

# **Head Office:**

325 G-III, M. A Johar Town, Lahore. Pakistan | +92 42 35290734-8 info@roshanpackages.com.pk | www.roshanpackages.com.pk







# TABLE OF CONTENT

Company information	02
At a Glance	03
Unconsolidated Condensed Interim Financial Statements	
Unconsolidated Directors' Report	06
ڈائر یکٹرزر بورٹ	09
Auditor's Review Report	10
Unconsolidated Condensed Interim Statement Of Financial Position	11
Unconsolidated Condensed Interim Statement Of Comprehensive Income	12
Unconsolidated Condensed Interim Statement of Changes in Equity	13
Unconsolidated Condensed Interim Statement of Cash Flows	14
Notes to the Unconsolidated Condensed Interim Financial Statements	15
Consolidated Condensed Interim Financial Statements	
Consolidated Directors' Report	26
Consolidated Condensed Interim Statement Of Financial Position	28
Consolidated Condensed Interim Statement Of Comprehensive Income	29
Consolidated Condensed Interim Statement of Changes in Equity	30
Consolidated Condensed Interim Statement of Cash Flows	31
Notes to the Consolidated Condensed Interim Financial Statements	32

# **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. Zaki Aijaz

**Non-Executive Director** 

Mr. Quasim Aijaz

**Non-Executive Director** 

Mrs. Ayesha Musaddaque Hamid Independent/Non-Executive Director

Mr. Muhammad Naveed Tariq

Independent/Non-Executive Director

### **Company Secretary**

Miss. Rabia Sharif

### Chief Financial Officer (CFO)

Mr. Muhammad Adil

### **Tax Consultant**

A.F Ferguson & Co

### Website

www.roshanpackages.com.pk

### **Banks**

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

### **Registered Office**

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

### **Factory**

Corrugation: 7-KM Sunder Raiwind Road, Opp Gate No 1, Sunder Industrial Estate.

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

### **Share Registrar**

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

### **Statutory Auditor**

EY Ford Rhodes, Chartered Accountants

### **Head of Internal Audit**

Miss Faiza Khalid

### **Legal Advisor**

Zahid Irfan

### **Stock Symbol**

RPL

# At a Glance

### ■ NET REVENUE

HY-2021-22: 4,039

HY-2020-21: 3,441

### **■ PBT**

HY-2021-22:109

HY-2020-21: 202

### **EBIT**

HY-2021-22:165

HY-2020-21: 260

### **EPS**

HY-2021-22:1.32

HY-2020-21: 1.09

### **CURRENT RATIO**

DEC 2021: 1.56

JUNE 2021: 1.67

### **GROSS PROFIT**

HY-2021-22:402

HY-2020-21: 428

### PAT

HY-2021-22:188

HY-2020-21: 154

### **EBITDA**

HY-2021-22 : 250

E HY-2020-21: 338

# **TOTAL EQUITY**

DEC 2021: 6,252

JUNE 2021: 6,064

## **QUICK RATIO**

DEC 2021: 1.08

JUNE 2021: 1.26



# Directors' Report

### Dear Shareholders,

The Directors of the Company are pleased to present the Directors' Report along with the condensed interim Financial Statements of the Company for the half year ended on December 31, 2021.

### **Strong Financial Performance**

The financial performance of the Company ("RPL") during the first half of the year is contained in the table below:

	Half Yea	Half Year Ended		Quarter Ended		
	31-Dec-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020		
		Rupees i	in Million			
Sales-net	4,039	3,441	2,119	1,783 1,563 220		
Cost of Sales	3,636	3,013	1,898 222			
Gross Profit	402	428				
Finance Cost	55	55 58	32	28		
Net profit before tax	109	109     202       78     (48)		95		
Tax (Expense) / Income	78			(26)		
Net profit after tax	188	154	163	68		

The sales revenue has increased to Rs. 4,039 million registering an increase by 17.4% compared to same period last year at Rs. 3,441 million. This increase is a result of RPL's focus on customer satisfaction, provision of international quality products and increased market share. During the period under review, the Company earned a profit after tax of Rs. 188 million as compared to Rs. 154 million in the comparable period last year registering a 22% increase.

However, the Gross profit of the Company was impacted, this was due to devaluation of Pak Rupee impacting both local & imported raw material prices especially resin which is priced in USD. Furthermore, the spike in fuel rates resulted in an increase of Rs. 63 million in utility costs. As a result, the company posted a gross profit of Rs. 402 million as compared to 428 million in the same period last year.

Despite increase in policy rate by the state bank, the Company has efficiently managed its funds resulting a decrease in financial charges by Rs. 2 million as compared to the same period last year.

# Directors' Report

### **Future Outlook:**

Moving forward, RPL will continue its policy & focus towards sustainable growth. We hope to be an important player in Pakistan's new green economy by continuing our efforts, not only to mitigate our impact on the environment but also help reduce other industries' impact through our recycling program and recyclable packaging options. The investment behind Roshan Sun Tao Paper Mills Private Limited is a key initiative in the same direction as it will offer both fully recycled and recyclable corrugated products.

The Government is taking measures to stabilize Pak rupee and the finalization of deal with IMF would help in the same direction which will help accelerate growth and profitability arising from stable economic environment. Furthermore, the company is focussing on value chain optimization and improvement in raw material inventory to better manage the rising commodity costs which will help improve profitability while driving growth in upcoming periods.

### Acknowledgment:

The Board is thankful to all of its stakeholders for their invaluable continued support to the Company. The Board would also like to acknowledge the dedication, diligence and hard work of the company's employees during an unprecedented time.

1

Chairman

# ڈائر <sup>بیگٹر</sup>ز رپورٹ

### ستنقبل كامنظرنامه

آگے بڑھتے ہوئے، کمپنی (روش پیکجز لمیٹڈ) پنی پالیسی جاری رکھے گی اور پائیدارتر قی پر توجہ مرکوز رکھے گی۔ ہمیں امید ہے کہ ہم اپنی کوشنیں جاری رکھتے ہوئے پاکستان کی نئی ماحول دوست معیشت (Green Economy) میں ایک اہم کھلاڑی بنیں گے، نہ صرف ہم اپنی صنعت کے ماحول پر انزات کو کم کریں گے بلکہ ہمارے ری سائیکلنگ پروگرام اور ری سائیکل کرنے کے قابل پیکجنگ آپشنز کے ذریعے دیگر صنعتوں کے ماحول پر پڑنے والے انزات کو بھی کم کرنے میں مدد کریں گے۔ روثن میں تاؤ پیپر ملز پرائیویٹ لمیٹڈ میں سرمایہ کاری اس سمت میں ایک کلیدی پہل ہے کیونکہ بیکمل طور پر ری سائیکل شدہ اور دوبارہ قابل استعال کوروگیٹ مصنوعات پیش کرے گی۔

