, 2019	1,419,000,000	599,698,504	1,063,587,489	1,994,789,053	5,077,075,046

The annexed notes from 1 to 12 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive
9


Director

ROSHAN PACKAGES LIMITED

CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDING MARCH 31, 2019 (Un-audited)

	Note	31 March-2019 Rupees	31 March-2018 Rupees
Cash flows from operating activities			
Cash used in operations	9	(79,355,704)	(71,414,770)
Finance cost paid		(114,307,924)	(70,727,905)
Taxes paid		(48,060,125)	(54,672,577)
Gratuity paid		(9,342,302)	-
Accumulated absences paid		(1,225,358)	-
Net increase in long term deposits		1,639,078	(5,012,481)
Net cash inflow from operating activities		(250,652,335)	(201,827,733)
Cash flows from investing activities			
Purchase of property, plant and equipment		(58,783,535)	(58,917,856)
Proceeds from disposal of operating fixed assets		6,250,000	765,637
Profit on bank deposits received		110,519,583	81,927,305
Net cash outflow from investing activities		57,986,048	23,775,086
Cash flows from financing activities			
Repayment of long term loans		(105,500,046)	(75,559,142)
Repayment of supplier's credit		(74,767,650)	(101,442,001)
Proceeds from term finances		4,421,805	101,865,189
Dividend paid		(81,640)	(106,491,011)
Zakat paid		-	(725,240)
Repayment of finance lease liabilities		(12,082,086)	(9,609,502)
Net cash inflow from financing activities		(188,009,617)	(191,961,707)
Net decrease in cash and cash equivalents		(380,675,904)	(370,014,354)
Cash and cash equivalents at the beginning of the year		1,277,734,079	1,753,179,680
Cash and cash equivalents at the end of the period		897,058,175	1,383,165,326


Chief Financial Officer


Chief Executive


Director

Notes to the Condensed Interim Unconsolidated Financial Information

For the quarter ended 31 March 2019 (Un-Audited)

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

The registered office of the company is situated at 325 G-III, M.A. Johar Town, Lahore. The corrugation packaging facility is located at 7 km, Sundar Raiwind Road, Lahore and flexible packaging facility is located at Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

The Company is the parent company of Roshan Sun Tao Paper Mills (Private) Limited.

These financial statements are the separate financial statements of the company. Consolidated financial statements are prepared separately.

2. Basis of preparation

2.1 Statement of compliance

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

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

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

2.1.2 These condensed interim unconsolidated financial statements are unaudited and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 ("the Act") and are un-audited but subject to limited scope review by external auditors as required by the Act and Code of Corporate Governance.

2.1.3 The Securities and Exchange Commission of Pakistan (SECP), vide its S.R.O. 229(I)/2019 dated 14 February 2019 has deferred the applicability of IFRS 9 (Financial Instruments) for reporting period ended on 31 March 2019. IFRS 9 will now be applicable for reporting periods / year ending on or after 30 June 2019.

2.1.4 The unconsolidated comparative statement of financial position presented in these unconsolidated condensed interim financial statements has been extracted from the audited annual unconsolidated financial statements of the Company for the year ended 30 June 2018, whereas unconsolidated comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from the un-audited condensed interim financial statements for the nine months period ended 31 March 2019.

2.1.5 These unconsolidated condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual unconsolidated financial statements for the year ended 30 June 2018.

2.2 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistan Rupees which is also the Company's functional currency.

3 Use of judgments and estimates

The preparation of the unconsolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing the unconsolidated condensed interim financial statements, the significant judgements made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual unconsolidated financial statements of the Company for the year ended 30 June 2018.

4 Significant accounting policies

The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of the annual audited unconsolidated financial statements for the year ended 30 June 2018 except for the following:

4.1 Change in significant accounting policies

During the period, the Company has adopted IFRS 15 'Revenue from Contracts with Customers'. The details of new significant accounting policies adopted and the nature and effect of the changes from previous accounting policies are set out below:

The Company manufactures and contracts with customers for the sale of goods which generally includes single performance obligation. Management has concluded that revenue from sale of goods be recognized at the point in time when control of the asset is transferred to the customer, which is when the goods are delivered to the customer. However, the adoption of IFRS 15 which has replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations, did not have a material impact on the amounts of revenue recognized in these unconsolidated condensed interim financial statements.

4.1.1 The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2019:

- IFRIC 23 'Uncertainty over Income Tax Treatments' clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12 and is effective for annual periods beginning on or after 01 January 2019.
- IFRS 16 'Leases' replaces existing leasing guidance IAS 17 'Leases' and is effective for annual period beginning on or after 01 January 2019.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures are effective for annual period beginning on or after 01 January 2019.
- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement are effective for annual periods beginning on or after 01 January 2019.
- Amendment to IFRS 3 'Business Combinations' – Definition of a Business is effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 01 January 2020.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors are effective for annual periods beginning on or after 1 January 2020.
- Annual improvements to IFRS standards 2015-2017 cycle are effective for annual periods beginning on or after 01 January 2019.