حکومت، پاکتانی روپے کی قدر کو متحکم رکھنے کے اقدامات کر رہی ہے اور آئی ایم ایف کے ساتھ ڈیل کو حتی شکل دینے سے اس میں مدد ملے گی جس سے متحکم اقتصادی ماحول سے پیدا ہونے والی شرح نمواور منافع دونوں بڑھیں گے۔مزید برآں، کمپنی ویلیوچین کو بہتر بنانے اور خام مال کی انوینٹری کے ذریعے اجناس کی بڑھتی ہوئی قیمتوں کو بہتر طریقے سے منظم کر رہی ہے جو مستقبل میں ترقی کے ممل کوآگے بڑھاتے ہوئے منافع کو بہتر بنانے میں مدد کرے گی۔

اظهارتشكر

بورڈ اپنے تمام اسٹیک ہولڈرز کا کمپنی کے لیے سلسل اور قابل قدر حمایت پران کاشکر گز ارہے۔ بورڈ اس دوران کمپنی کے ملاز مین کی گئن، تند ہی اور محنت کو بھی سرا ہتا ہے۔

Jangah

\_\_\_\_ چیفایگزیکٹو آفیسر چیژمین

# ڈائر <sup>بیگٹر</sup>ز رپورٹ

معززشيئرً ہولڈرز!

کمپنی کے ڈائر یکٹران 31 دسمبر 2021 کونتم ہونے والے ششاہی کے لیے کمپنی کے عبوری مالیاتی حسابات مع ڈائر یکٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مضبوط مالی کارکردگی

سال کی پہلی ششاہی کے دوران کمپنی (RPL") کی مالی کار کردگی درج ذیل جدول میں موجود ہے:

سه ما بی مختتمه		ی مختتمه	شش ما؛	
31-Dec-2020	31-Dec-2021	31-Dec-2020	31-Dec-2021	
	و پ			
1,783	2,119	3,441	4,039	خالص سياز
1,563	1,898	3,013	3,636	سیلز کی لاگت
220	222	428	402	مجموى منافع
28	32	58	55	فنانس کی لاگت
95	60	202	109	خالص منافع قبل از عمیس
(26)	103	(48)	78	فیکس (لاگت) / آمدنی
68	163	154	188	خالص منافع بعداز نكيس

زیرجائزہ مدت میں کمپنی کا سیلز ریونیو بڑھ کر 4,039 ملین روپے ہو گیا جو گرشتہ سال کی اسی مدت کے مقابلے میں 17.4 فیصد زیادہ ہے۔ گزشتہ برس اسی مدت میں سیلز ریونیو بڑھ کر 4,039 ملین روپے تھا۔ بیاضا فیہ RPL کی جانب سے صارفین کے اطمینان، بین الاقوامی معیار کی مصنوعات کی فراہمی اور مارکیٹ شیئر میں اضافے کا نتیجہ ہے۔ زیر جائزہ مدت کے دوران، کمپنی نے 188 ملین روپے کا منافع بعد از ٹیکس کما یا جو گزشتہ سال اسی مدت 154 ملین روپے تھا۔ اس طرح منافع میں 22 فیصد اضافہ ہوا۔

تاہم، کمپنی کا مجموعی منافع متاثر ہوا،ایبا پاکتانی روپے کی قدر میں کمی کی وجہ سے مقامی اور درآ مدشدہ خام مال کی قیمتوں میں اضافہ خاص طور پر، کمپنی کا مجموعی منافع امریکی ڈالرز میں ہے۔ مزید برآں، ایندھن کے نرخوں میں اضافے کے نتیجے میں پیٹیٹی کی لاگت 63 ملین روپے بڑھ گئی۔ نتیجے کے طور پر، کمپنی کا مجموعی منافع 402 ملین روپے رہاجو گزشتہ برس اسی مدت کے دوران 428 ملین روپے تھا۔

اسٹیٹ بینک کی جانب سے شرح سود میں اضافے کے باوجود، کمپنی نے اپنے فنڈ زکا مؤثر طریقے سے استعال کیا جس کے نتیج میں مالیاتی لاگت میں کمی آئی ہے جوگزشتہ برس کی اسی مدت کے مقابلے 2 ملین رویے کم رہی۔



EY Ford Rhodes Chartered Accountants 96-B-I, 4th Floor, Pace Mall Building M. M. Alam Road, Gulberg-II P.O. Box 104, Lahore-54660 Tel: +9242 3577 8402-11 Fax: +9242 3577 8412-13 ey.lhr@pk.ey.com ev.com/pk

### INDEPENDENT AUDITOR'S REVIEW REPORT

### To the members of Roshan Packages Limited

### Report on Review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of Roshan Packages Limited as at 31 December 2021 and the related condensed interim unconsolidated statement of profit or loss and other comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows and notes to the condensed interim unconsolidated financial statements for the sixmonths period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim unconsolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim unconsolidated statement of profit or loss other comprehensive income for the three months period ended 31 December 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended 31 December 2021.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Sajjad Hussain Gill.

Chartered Accountants

Place: Lahore

Date: 01 March 2022

UDIN Number: RR2021100870pF09R8hu

10 | Half Yearly Report

# ROSHAN PACKAGES LIMITED UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

		Un-audited	Audited
		31 December	30 June
ASSETS	Note	2021	2021
AGGETG	Hote	Rupees	Rupees
Non-current assets		pooo	1100000
Property, plant and equipment	5	4,422,356,748	4,467,820,001
Right-of-use assets		28,888,668	33,431,766
Investment in subsidiary		160,618,966	160,618,966
Long-term loans	6	409,116,582	509,981,467
Long-term deposits		20,440,650	14,902,194
		5,041,421,614	5,186,754,394
Current assets			
Stores, spares and other consumables		233,972,841	182,914,819
Stock-in-trade		1,336,745,122	860,632,063
Contract assets		162,447,564	148,554,959
Trade receivables	7	1,779,958,786	1,459,777,356
Current portion of long term loans	6	137,377,189	-
Advances, deposits, prepayments and other receivables		712,067,250	748,749,534
Short-term investments		482,085,000	545,852,250
Cash and bank balances	8	204,972,099	305,574,793
		5,049,625,851	4,252,055,774
TOTAL ASSETS		10,091,047,465	9,438,810,168
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200,000,000 (30 June 2021: 200,000,000)			
ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital	9	1,419,000,000	1,419,000,000
Capital reserves			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of property, plant and equipment		1,721,999,492	1,746,398,900
		3,716,788,549	3,741,187,957
Revenue reserve			
Un-appropriated profit		1,116,147,041	903,918,570
TOTAL EQUITY		6,251,935,590	6,064,106,527
Non-current liabilities			
Supplier's credit		-	64,192,028
Long-term finances - secured		-	18,522,370
Lease liabilities		22,219,548	24,753,229
Deferred taxation		435,549,798	574,649,300
Deferred liabilities		151,015,623	140,818,763
		608,784,969	822,935,690
Current liabilities			100 = 10 011
Current portion of long-term liabilities	40	230,238,795	199,746,644
Short-term borrowings - secured	10	1,321,979,327	966,452,761
Trade and other payables Contract liabilities	11	1,612,468,852	1,350,109,613
Accrued finance cost		44,706,841	14,731,994 18,750,357
Unclaimed dividend		19,110,341	1
Onciamed dividend		1,822,750	1,976,582
TOTAL LIABILITIES		3,230,326,906	2,551,767,951 3,374,703,641
TOTAL LIABILITIES TOTAL EQUITY AND LIABILITIES		3,839,111,875 10,091,047,465	9,438,810,168
CONTINGENCIES AND COMMITMENTS	12		
CONTINGENCIES AND COMMINITIMENTS	12		

The annexed notes, from 1 to 20, form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Director Chief Financial Officer

### **ROSHAN PACKAGES LIMITED**

### UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

		Six months ended		Three mon	ths ended
	Note	(Un-au	idited)	(Un-au	dited)
		2021	2020	2021	2020
		Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers		4,716,577,753	3,985,896,921	2,467,442,903	2,054,571,873
Less: sales tax		(677,168,672)	(544,985,692)	(347,562,637)	(271,596,814)
Net revenue	13	4,039,409,081	3,440,911,229	2,119,880,266	1,782,975,059
Cost of revenue	14	(3,636,927,633)	(3,013,291,906)	(1,898,232,958)	(1,563,366,173)
Gross profit		402,481,448	427,619,323	221,647,308	219,608,886
Administrative expenses		(100,570,669)	(98,310,980)	(59,030,144)	(57,093,477)
Selling and distribution expenses		(123,194,330)	(95,559,951)	(67,052,875)	(54,120,993)
Other operating expenses		(64,365,484)	(22,136,389)	(30,692,067)	(8,890,471)
		(288,130,483)	(216,007,320)	(156,775,086)	(120,104,941)
Operating profit		114,350,965	211,612,003	64,872,222	99,503,945
Other income		50,417,032	48,299,634	27,061,549	23,685,231
Finance costs		(55,447,300)	(57,661,174)	(31,874,283)	(28,331,443)
Profit before taxation		109,320,697	202,250,463	60,059,488	94,857,733
Taxation		78,508,366	(48,288,249)	103,018,332	(26,440,779)
Profit for the period		187,829,063	153,962,214	163,077,820	68,416,954
Other comprehensive income					
Total comprehensive income for the period	od	187,829,063	153,962,214	163,077,820	68,416,954
Family and a second dilected	45	4.00	4.00	445	0.40
Earnings per share - basic and diluted	15	1.32	1.09	1.15	0.48

The annexed notes, from 1 to 20, form an integral part of these unconsolidated condensed interim financial statements.

**Chief Executive** Director

**Chief Financial Officer** 

# ROSHAN PACKAGES LIMITED UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGESIN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

		Capital reserves	eserves	Revenue reserve	
	Issued, subscribed and paid-up share capital	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Total
			Rupees		
Balance as on 01 July 2020	1,419,000,000	1,994,789,057	1,795,215,742	653,269,980	5,862,274,779
Total comprehensive income for the period Surplus transferred to un-appropriated profit on account of incremental	•	•	•	153,962,214	153,962,214
depreciation charged during the period - net of tax	1	1	(24,400,980)	24,400,980	1
Final cash dividend for the year ended 30 June 2020 (Rs.1 per share)			-	(141,900,000)	(141,900,000)
Balance as on 31 December 2020 - (Un-audited)	1,419,000,000	1,994,789,057	1,770,814,762	689,733,174	5,874,336,993
Balance as on 01 July 2021	1,419,000,000	1,994,789,057	1,746,398,900	903,918,570	6,064,106,527
Total comprehensive income for the period				187,829,063	187,829,063
depreciation charged during the period - net of tax		•	(24,399,408)	24,399,408	
Balance as on 31 December 2021 - (Un-audited)	1,419,000,000	1,994,789,057	1,721,999,492	1,116,147,041	6,251,935,590

The annexed notes, from 1 to 20, form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive

Director

Chief Financial Officer

12 | Half Yearly Report

# ROSHAN PACKAGES LIMITED UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

		udited
No		2020
OPERATING ACTIVITIES	Rupees	Rupees
Cash (used in) / flows from operations	(347,622,753)	210,272,036
Finance costs paid	(50,491,388)	(68,088,996)
Receipt of income tax refund	17,949,249	58,944,234
Payment of Workers' Welfare Fund	(9,362,026)	' -
Gratuity paid	(5,960,694)	11 1
Accumulated absences paid	(121,281)	(167,595)
Long term deposits provided	(5,538,456)	-
	(53,524,596)	(20,756,163)
Net cash (used in) / flows from operating activities	(401,147,349)	189,515,873
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(31,097,060)	(38,779,332)
Loan given to subsidiary	(30,000,000)	11 1 1
Proceeds from disposal of operating fixed assets	826,800	553,999
Proceeds from markup on long term loans	7,612,476	100,977,483
Profit on bank deposits received	9,937,027	26,861,743
Net cash (used in) / flows from investing activities	(42,720,757)	
FINANCING ACTIVITIES		
Repayment of long term loans	(66,657,971)	25,843,247
Repayment of supplier's credit	-	(34,553,668)
Dividend paid	(153,832)	(140,420,377)
Proceeds from short term borrowings	357,146,573	2,607,198
Repayment of lease liabilities	(9,216,601)	(8,559,430)
Net cash flows / (used in) financing activities	281,118,169	(155,083,030)
Net (decrease) / increase in cash and cash equivalents	(162,749,937)	
Cash and cash equivalents at the beginning of the period	635,883,439	574,201,284
Cash and cash equivalents at the end of the period (Ref 1)	473,133,502	615,564,085
(Ref 1): Cash and cash equivalents at the end of the period comprise of	:	
Short term investment	482,085,000	487,322,125
Cash and bank balances	204,972,099	345,945,463
Running finance	(213,923,597)	, ,
•	473,133,502	615,564,085

The annexed notes, from 1 to 20, form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Director Chief Financial Officer

14 | Half Yearly Report

# ROSHAN PACKAGES LIMITED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

### CORPORATE AND GENERAL INFORMATION

- 1.1 Roshan Packages Limited ("the Company") was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under the Companies Act, 2017. The Company was converted into a public limited company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.
- 1.2 The geographical locations and addresses of the Company's business units, including production facilities are as under:
  - Head office and registered office: 325 G-III, M.A. Johar Town, Lahore.
  - Marketing office: 104, Parsa Tower, PECHS Block-6, Shahra-e-Faisal, Karachi
  - Corrugation packaging plant: 7 KM, Sundar Raiwind Road, Lahore.
  - Flexible packaging plant: Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.
- 1.3 These are the separate condensed interim unconsolidated financial statements of the Company in which investment in subsidiary namely Roshan Sun Tao Paper Mills (Private) Limited [the Subsidiary] has been accounted for at cost less accumulated impairment losses, if any.