5. Issued, subscribed and paid up share capital

Mar-19 (Number of shares)	Jun-18		Mar-19 Rupees	Jun-18 Rupees
		Ordinary shares of Rs 10 each		
57,336,000	57,336,000	fully paid in cash	573,360,000	573,360,000
79,461,000	55,811,000	Ordinary shares of Rs 10 each fully paid in cash	794,610,000	558,110,000
5,103,000	5,103,000	Ordinary shares of Rs 10 each fully paid for consideration other than cash	51,030,000	51,030,000
<u>141,900,000</u>	<u>118,250,000</u>		<u>1,419,000,000</u>	<u>1,182,500,000</u>

5.1 These right shares were issued against the fair value of land acquired which measures 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

5.2 The Company during the period issued 23.65 million bonus shares amounting to Rs. 236.50 million. The reconciliation of ordinary share capital during the period is as follows:

	(Un-audited) Number of Shares	(Un-audited) Rupees
Issued share capital as at 01 July 2018	118,250,000	1,182,500,000
Issue of bonus shares during the period	23,650,000	236,500,000
Issued share capitals as at 31 March 2019	<u>141,900,000</u>	<u>1,419,000,000</u>

6 Short term borrowings - secured

Running finance - secured	444,469,106	471,559,319
Term finances		
- Import finance	219,444,159	185,983,794
- Murabaha/Istisna	683,847,497	676,266,266
Term finances - secured	<u>903,291,656</u>	<u>862,250,060</u>
	<u>1,347,760,762</u>	<u>1,333,809,379</u>

7.	Property, plant and equipment	Mar-19	Jun-18
		Rupees	Rupees
	Operating fixed assets	3,380,686,495	3,452,467,657
	Capital work-in-progress	206,597,826	172,890,360
		<u>3,587,284,321</u>	<u>3,625,358,017</u>
8	Cost of sales	Mar-19	Mar-18
		Rupees	Rupees
	Raw materials consumed	3,359,951,294	2,211,185,281
	Carriage inward expenses	2,172,184	1,214,347
	Packing material consumed	16,049,199	10,364,760
	Production supplies	67,033,397	40,855,290
	Fuel and power	143,964,677	118,572,660
	Other factory overheads	364,919,574	309,356,286
		<u>3,954,090,325</u>	<u>2,691,548,624</u>
	Opening work-in-process	20,776,488	42,527,088
	Closing work-in-process	(40,116,936)	(19,393,962)
		<u>(19,340,448)</u>	<u>23,133,126</u>
	Cost of goods manufactured	3,934,749,877	2,714,681,750
	Opening stock of finished goods	41,789,793	62,299,584
	Closing stock of finished goods	(42,342,295)	(39,930,429)
		<u>(552,502)</u>	<u>22,369,155</u>
		<u>3,934,197,375</u>	<u>2,737,050,905</u>
9	Cash used in operations		
	Profit before taxation	(12,741,878)	14,587,246
	Adjustment for non-cash charges and other items:		
	Amortization of intangibles	906,023	657,248
	Depreciation on operating fixed assets	95,455,940	93,324,634
	Depreciation on assets subject to finance lease	1,401,291	5,185,028
	Profit on bank deposits	(91,218,385)	(84,304,102)
	Exchange loss	41,725,011	-
	Other income	(14,042,514)	-
	Finance cost	130,371,230	84,896,263
	Gain on disposal of operating fixed assets	(5,195,860)	63,542
	Provision for accumulating compensated absences	2,298,843	2,267,352
	Provision for gratuity	14,028,622	14,429,432
	Profit before working capital changes	<u>(162,988,323)</u>	<u>131,106,643</u>
	Effect on cash flow due to working capital changes:		
	- Increase in stores and spares	(8,469,232)	(37,219,661)
	- Increase in stock-in-trade	(110,309,812)	2,407,243
	- Increase in trade debts	(544,670,379)	16,157,414
	- Increase in advances, deposits, prepayments and other receivables	(48,454,037)	(36,482,110)
	- Increase/(Decrease) in trade and other payables	469,559,433	(147,384,299)
		<u>(242,344,027)</u>	<u>(202,521,413)</u>
		<u>(79,355,704)</u>	<u>(71,414,770)</u>