### 2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial statements 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:
  - i) International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and
  - ii) Provisions of and directives issued under the Companies Act, 2017 (the Act).

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

- 2.2 These condensed interim unconsolidated financial statements are un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the unconsolidated financial statements of the Company for the year ended 30 June 2021.
- 2.3 The figures of the condensed interim unconsolidated statement of profit or loss and other comprehensive income for the three months ended 31 December 2021 and 31 December 2020 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the six months ended 31 December 2021 and 31 December 2020.
- **2.4** These financial statements are presented in Pak Rupees, which is also the Company's functional currency. All figures have been rounded off to nearest rupees, unless otherwise stated.
- 2.5 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2021 except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in Note 3.1 to these condensed interim unconsolidated financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

# 3.1 Standard, interpretations and amendments to approved published accounting standards that became effective during the year

The Company has adopted the following amendments to International Financial Reporting Standards (IFRSs) which became effective for the current period:

### i) Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- To require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- To permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
- To provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the unconsolidated condensed interim financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

### ii) Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

However, the Company has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim unconsolidated financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual audited financial statements of the Company for the year ended 30 June 2021.

16 | Half Yearly Report

# ROSHAN PACKAGES LIMITED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

		Note	(Un-audited) 31 December	(Audited) 30 June
5	PROPERTY, PLANT AND EQUIPMENT	Note	2021 Rupees	2021 Rupees
	Operating fixed assets - owned	5.1	4,421,598,395	4,467,326,597
	Capital work-in-progress	5.2	758,353 4,422,356,748	493,404 4,467,820,001
			=	4,407,020,001
5.1	Operating fixed assets - owned			
	Balance at the beginning of the period / year - net book value		4,467,326,597	4,426,415,803
	Additions during the period / year - cost	5.1.1	30,832,111	178,344,622
	Transfer from right of use asset - net book value		4,005,059	10,225,284
	Loop		4,502,163,767	4,614,985,709
	Less: Disposals during the period / year - net book value		(295,123)	(918,308)
	Depreciation during the period / year		(80,270,249)	(146,740,804)
			(80,565,372)	(147,659,112)
	Net book value at the end of period / year		4,421,598,395	4,467,326,597
5.1.1	Additions during the period / year - cost			
	Plant and machinery		15,902,782	77,273,039
	Office equipment		10,608,190	96,495,237
	Buildings on freehold land		2,466,962	640,912
	Vehicles		1,386,752	-
	Furniture and fixtures		378,600	1,742,495
	Electric installations		88,825	959,739
	Freehold land			1,233,200
			30,832,111	178,344,622
5.2	Capital work in progress			
	Balance at the beginning of the period / year		493,404	97,745,327
	Additions during the period / year		295,956	19,471,524
	Transfers during the period / year		(31,007)	(116,723,447)
	Balance at the end of the period / year		758,353	493,404
6	LONG-TERM LOANS			
	Loan to associated undertaking - Roshan Enterprises	6.1	137,377,189	130,864,885
	Loan to subsidiary - Roshan Sun Tao Paper Mills (Private) Limited	6.2	409,116,582	379,116,582
			546,493,771	509,981,467
	Less: current portion of long term loans	6.1.1	(137,377,189)	
			409,116,582	509,981,467
6.1	Movement in loan to associated undertaking during the period / year is as follows:			
	Opening balance		130,864,885	149,249,281
	Markup accrued during the period / year		6,512,304	11,925,889
	Markup received during the period / year		·	(30,310,285)
			137,377,189	130,864,885

<sup>6.1.1</sup> Roshan Enterprises would repay the entire principal amount along with interest by 28 October 2022, accordingly entire loan along with interest has been classified as current.

		(Un-audited) 31 December 2021	(Audited) 30 June 2021
6.2	Movement in loan to subsidiary during the period / year is as follows:	Rupees	Rupees
	Opening balance	379,116,582	168,546,690
	Loan disbursed during the period / year	30,000,000	118,393,386
	Short term loan reclassified from current assets	-	92,186,870
	Markup received during the period / year	-	(32,443,353)
	Loan acquired due to further acquisition	-	32,432,989
	Closing balance	409,116,582	379,116,582
6.3	There is no material change in the terms and conditions of the long-term loans to the Company's annual unconsolidated financial statements for the year ended 30 J	•	s as disclosed in
		/II II/ II	(A P) 15

			(Un-audited) 31 December	(Audited) 30 June
		Note	2021	2021
7	TRADE RECEIVABLES		Rupees	Rupees
	Trade receivables - unsecured		2,013,823,691	1,693,642,261
	Less: allowance for expected credit losses		(233,864,905)	(233,864,905)
			1,779,958,786	1,459,777,356
8	CASH AND BANK BALANCES			
	Cash in hand		399,527	112,592
	Balances with banks:			
	- saving accounts	8.1	10,029,631	240,303,589
	- current accounts		194,542,941	65,158,612
			204,572,572	305,462,201
			204,972,099	305,574,793

8.1 The savings accounts earns interest at floating rates based on daily bank deposit rates ranging 2.71% to 7.3% (30 June 2021: 3% to 7%) per annum.

		(Un-audited)	(Audited)	(Un-audited)	(Audited)
		31 December	30 June	31 December	30 June
9	ISSUED, SUBSCRIBED AND	2021	2021	2021	2021
	PAID UP SHARE CAPITAL	No. of s	hares	Rup	ees
	Ordinary shares of Rs. 10 each:				
	<ul> <li>fully paid in cash</li> </ul>	57,336,000	57,336,000	573,360,000	573,360,000
	- issued as bonus shares	79,461,000	79,461,000	794,610,000	794,610,000
	- fully paid for consideration				
	other than cash (Note 9.1)	5,103,000	5,103,000	51,030,000	51,030,000
		141,900,000	141,900,000	1,419,000,000	1,419,000,000

**9.1** These 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.

		(Un-audited) 31 December 2021	(Audited) 30 June 2021
10	SHORT-TERM BORROWINGS - secured	Rupees	Rupees
	Running finance Term finances:	213,923,597	215,543,604
	- Import finance / Murabaha	140,359,177	28,508,122
	- Istisna / Wakala	967,696,553	722,401,035
		1,108,055,730	750,909,157
		1,321,979,327	966,452,761

18 | Half Yearly Report

# ROSHAN PACKAGES LIMITED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

10.1 There is no material change in the terms and conditions of the short-term borrowings and running finance as disclosed in the unconsolidated annual audited financial statements as at and for the year ended 30 June 2021 except that the Company has obtained another facility of Rs. 300 million from Bank Alfalah Limited against local istisna and import musawamah.

		(Un-audited)	(Audited)
		31 December	30 June
		2021	2021
11	TRADE AND OTHER PAYABLES	Rupees	Rupees
	Trade creditors	1,375,074,722	1,105,543,899
	Accrued liabilities	101,965,188	107,416,441
	Payable to Shandong Yongtai Paper Mills Limited	81,675,825	81,675,825
	Withholding tax payable	5,725,348	5,651,915
	Workers' Profit Participation Fund payable	42,652,824	36,832,514
	Workers' Welfare Fund payable	2,936,702	9,424,141
	Advances from employees	2,352,038	3,478,673
	Retention money payable	86,205_	86,205
		1,612,468,852	1,350,109,613

### 12 CONTINGENCIES AND COMMITMENTS

### 12.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual unconsolidated audited financial statements for the year ended 30 June 2021.

### 12.2 Commitments:

- (a) There was no change in the commitments in respect of Letters of credit and contracts for capital expenditure since the date of preceding published annual financial statements.
- (b) Letter of credits and contracts other than for capital expenditure amounting to Rs. 206.91 million (30 June 2021: Rs. 129.16 million).

### 12.3 Guarantee

There are no significant changes in the guarantees issued by bank on behalf of the Company as reported in the annual unconsolidated audited financial statements for the year ended 30 June 2021.

### 13 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

### 13.1 Disaggregation of revenue from contracts with customers:

Revenue from contracts with customers, disaggregated by major product lines and timing of revenue recognition is listed below:

	Six montl	ns ended	Three months ended		
	(Un-au	dited)	(Un-au	ıdited)	
	31 December	31 December	31 December	31 December	
	2021	2020	2021	2020	
	Rupees	Rupees	Rupees	Rupees	
Major product lines:					
<ul> <li>Made-to-order packaging products</li> </ul>	3,622,476,179	3,157,458,383	1,868,838,554	1,641,252,926	
- Standard packaging products	416,932,901	283,452,846	251,041,711	141,722,133_	
	4,039,409,080	3,440,911,229	2,119,880,265	1,782,975,059	
Timing of revenue recognition:					
<ul> <li>Products transferred over time</li> </ul>	3,622,476,179	3,157,458,383	1,868,838,554	1,641,252,926	
- Products transferred at a point in time	416,932,901	283,452,846	251,041,711	141,722,133	
	4,039,409,080	3,440,911,229	2,119,880,265	1,782,975,059	

13.2 This includes unbilled revenue amounting to Rs. 106.2 million (31 December 2020: Rs. 81.70 million).

		Six months ended		Three months ended	
		(Un-au	dited)	(Un-au	idited)
		31 December	31 December	31 December	31 December
		2021	2020	2021	2020
14	COST OF REVENUE	Rupees	Rupees	Rupees	Rupees
	Raw materials consumed	3,066,546,089	2,562,679,678	1,605,512,084	1,323,207,686
	Salaries, wages and other benefits	170,229,339	136,796,881	80,151,076	72,497,716
	Fuel and power	175,870,714	112,989,428	94,587,595	55,666,112
	Depreciation of operating fixed assets	77,687,796	70,363,769	40,503,834	35,470,289
	Production supplies	78,434,378	57,605,341	44,201,420	35,749,774
	Repairs and maintenance	52,314,157	39,516,766	28,187,117	24,147,022
	Travelling and conveyance	14,133,916	11,747,520	6,557,664	6,304,741
	Packing material consumed	14,506,808	10,584,276	7,400,559	5,352,613
	Insurance	2,456,096	3,394,747	1,215,758	1,655,430
	Vehicle running expenses	5,861,005	2,106,595	2,839,295	1,241,737
	Carriage inward expenses	2,575,172	1,568,728	1,129,170	937,375
	Depreciation of right of use asset	217,454	958,739	108,727	426,669
	Communication expenses	401,342	785,772	108,286	414,093
	Rent	5,646,270	648,677	5,286,012	109,300
	Printing and stationery	639,147	392,315	363,138	197,281
	Others	6,727,280	5,475,343	3,752,291	3,459,506
	Cost of goods manufactured	3,674,246,963	3,017,614,575	1,921,904,026	1,566,837,344
	Opening stock of finished goods	48,238,056	11,727,881	61,886,318	12,579,379
	Closing stock of finished goods	(85,557,386)	(16,050,550)	(85,557,386)	(16,050,550)
		(37,319,330)	(4,322,669)	(23,671,068)	(3,471,171)
		3,636,927,633	3,013,291,906	1,898,232,958	1,563,366,173

### 15 EARNINGS PER SHARE - BASIC AND DILUTED

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

		Six month	ns ended	Three months ended		
		(Un-au	dited)	(Un-au	dited)	
		31 December	31 December	31 December	31 December	
		2021	2020	2021	2020	
Profit attributable to						
owners of the Company	Rupees	187,829,063	153,962,214	163,310,429	68,416,954	
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000	
,			,,,,,,,	,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Basic earnings per share	Rupees	1.32	1.09	1.15	0.48	

### 16 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual unconsolidated audited financial statements for the year ended 30 June 2021.

### 17 FAIR VALUE MEASUREMENT

The Company's fair value measurement policies are consistent with that disclosed in the annual unconsolidated audited financial statements for the year ended 30 June 2021.