10 Transactions with related parties

Relationship with the Company	Name of related party	Transaction	Percentage of shareholding 31 March 2019	Percentage of shareholding 31 March 2018	Nine Months Ended March 2019	Three Months Ended March 2019
Chief Executive	Tayyab Aijaz	Bonus shares issued	26.84%	26.84%	63,476,600	-
Director	Zaki Aijaz	Bonus shares issued	11.86%	11.86%	28,048,900	-
Director	Saadat Eijaz	Bonus shares issued	11.86%	11.86%	28,048,900	-
Director	Khalid Eijaz	Bonus shares issued	14.65%	14.65%	34,647,250	-
Director	Quasim Aijaz	Bonus shares issued	2.96%	2.96%	7,000,400	-
Subsidiary	Roshan Sun Tao Paper Mills (Private) Limited	Long term loan to subsidiary			20,279,748	9,101,326
		Markup accrued on long term loan			3,017,783	2,801,665
		Markup accrued on short term loan			4,083,127	345,139
Associated Company	Roshan Enterprises	Sales			11,206,240	5,452,412
		Trade debt converted to long term			122,722,688	-
		Markup accrued			6,759,447	4,116,975

11 Date of authorisation for issue

These unconsolidated condensed interim financial statements were authorised for issue in the Board of Directors meeting held on 30 April 2019.

12 General

12.1 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

12.2 Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison. However, no significant rearrangement or reclassification has been made during the nine months period ended 31 March 2019.



Chief Financial Officer



Chief Executive



Director

Director's Report

The Directors of the Company present their Directors 'Report along with the un-audited Financial Statements of the Company for the period ended March 31, 2019.

Financial Overview

The financial performance of the Company is summarized as follows:

	Nine Month Ended		Quarter Ended	
	31-March-2019	31-March-2018	31-March-2019	31-March-2018
	Rupees in Million		Rupees in Million	
Sales-net	4,199	2,999	1,452	993
Cost of Sales	3,934	2,737	1,356	854
Gross Profit	265	262	96	139
Finance Cost	130	85	48.4	28.9
(Loss)/Profit before Tax	(14.1)	14.6	3.8	51.36
Profit/Loss After Tax	(66.6)	6.9	(11.2)	49.8

By the Grace of Almighty Allah, your company iscontinuing its handsome growth trajectory and has achieved all time highest sales resulting from the capacity enhancement during the last years. Your company has registered net sales during the nine -month period at Rs. 4.19 billion, as compared to Rs. 2.99 billion in the same period last year, showing an increase of Rs. 1.2billion, which is 40% more than comparable period. Total tonnage dispatched in current nine month is 32,047 ton against 24,139 ton, resulting in volumetric growth of 25% (7,908 Ton).

During the quarter under review your company have recorded revenue of Rs. 1.45b as against 0.99b in comparable period last year resulting an increase of 46% (458 Million). Total tonnage dispatched in current quarter is 10,696 Ton against 7,685 ton, resulting in volumetric growth of 40% (3,011 Ton).

In the quarter under review volumetric growth achieved new height of 50% since your company successfully managed to dispatch 32,047 tons as compare to 21,351 tons during last six months.

Resultantly your company have registered gross profit of Rs. 265 million as compared to 262 million showing slight increase of Rs. 3 million.

Financial cost for the period under review have been increased by Rs. 45 million as compared to last period mainly due to rise in policy rate by State Bank of Pakistan. The company operations show significant increase of 40% for the period under review, however short-term borrowing in comparison only increase by 1%, which shows that company have taken positive measure to manage its working capital requirements.

Further, due to devaluation of Pak Rupee your company has suffered loss of Rs. 42 million during nine months as compare to 64 million in comparable period last year.

The company took measures to control its administrative cost which is reduced by 7% even though the sales have been increased significantly.

The company is successfully able to generate profit before tax from operations under the current quarter of Rs. 3.8 million as compared to loss of Rs. 29.6 million in last six months.

The major reason of loss is shrinking of margins due to lag of passing increased prices of raw material, fuel prices, utility cost, increase in finance cost and foreign exchange loss due to high volatility of Pak Rupee.

Roshan Sun Tao Paper Mills (Private) Limited

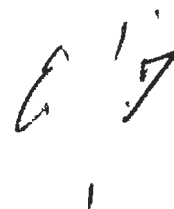
The management is fully committed to the project of the subsidiary and strongly believes that the paper mill project on completion will bring sufficient benefit to the company and its shareholders. During the period under review no significant financial activity took place.

Acknowledgment:

The management thanks its valued customers for their trust and confidence in the Company's products. Heartfelt gratitude is also extended to all other stakeholders including suppliers, bankers, shareholders and employees for their whole-hearted support.