20 | Half Yearly Report

# ROSHAN PACKAGES LIMITED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

	31 December	31 December
	2021	2020
CASH FLOWS FROM OPERATIONS	Rupees	Rupees
Profit before taxation	109,320,697	202,250,463
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of operating fixed assets 5.1	80,270,249	72,305,252
Finance costs	55,447,300	57,661,174
Provision for Worker's Profit Participation Fund	5,820,310	10,287,978
Provision for gratuity	15,646,668	9,043,338
Depreciation of right-of-use assets	4,747,039	5,736,338
Provision for Worker's Welfare Fund	2,874,587	4,455,320
Interest income on loans	(26,234,015)	(18,797,864)
Grant income	(1,191,416)	(1,134,076)
Profit on bank deposits	(22,459,924)	(28,367,694)
Amortization of intangible assets	-	362,586
Allowance for expected credit losses	-	7,653,634
Gain on disposal of fixed assets	(531,677)	-
Loss on disposal of operating fixed asset	-	75,936
Exchange loss	12,896,474	8,247,993
Provision for accumulating compensated absences	1,240,825	1,453,254
Cash flows before working capital changes	237,847,117	331,233,632
Effect on cash flow due to working capital changes:		
Decrease / (increase) in current assets:		
Stores and spare parts	(51,058,022)	5,160,907
Stock-in-trade	(476,113,059)	63,497,235
Trade receivables	(320,181,430)	(183,030,585)
Contract assets	(13,892,605)	(818,017)
Advances, deposits, prepayments and other receivables	(17,225,969)	(79,378,602)
Increase / (decrease) in current liabilities:	(878,471,085)	(194,569,062)
Contract liabilities	29,974,847	(3,125,436)
Trade and other payables	263,026,368	76,732,902
	293,001,215	73,607,466
No. 12 Sept. 1	(585,469,870)	(120,961,596)
Net working capital changes	( , , ,	

### 19 TRANSACTIONS WITH RELATED PARTIES

The related parties include the subsidiary company, associated undertaking, key management personnel and their associates. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

		Six months ended		Three months ended	
Name of related		(Un-au	dited)	(Un-au	dited)
party and relationship	Nature of transaction	31 December 2021	31 December 2020	31 December 2021	31 December 2020
		Rupees	Rupees	Rupees	Rupees
Roshan Sun Tao	Markup accrued on loan	19,721,176	13,146,367	10,032,507	6,369,769
Paper Mills	Markup received during th	ne peri <b>7</b> 0/612,377	70,667,198	-	70,667,198
(Private) Limited - Subsidiary	Long term loan given	30,000,000	82,683,935	12,500,000	78,500,000

		Six months ended		Three months ended		
Name of related		(Un-au	dited)	(Un-audited)		
party and relationship	Nature of transaction	31 December 2021	31 December 2020	31 December 2021	31 December 2020	
		Rupees	Rupees	Rupees	Rupees	
Roshan	Sales	1,660,975	5,182,541	1,660,975	5,182,541	
Enterprises -	Receipts against sales	1,965,454	5,401,170	1,965,454	5,401,170	
Common	Markup accrued on loan	6,512,304	5,651,498	3,404,765	2,528,206	
directorship	Markup received during th	ne period -	30,310,285	-	30,310,285	
Al-Firdusi Exporters - Common	Sale Receipts against sales	8,027,203 10,196,851	10,121,687 6,456,942	5,429,248 7,691,734	6,871,633 2,802,562	
directorship  Directors and	Salary and other	16,746,464	16.746.464	9,141,464	9,141,464	
Chief Executive	benefits	, ,		-, ,	2,,.	

### 20 DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issue on <u>March 01, 2022</u>.

Jan g

**Chief Executive** 

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Director

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**Chief Financial Officer** 





# Directors' Report

### Dear Shareholders,

The Directors of the Group are pleased to present the Directors' Report along with the condensed interim consolidated Financial Statements of the Group for the half year ended on December 31, 2021.

### **Strong Financial Performance**

The financial performance of the Group during the first half of the year is contained in the table below:

	Half Yea	ar Ended	Quarter Ended		
	31-Dec-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020	
		Rupees i	in Million		
Sales-net	4,039	3,441	2,119	1,783	
Cost of Sales	3,637 3,013 1,898 1,56				
Gross Profit	402	428	222	220	
Finance Cost	56	58	33	28	
Net profit before tax	79	182	30	87	
Tax (Expense) / Income	78 (48) 103 (26)				
Net profit after tax	158	134	133	61	

The sales revenue has increased to Rs. 4,039 million registering an increase by 17.4% compared to same period last year at Rs. 3,441 million. This increase is a result of RPL's focus on customer satisfaction, provision of international quality products and increased market share. During the period under review, the Group earned a profit after tax of Rs. 158 million as compared to Rs. 134 million in the comparable period last year registering a 18% increase.

However, the Gross profit of the Group was impacted, this was due to devaluation of Pak Rupee impacting both local & imported raw material prices especially resin which is priced in USD. Furthermore, the spike in fuel rates resulted in an increase of Rs. 63 million in utility costs. As a result, the Group posted a gross profit of Rs. 402 million as compared to 428 million in the same period last year.

Despite increase in policy rate by the state bank, the Group has efficiently managed its funds resulting a decrease in financial charges by Rs. 2 million as compared to the same period last year.

# Directors' Report

### **Future Outlook:**

Moving forward, RPL will continue its policy & focus towards sustainable growth. We hope to be an important player in Pakistan's new green economy by continuing our efforts, not only to mitigate our impact on the environment but also help reduce other industries' impact through our recycling program and recyclable packaging options. The investment behind Roshan Sun Tao Paper Mills Private Limited is a key initiative in the same direction as it will offer both fully recycled and recyclable corrugated product s.

The Government is taking measures to stabilize Pak rupee and the finalization of deal with IMF would help in the same direction which will help accelerate growth and profitability arising from stable economic environment. Furthermore, the Group is focussing on value chain optimization and improvement in raw material inventory to better manage the rising commodity costs which will help improve profitability while driving growth in upcoming periods.

### Acknowledgment:

The Board is thankful to all of its stakeholders for their invaluable continued support to the Group. The Board would also like to acknowledge the dedication, diligence and hard work of the Group's employees during an unprecedented time.

Chief Executive Officer

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26 | Half Yearly Report Half Yearly Report | 27

# ROSHAN PACKAGES LIMITED CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

		Un-audited	Audited
		31 December	30 June
ASSETS	Note	2021	2021
		Rupees	Rupees
Non-current assets			
Property, plant and equipment	5	6,083,125,753	6,118,934,547
Right-of-use assets		28,888,668	33,431,766
Long-term loans	6		130,864,885
Long-term deposits	· ·	21,550,630	16,012,174
Long torm doposito		6,133,565,051	6,299,243,372
Current assets		0,100,000,001	0,200,2:0,0:2
Stores, spares and other consumables		233,972,841	182,914,819
Stock-in-trade		1,336,745,122	860,632,063
Contract assets		162,447,564	148,554,959
Trade receivables	7	1,779,958,786	1,459,777,356
Current portion of long term loans	6	137,377,189	1,400,777,000
Advances, deposits, prepayments and other receivables	•	717,254,706	767,204,760
Short-term investments		482,085,000	545,852,250
Cash and bank balances	8	206,960,150	305,848,616
Oddit and bank balances	U	5,056,801,358	4,270,784,823
TOTAL ASSETS		11,190,366,409	10,570,028,195
TOTAL ASSETS		11,190,300,409	10,570,020,193
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200,000,000 (30 June 2021: 200,000,000)			
ordinary shares of Rs. 10 each		2,000,000,000	2,000,000,000
	_		
Issued, subscribed and paid up share capital	9	1,419,000,000	1,419,000,000
Capital reserves			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of property, plant and equipment		2,878,780,610	2,903,180,018
		4,873,569,667	4,897,969,075
Revenue reserve			
Un-appropriated profit		1,038,308,148	856,151,106
TOTAL EQUITY		7,330,877,815	7,173,120,181
Non-current liabilities			
Supplier's credit			64,192,028
Long-term finances - secured		.	18,522,370
Lease liabilities		22,219,548	24,753,229
Deferred taxation		435,549,798	574,649,300
Deferred liabilities		151,015,623	140,818,763
		608,784,969	822,935,690
Current liabilities		555,151,555	,,
Current portion of long-term liabilities		230,238,795	199,746,644
Short-term borrowings - secured	10	1,321,979,327	966,452,761
Trade and other payables	11	1,632,845,571	1,372,313,986
Contract liabilities	••	44,706,841	14,731,994
Accrued finance cost		19,110,341	18,750,357
Unclaimed dividend		1,822,750	1,976,582
C. G. G. C.		3,250,703,625	2,573,972,324
TOTAL LIABILITIES		3,859,488,594	3,396,908,014
TOTAL EQUITY AND LIABILITIES		11,190,366,409	10,570,028,195
CONTINGENCIES AND COMMITMENTS	12	, , , , , , , , , , , , , , , , , , , ,	
CONTINUE NOISE AND COMMINITMENTS	12		

The annexed notes, from 1 to 20, form an integral part of these consolidated condensed interim financial statements.

Chief Executive Director

Chief Financial Officer

### 28 | Half Yearly Report

# ROSHAN PACKAGES LIMITED CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

		Six mont	hs ended	Three mor	ths ended
	Note	(Un-au	ıdited)	(Un-au	ıdited)
		2021	2020	2021	2020
		Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers		4,716,577,753	3,985,896,921	2,467,442,903	2,054,571,873
Less: sales tax		(677,168,672)	(544,985,692)	(347,562,637)	(271,596,814)
Net revenue	13	4,039,409,081	3,440,911,229	2,119,880,266	1,782,975,059
Cost of revenue	14	(3,636,927,633)	(3,013,291,906)	(1,898,232,958)	(1,563,366,173)
Gross profit		402,481,448	427,619,323	221,647,308	219,608,886
A destricted of the second		(440,000,040)	(404 045 400)	(00,400,447)	(50, 470, 007)
Administrative expenses		(110,033,942)	(104,945,428)	(68,493,417)	(58,470,997)
Selling and distribution expenses		(123,194,330)	(95,559,951)	(67,052,875)	(54,120,993)
Other operating expenses		(64,365,484)	(22,136,389)	(30,692,067)	(8,890,471)
0		(297,593,756)	(222,641,768)	(166,238,359)	(121,482,461)
Operating profit		104,887,692	204,977,555	55,408,949	98,126,425
Other income		30,695,856	35,153,268	7,340,373	17,315,463
Finance costs		(56,334,280)	(57,661,174)	(32,761,263)	(28,330,979)
Profit before taxation		79,249,268	182,469,649	29,988,059	87,110,909
Taxation		78,508,366	(48,288,249)	103,018,332	(26,440,779)
Profit for the period		157,757,634	134,181,400	132,006,391	60,670,130
Other comprehensive income		_	-	-	-
Total comprehensive income for the period	od	157,757,634	134,181,400	132,006,391	60,670,130
Profit / (loss) attributable to:					
,		457 757 604	440,000,400	400 000 004	00 770 550
Equity holders of the Holding Company		157,757,634	142,098,422	132,006,391	63,773,556
Non-controlling interest		457.757.604	(7,917,022)	400,000,004	(3,103,426)
		157,757,634	134,181,400	132,006,391	60,670,130
Earnings per share - basic and diluted	15	1.11	1.00	0.94	0.45

The annexed notes, from 1 to 20, form an integral part of these consolidated condensed interim financial statements.

Chief Executive Director

**Chief Financial Officer** 

# ROSHAN PACKAGES LIMITED CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGESIN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

	ssuce, subscribed and paid-up share capital	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Total	Non-controlling interest	Total equity
Balance as on 01 July 2020	1,419,000,000	1,994,789,057	1,795,215,742	644,121,246	5,853,126,045	100,584,447	5,953,710,492
Total comprehensive income for the period Sumlus transferred to un-appropriated mofft on account of incremental	•	•		142,098,422	142,098,422	(7,917,022)	134,181,400
depreciation charged during the period - net of tax Final cash dividend for the year ended 30 June 2020 (Rs.1 per share)			(24,400,980)	24,400,980 (141,900,000)	- (141,900,000)		(141,900,000)
Balance as on 31 December 2020 - (Un-audited)	1,419,000,000	1,994,789,057	1,770,814,762	668,720,648	5,853,324,467	92,667,425	5,945,991,892
Balance as on 01 July 2021	1,419,000,000	1,994,789,057	2,903,180,018	856,151,106	7,173,120,181	٠	7,173,120,181
Total comprehensive income for the period				157,757,634	157,757,634	•	157,757,634
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	•		(24,399,408)	24,399,408	•		
Balance as on 31 December 2021 - (Un-audited)	1,419,000,000	1,994,789,057	2,878,780,610	1,038,308,148	7,330,877,815	•	7,330,877,815