Chief Executive Officer



Chairman

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 31 مارچ 2019ء کو ختم ہونے والے دورانیہ کے لیے ڈائریکٹرز کی رپورٹ مع ادارے کے بغیر جانچ پڑتال کے (Un-Audited) مالیاتی گوشوارے پیش کرتے ہیں۔

مالیاتی جائزہ

مجوزہ دورانیہ کے لیے کمپنی کی مالیاتی کارکردگی کو مندرجہ ذیل جدول میں مختصراً بیان کیا جاتا ہے:

صرف تیسری سہ ماہی کا جائزہ		تین سہ ماہیوں کا مجموعی جائزہ		
31 مارچ 2018	31 مارچ 2019	31 مارچ 2018	31 مارچ 2019	
روپے ملین میں		روپے ملین میں		
993	1,452	2,999	4,199	فروخت سے ہونے والی آمدن
854	1,356	2,737	3,934	فروخت کی لاگت
138	96	262	265	مجموعی منافع
28.9	48.4	85	130	فنانس کی لاگت
51.36	3.8	14.6	(14.1)	منافع/نقصان قبل از ٹیکس
49.8	(11.2)	6.9	(66.6)	منافع/نقصان بعد از ٹیکس

اللہ کے فضل و کرم سے آپ کی کمپنی نے تیز رفتار ترقی کے سفر کو جاری رکھا ہوا ہے اور گزشتہ سال کے دوران پیداواری صلاحیت میں اضافے کی وجہ سے تاریخ میں سب سے زیادہ فروخت حاصل کرنے میں کامیاب رہی ہے۔ آپ کی کمپنی نے گزشتہ تین سہ ماہیوں کے دوران 4.19 بلین روپے کی کل فروخت حاصل کی، جبکہ گزشتہ سال اسی دورانیہ کی کل فروخت 2.99 بلین روپے تھی، یعنی 1.2 بلین روپے زیادہ جو کہ زیر جائزہ دورانیہ کے لیے 40 فیصد زیادہ ہے۔ زیر جائزہ تین سہ ماہیوں کے دوران 24,139 ٹن کے مقابلے میں 32,047 ٹن کا تیار شدہ مال بھیجا گیا یعنی مقداری لحاظ سے 25% (7,908 ٹن) کا اضافہ ہوا۔

زیر جائزہ موجودہ سہ ماہی کے دوران آپ کی کمپنی نے 0.99 بلین روپے کے مقابلے میں 1.45 بلین روپے کی آمدنی حاصل کی یعنی گزشتہ سال اسی دورانیہ کے مقابلے میں 46 فیصد (458 ملین) کا اضافہ۔ موجودہ سہ ماہی کے دوران 7,685 ٹن کے مقابلے میں 10,696 ٹن کا کل مال بھیجا گیا یعنی مقداری لحاظ سے 40 فیصد (3,011 ٹن) کا اضافہ ہوا۔

زیر جائزہ موجودہ سہ ماہی کے دوران مقداری لحاظ سے 50 فیصد کی نئی حد کو عبور کیا گیا کیونکہ آپ کی کمپنی گزشتہ چھ ماہ کے دوران 21,351 ٹن کے مقابلے میں 32,047 ٹن کا مال بھیجنے میں کامیاب رہی ہے۔

اس کے نتیجے میں آپ کی کمپنی نے 262 ملین روپے کے مقابلے میں 265 ملین روپے کا مجموعی منافع حاصل کیا یعنی گزشتہ عرصہ کے مقابلے میں 3 ملین روپے کا اضافہ ہوا۔

زیر جائزہ موجودہ سہ ماہی کے دوران فنانس کی لاگت میں گزشتہ سال کی نسبت 45 ملین روپے کا اضافہ ہوا جس کی بڑی وجہ اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ میں اضافہ ہے۔ زیر جائزہ سہ ماہی کے دوران کمپنی کے معاملات میں قابل قدر یعنی 40 فیصد تک اضافہ دیکھنے میں آیا ہے، تاہم قلیل مدتی قرضوں میں گزشتہ سال کی اسی سہ ماہی کی نسبت صرف 1 فیصد اضافہ ہوا جو اس بات کا ثبوت ہے کہ کمپنی نے کام کے لیے درکار سرمایے کی دستیابی کے لیے مثبت اقدامات اٹھائے ہیں۔ مزید برآں پاکستانی روپے کی قدر میں کمی کی وجہ سے آپ کی کمپنی کو تین سہ ماہیوں کے دوران 42 ملین روپے کا نقصان اٹھانا پڑا ہے، جو کہ گزشتہ سال اسی عرصہ میں 64 ملین روپے تھا۔

کمپنی نے اپنی انتظامی لاگت کو کم کرنے کے لیے اقدامات اٹھائے ہیں جس کی وجہ سے اس میں 7 فیصد کمی واقع ہوئی ہے حالانکہ فروخت میں قابل قدر اضافہ ہوا۔

موجودہ سہ ماہی کے دوران کمپنی اپنے معاملات کی وجہ سے 3.8 ملین روپے کا منافع حاصل کرنے میں کامیاب رہی ہے جبکہ اس مالی سال کے پہلے چھ ماہ کے دوران 29.6 ملین روپے کا نقصان ہوا تھا۔

نقصان کی بڑی وجہ منافع میں کمی ہے جس کا باعث خام مال کی اور ایندھن کی قیمتیں، اشیائے ضروریہ اور فنانس کی بڑھتی لاگت، شرح سود میں اضافہ اور پاکستانی روپے کی قدر میں بے تحاشا کمی ہے اور اس کا مکمل اثر گاہکوں کو منتقل نہیں کیا جا سکا۔

روشن سن تاؤ پیپر ملز (پرائیویٹ) لمیٹڈ

انتظامیہ اپنے اس ذیلی ادارے کے منصوبے کے بارے میں پر عزم ہے اور پختہ یقین رکھتی ہے کہ پیپر مل کا منصوبہ اپنی تکمیل کے بعد کمپنی اور اس کے حصہ داران کے لیے سود مند ثابت ہوگا۔ زیر جائزہ عرصہ کے دوران کوئی قابل ذکر مالیاتی سرگرمی نہیں ہوئی۔

اظہار تشکر

ہم اپنے قابل قدر صارفین کا شکریہ ادا کرنا چاہتے ہیں جنہوں نے کمپنی کی مصنوعات اور خدمات پر اعتماد کا اظہار کیا۔ ہم اپنے اسٹیک ہولڈرز بشمول فراہم کنندگان، بینکرز، حصہ داران اور ملازمین کے بھی تبادلے سے شکرگزار ہیں جن کی مسلسل کوششوں سے یہ سب ممکن ہوا۔

خ

چیرمین

Jamal

چیف ایگزیکٹو آفیسر

ROSHAN PACKAGES LIMITED
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

	Note	Mar-19 Rupees	Jun-18 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 150,000,000 (2018: 150,000,000) ordinary shares of Rs 10 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
141,900,000 ordinary shares of Rs 10 each	5	1,419,000,000	1,182,500,000
Share Premium		1,994,789,053	2,231,665,370
Surplus on revaluation of operating fixed assets		1,063,587,489	1,078,519,283
Revenue reserve: Un-appropriated profit		585,723,592	637,429,084
		5,063,100,134	5,130,113,737
Non-controlling interest		167,463,105	168,026,167
NON-CURRENT LIABILITIES			
Supplier's credit - unsecured		149,605,082	186,145,423
Liabilities against assets subject to finance lease		9,407,841	9,850,797
Deferred taxation		295,791,946	277,646,741
Deferred liabilities		71,750,560	66,013,343
		526,555,429	539,656,304
CURRENT LIABILITIES			
Current portion of long term liabilities		530,748,679	638,365,183
Short term borrowings - secured	6	1,347,760,762	1,333,809,379
Trade and other payables		1,212,954,588	732,782,064
Unclaimed dividend		801,237	882,883
Accrued finance cost		50,264,512	21,289,992
		3,142,529,778	2,727,129,501
		<u>8,899,648,446</u>	<u>8,564,925,709</u>

ASSETS

NON-CURRENT ASSETS

	Note	Mar-19 Rupees	Jun-18 Rupees
Property, plant and equipment	7	4,069,529,617	4,066,732,766
Intangibles		2,291,956	3,197,979
Long term loan - unsecured, considered good		129,482,135	-
Long term deposits		18,862,623	20,501,701
		<u>4,220,166,331</u>	<u>4,090,432,446</u>

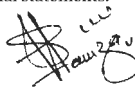
CURRENT ASSETS

Stores and spares	155,029,212	146,559,980
Stock-in-trade	741,961,683	631,651,871
Trade debts - unsecured	1,618,936,418	1,231,373,541
Advances, deposits, prepayments and other receivables	821,869,101	715,436,958
Cash and bank balances	1,341,685,701	1,749,470,913

4,679,482,115 4,474,493,263

8,899,648,446 8,564,925,709

The annexed notes from 1 to 12 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive


Director

ROSHAN PACKAGES LIMITED

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED MARCH 31, 2019 (Un-audited)

Note	Nine Months Ended		Quarter ended March 2019	
	31 March 2019 Rupees	31 March 2018 Rupees	31 March 2019 Rupees	31 March 2018 Rupees
Sales	4,199,605,574	2,998,997,554	1,452,201,696	993,544,590
Cost of sales	8 (3,934,197,375)	(2,737,050,905)	(1,356,374,311)	(854,834,150)
Gross profit	265,408,199	261,946,649	95,827,385	138,710,440
Administrative expenses	(88,465,772)	(94,222,143)	(30,680,341)	(33,261,674)
Selling and distribution expenses	(124,274,840)	(88,115,043)	(48,225,114)	(33,912,904)
Net of other operating income/(expenses)	63,554,110	19,737,351	35,454,196	8,761,551
Finance cost	(130,371,230)	(84,899,713)	(48,483,288)	(28,928,426)
(Loss)/Profit before taxation for the period	(14,149,533)	14,447,101	3,892,838	51,368,987
Taxation	(52,487,753)	(7,618,173)	(15,109,112)	(1,525,495)
(Loss)/Profit after taxation for the period	(66,637,286)	6,828,928	(11,216,274)	49,843,492
Non-Controlling Interest	(563,062)	(84,087)	(56,398)	(83,159)
Profit attributable to group	(67,200,348)	6,744,841	(11,272,672)	49,760,333
Other comprehensive income:				
Earning Per Share-Basic & diluted	(0.47)	0.06	(0.079)	0.42
Items that will not be reclassified subsequently to profit or loss				
Surplus on revaluation of operating fixed assets realised through incremental depreciation charged on related assets for the period - net of tax	14,931,794	23,274,546	4,977,265	5,813,864
	14,931,794	23,274,546	4,977,265	5,813,864
Total comprehensive income for the period	(52,268,554)	30,019,387	(6,295,407)	55,574,197

The annexed notes from 1 to 12 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive



Director

ROSHAN PACKAGES LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019 (Un-audited)

	Share capital Rupees	Revenue reserve: Un-appropriated profit Rupees	Surplus on revaluation of property, plant and equipment	Share Premium Rupees	Subtotal Rupees	Non-controlling Interest Rupees	Total Rupees
Balance as on July 01, 2017-Restated	1,075,000,000	820,563,141	1,073,890,796	2,339,165,370	5,308,619,307	168,254,671	5,476,873,978
Loss after taxation		(102,708,249)	-		(102,708,249)	(228,504)	(102,936,753)
Other comprehensive income:					-		-
Remeasurement of retirement benefits - net of tax		2,951,215			2,951,215		2,951,215
Effect of change in tax rate on balance of revaluation on property, plant and equipment	-	-	28,751,464	-	28,751,464		28,751,464
	-	(99,757,034)	28,751,464	-	(71,005,570)	(228,504)	(71,234,074)
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the year - net of tax		24,122,977	(24,122,977)		-		-
Transaction with owners of the Company							
Final cash dividend for the year ended 30 June 2017 @ Rs. 1 per share	-	(107,500,000)	-	-	(107,500,000)		(107,500,000)
Bonus shares issued	107,500,000	-	-	(107,500,000)	-	-	-
	107,500,000	(107,500,000)	-	(107,500,000)	(107,500,000)	-	(107,500,000)
As at 30 June 2018	1,182,500,000	637,429,084	1,078,519,283	2,231,665,370	5,130,113,737	168,026,167	5,298,139,904
Bonus shares issued	236,500,000			(236,500,000)	-		-
Loss for the period		(66,637,286)			(66,637,286)	(563,062)	(67,200,348)
Other Comprehensive income for the period		14,931,794	(14,931,794)		-		-
Expenses incurred on issuance of bonus shares		-		(376,317)	(376,317)		(376,317)
	236,500,000	(51,705,492)	(14,931,794)	(236,876,317)	(67,013,603)	(563,062)	(67,576,665)
Balance as on March 31, 2019	1,419,000,000	585,723,592	1,063,587,489	1,994,789,053	5,063,100,134	167,463,105	5,230,563,239

The annexed notes from 1 to 12 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive


Director

ROSHAN PACKAGES LIMITED

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDING MARCH 31, 2019 (Un-audited)

	Note	31 March-2019 Rupees	31 March-2018 Rupees
Cash flows from operating activities			
Cash used in operations	9	(51,237,951)	(111,075,368)
Finance cost paid		(101,396,710)	(70,731,355)
Taxes paid		(48,060,125)	(54,744,577)
Gratuity paid		(9,342,302)	-
Accumulated absences paid		(1,225,358)	-
Net increase in long term deposits		1,639,078	(5,012,481)
Net cash inflow from operating activities		(209,623,368)	(241,563,781)
Cash flows from investing activities			
Purchase of property, plant and equipment		(99,654,082)	(88,853,424)
Proceeds from disposal of operating fixed assets		6,250,000	765,637
Purchase of intangibles		-	-
Profit on bank deposits received		110,519,583	81,927,305
Net cash outflow from investing activities		17,115,501	(6,160,482)
Cash flows from financing activities			
Repayment of long term loans		(105,500,046)	(75,559,142)
Repayment of supplier's credit		(74,767,650)	(101,442,001)
Proceeds from term finances		4,421,805	101,865,195
Dividend paid		(81,640)	(36,677,316)
Zakat paid		-	(725,240)
Repayment of finance lease liabilities		(12,082,086)	(9,609,502)
Net cash inflow from financing activities		(188,009,617)	(122,148,006)
Net decrease in cash and cash equivalents		(380,517,484)	(369,872,269)
Cash and cash equivalents at the beginning of the year		1,277,734,079	1,753,179,680
Cash and cash equivalents at the end of the period		897,216,595	1,383,307,411



Chief Financial Officer



Chief Executive



Director

Notes to the Condensed Interim Consolidated Financial Information

For the quarter ended 31 March 2019 (Un-Audited)

1 Corporate and general information

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

Roshan Packages Limited

The Holding Company (hereinafter also referred to as the 'Packaging material segment') was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Holding Company was converted into a public limited company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugated and flexible packaging materials.

Roshan Sun Tao (Private) Limited

The Subsidiary (hereinafter also referred to as the 'corrugated papers segment') was incorporated in Pakistan as a private company limited by shares on 08 January 2016, and is a joint venture with Shandong Yongtai Paper Mill Company Limited, China. The principal activity of the subsidiary will be manufacturing, supplying and dealing in corrugated papers. The Holding Company holds 60% of voting securities in the Subsidiary. The country of incorporation is also its principal place of business and Subsidiary's financial year end is June 30. As of the reporting date, the Subsidiary is in its set up phase and has not yet commenced its commercial operations.

Shandong Yongtai Paper Mills (Private) Limited, shareholder having 40% of share capital of the Subsidiary has filed a petition in the Honorable Lahore High Court under sections 301 and 306 of the Companies Act, 2017, for winding up of the Subsidiary. The subsidiary's legal counsel is of the opinion that winding up of the corrugated paper segment is not likely to happen as the Holding Company is the main shareholder and the main concern of the investor is to return its investment for which a mutually beneficial mechanism would be established.

2 Basis of preparation

2.1 Statement of compliance

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

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

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

2.1.2 These condensed interim consolidated financial statements are unaudited and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 ("the Act") and are un-audited but subject to limited scope review by external auditors as required by the Act and Code of Corporate Governance.

2.1.3 The Securities and Exchange Commission of Pakistan (SECP), vide its S.R.O. 229(I)/2019 dated 14 February 2019 has deferred the applicability of IFRS 9 (Financial Instruments) for reporting period ended on 31 March 2019. IFRS 9 will now be applicable for reporting periods / year ending on or after 30 June 2019.

2.1.4 The consolidated comparative statement of financial position presented in these consolidated condensed interim financial statements has been extracted from the audited annual consolidated financial statements of the Group for the year ended 30 June 2018, whereas consolidated comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from the un-audited condensed interim financial statements for the six months period ended 31 December 2018.

2.1.5 These consolidated condensed interim financial statements does not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual consolidated financial statements for the year ended 30 June 2018.

2.2 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistan Rupees which is also the Group's functional currency.

3 Use of judgments and estimates

The preparation of the consolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing the unconsolidated condensed interim financial statements, the significant judgements made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual consolidated financial statements of the Group for the year ended 30 June 2018.

The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are same as those applied in the preparation of the annual audited consolidated financial statements for the year ended 30 June 2018 except for the following:

4.1 Change in significant accounting policy

During the period, the Group has adopted IFRS 15 'Revenue from Contracts with Customers'. The details of new significant accounting policies adopted and the nature and effect of the changes from previous accounting policies are set out below:

The Group manufactures and contracts with customers for the sale of goods which generally includes single performance obligation. Management has concluded that revenue from sale of goods be recognized at the point in time when control of the asset is transferred to the customer, which is when the goods are delivered to the customer. However, the adoption of IFRS 15 which has replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations, did not have a material impact on the amounts of revenue recognized in these unconsolidated condensed interim financial statements.

- IFRIC 23 'Uncertainty over Income Tax Treatments' clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12 and is effective for annual periods beginning on or after 01 January 2019.
- IFRS 16 'Leases' replaces existing leasing guidance IAS 17 'Leases' and is effective for annual period beginning on or after 01 January 2019.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures are effective for annual period beginning on or after 01 January 2019.
- Amendments to IAS 19 'Employee Benefits' - Plan Amendment, Curtailment or Settlement are effective for annual periods beginning on or after 01 January 2019.
- Amendment to IFRS 3 'Business Combinations' - Definition of a Business is effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 01 January 2020.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors are effective for annual periods beginning on or after 1 January 2020.
- Annual improvements to IFRS standards 2015-2017 cycle are effective for annual periods beginning on or after 01 January 2019.

5. Issued, subscribed and paid up share capital

Mar-19	Jun-18		Mar-19	Jun-18
(Number of shares)			Rupees	Rupees
		Ordinary shares of Rs 10 each		
57,336,000	57,336,000	fully paid in cash	573,360,000	573,360,000
79,461,000	55,811,000	Ordinary shares of Rs 10 each fully paid in cash	794,610,000	558,110,000
5,103,000	5,103,000	Ordinary shares of Rs 10 each fully paid for consideration other than cash	51,030,000	51,030,000
<u>141,900,000</u>	<u>118,250,000</u>		<u>1,419,000,000</u>	<u>1,182,500,000</u>

5.1 These right shares were issued against the fair value of land acquired which measures 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

5.2 The Company during the period issued 23.65 million bonus shares amounting to Rs. 236.50 million. The reconciliation of ordinary share capital during the period is as follows:

	(Un-audited)	(Un-audited)
	Number of Shares	Rupees
Issued share capital as at 01 July 2018	118,250,000	1,182,500,000
Issue of bonus shares during the period	23,650,000	236,500,000
Issued share capitals as at 31 March 2019	<u>141,900,000</u>	<u>1,419,000,000</u>

6 Short term borrowings - secured

	Mar-19	Jun-18
	Rupees	Rupees
Running finance - secured	444,469,106	471,559,319
Term finances		
- Import finance	219,444,159	185,983,794
- Murabaha/Istisna	683,847,497	676,266,266
Term finances - secured	903,291,656	862,250,060
	<u>1,347,760,762</u>	<u>1,333,809,379</u>

	Mar-19	Jun-18
	Rupees	Rupees
7. Property, plant and equipment		
Operating fixed assets	3,554,792,877	3,626,574,039
Capital work-in-progress	514,736,740	440,158,727
	<u>4,069,529,617</u>	<u>4,066,732,766</u>
	Mar-19	Mar-18
	Rupees	Rupees
8 Cost of sales		
Raw materials consumed	3,359,951,294	2,211,185,281
Carriage inward expenses	2,172,184	1,214,347
Packing material consumed	16,049,199	10,364,760
Production supplies	67,033,397	40,855,290
Fuel and power	143,964,677	118,572,660
Other factory overheads	364,919,574	309,356,286
	<u>3,954,090,325</u>	<u>2,691,548,624</u>
Opening work-in-process	20,776,488	42,527,088
Closing work-in-process	(40,116,936)	(19,393,962)
	<u>(19,340,448)</u>	<u>23,133,126</u>
Cost of goods manufactured	3,934,749,877	2,714,681,750
Opening stock of finished goods	41,789,793	62,299,584
Closing stock of finished goods	(42,342,295)	(39,930,429)
	<u>(552,502)</u>	<u>22,369,155</u>
	<u>3,934,197,375</u>	<u>2,737,050,905</u>
9 Cash used in operations		
Profit before taxation	(14,149,533)	14,447,101
Adjustment for non-cash charges and other items:		
Amortization of intangibles	906,023	657,248
Depreciation on operating fixed assets	95,455,940	93,324,634
Depreciation on assets subject to finance lease	1,401,291	5,185,028
Profit on bank deposits	(91,218,385)	(84,304,102)
Other income	(14,042,514)	
Exchange loss	41,725,011	-
Finance cost	130,371,230	84,896,263
Gain on disposal of operating fixed assets	(5,195,860)	63,542
Provision for accumulating compensated absences	2,298,843	2,267,352
Provision for gratuity	14,028,622	14,429,432
Profit before working capital changes	<u>161,580,668</u>	<u>130,966,498</u>
Effect on cash flow due to working capital changes:		
- Increase in stores and spares	(8,469,232)	(37,219,661)
- Increase in stock-in-trade	(110,309,812)	2,407,243
- Increase in trade debts	(517,045,012)	16,157,414
- Increase in advances, deposits, prepayments and other receivables	(48,454,037)	(78,448,368)
- Increase/(Decrease) in trade and other payables	471,459,474	(144,938,494)
	<u>(212,818,619)</u>	<u>(242,041,866)</u>
	<u>(51,237,951)</u>	<u>(111,075,368)</u>

10 Transactions with related parties

Relationship with the Company	Name of related party	Transaction	Percentage of shareholding 31 March 2019	Percentage of shareholding 31 March 2018	Nine Months Ended March 2019	Three Months Ended March 2019
Chief Executive	Tayyab Aijaz	Bonus shares issued	26.84%	26.84%	63,476,600	-
Director	Zaki Aijaz	Bonus shares issued	11.86%	11.86%	28,048,900	-
Director	Saadat Eijaz	Bonus shares issued	11.86%	11.86%	28,048,900	-
Director	Khalid Eijaz	Bonus shares issued	14.65%	14.65%	34,647,250	-
Director	Quasim Aijaz	Bonus shares issued	2.96%	2.96%	7,000,400	-
Subsidiary	Roshan Sun Tao Paper Mills (Private) Limited	Long term loan to subsidiary			20,279,748	9,101,326
		Markup accrued on long term loan			3,017,783	2,801,665
		Markup accrued on short term loan			4,083,127	345,139
Associated Company	Roshan Enterprises	Sales			11,206,240	5,452,412
		Trade debt converted to long term			122,722,688	-
		Markup accrued			6,759,447	4,116,975

11 Date of authorisation for issue

These unconsolidated condensed interim financial statements were authorised for issue in the Board of Directors meeting held on 30 April 2019.

12 General

12.1 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

12.2 Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison. However, no significant rearrangement or reclassification has been made during the nine months period ended 31 March 2019.



Chief Financial Officer



Chief Executive



Director