Chief Executive

Chief Financial Officer

30 | Half Yearly Report

### **ROSHAN PACKAGES LIMITED** CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

Note -	Un-au	
	2021	2020
OPERATING ACTIVITIES	Rupees	Rupees
Cash (used in) / flows from operations 18	(357,775,622)	203,641,017
Finance costs paid	(51,378,368)	(68,088,996)
Receipt of income tax refund	17,836,259	59,194,404
Payment of Workers' Welfare Fund	(9,362,026)	-
Gratuity paid	(5,960,694)	(11,443,806)
Accumulated absences paid	(121,281)	(167,595)
Long term deposits provided	(5,538,456)	-
	(54,524,566)	(20,505,993)
Net cash (used in) / flows from operating activities	(412,300,188)	183,135,024
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(40,617,517)	(44,012,534)
Loan given to subsidiary	-	553,999
Proceeds from disposal of operating fixed assets	826,800	-
Proceeds from markup on long term loans	-	30,310,285
Profit on bank deposits received	9,937,027	26,861,743
Net cash (used in) / flows from investing activities	(29,853,690)	13,713,493
FINANCING ACTIVITIES		
Repayment of long term loans	(66,657,971)	25,843,247
Repayment of supplier's credit	-	(34,553,668)
Dividend paid	(153,832)	(140,420,377)
Proceeds from short term borrowings	357,146,573	2,607,198
Repayment of lease liabilities	(9,216,601)	(8,559,430)
Net cash flows / (used in) financing activities	281,118,169	(155,083,030)
Net (decrease) / increase in cash and cash equivalents	(161,035,709)	41,765,487
Cash and cash equivalents at the beginning of the period	636,157,262	574,246,672
Cash and cash equivalents at the end of the period (Ref 1)	475,121,553	616,012,159
(Ref 1): Cash and cash equivalents at the end of the period comprise of:		
Short term investment	482,085,000	487,322,125
Cash and bank balances	206,960,150	346,393,537
Running finance	(213,923,597)	(217,703,503)
	475,121,553	616,012,159

The annexed notes, from 1 to 20, form an integral part of these consolidated condensed interim financial statements.

**Chief Executive** Director

**Chief Financial Officer** 

# ROSHAN PACKAGES LIMITED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

### 1 THE GROUP AND ITS OPERATIONS

### 1.1 Corporate and general information

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

### **Holding Company**

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

### **Subsidiary Company**

Roshan Sun Tao Paper Mills (Private) Limited ("the Subsidiary Company") was incorporated in Pakistan as a private company limited by shares on 08 January 2016 under the Companies Act, 2017, and is a joint venture with Shandong Yongtai Paper Mill Company Limited, China. The principal activity of the Subsidiary Company will be manufacturing, supplying and dealing in corrugated papers. The Holding Company holds 60% of voting securities in the Subsidiary Company. The country of incorporation is also its principal place of business and Subsidiary's financial year end is 30 June. As of the reporting date, the Subsidiary Company is in its set up phase and has not yet commenced its commercial operations.

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

### **Holding Company**

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

### **Subsidiary Company**

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

### 2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

- **2.1** These unconsolidated condensed interim financial statements 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:
  - i) International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and
  - ii) Provisions of and directives issued under the Companies Act, 2017 (the Act).

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

2.2 These condensed interim unconsolidated financial statements are un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019. These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the unconsolidated financial statements of the Company for the year ended 30 June 2021.

32 | Half Yearly Report

- 2.3 The figures of the condensed interim unconsolidated statement of profit or loss and other comprehensive income for the three months ended 31 December 2021 and 31 December 2020 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the six months ended 31 December 2021 and 31 December 2020.
- 2.4 These financial statements are presented in Pak Rupees, which is also the Company's functional currency. All figures have been rounded off to nearest rupees, unless otherwise stated.
- 2.5 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

### SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2021 except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in Note 3.1 to these condensed interim unconsolidated financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

## 3.1 Standard, interpretations and amendments to approved published accounting standards that became effective during the year

The Company has adopted the following amendments to International Financial Reporting Standards (IFRSs) which became effective for the current period:

### i) Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- To require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- To permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
- To provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the unconsolidated condensed interim financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

### ii) Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

However, the Company has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim unconsolidated financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual audited financial statements of the Company for the year ended 30 June 2021.

		Note	(Un-audited) 31 December 2021	(Audited) 30 June 2021
5	PROPERTY, PLANT AND EQUIPMENT		Rupees	Rupees
	Operating fixed assets - owned Capital work-in-progress	5.1 5.2	5,753,198,340 329,927,413	5,798,792,542 320,142,005
			6,083,125,753	6,118,934,547
5.1	Operating fixed assets - owned			
	Balance at the beginning of the period / year - net book value		5,798,792,542	4,426,415,803
	Additions during the period / year - cost Revaluation adjustment	5.1.1	30,966,111	353,061,104 1,156,781,118
	Transfer from right of use asset - net book value		4,005,059	10,225,284
	Less:		5,833,763,712	5,946,483,309
	Disposals during the period / year - net book value		(295,123)	(918,308)
	Depreciation during the period / year		(80,270,249) (80,565,372)	(146,772,459) (147,690,767)
	Net book value at the end of period / year		5,753,198,340	5,798,792,542
5.1.1	Additions during the period / year - cost			
	Freehold land		-	175,339,582
	Plant and machinery		15,902,782	77,273,039
	Office equipment		10,742,190	97,105,337
	Buildings on freehold land Vehicles		2,466,962 1,386,752	640,912
	Furniture and fixtures		378,600	1,742,495
	Electric installations		88,825	959,739
			30,966,111	353,061,104
5.2	Capital work in progress			
	Balance at the beginning of the period / year		320,142,005	587,655,324
	Additions during the period / year		9,816,415	23,316,510
	Transfers during the period / year		(31,007)	(290,829,829)
	Balance at the end of the period / year		329,927,413	320,142,005
6	LONG-TERM LOANS			
	Loan to associated undertaking - Roshan Enterprises	6.1	137,377,189	130,864,885
	Less: current portion of long term loans	6.1.1	137,377,189 (137,377,189)	130,864,885
				130,864,885
6.1	Movement in loan to associated undertaking during the period / year is as follows:			
	Opening balance		130,864,885	149,249,281
	Markup accrued during the period / year		6,512,304	11,925,889
	Markup received during the period / year			(30,310,285)
			137,377,189	130,864,885

**<sup>6.1.1</sup>** Roshan Enterprises would repay the entire principal amount along with interest by 28 October 2022, accordingly entire loan along with interest has been classified as current.

34 | Half Yearly Report

# ROSHAN PACKAGES LIMITED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

				(Un-audited)	(Audited)
				31 December	30 June
			Note	2021	2021
7	TRADE RECEIVABLES		11010	Rupees	Rupees
	Trade receivables - unsecured			2,013,823,691	1,693,642,261
	Less: allowance for expected credit losses			(233,864,905)	(233,864,905)
	·			1,779,958,786	1,459,777,356
8	CASH AND BANK BALANCES				
	Cash in hand			412,010	139,895
	Balances with banks:			,	.00,000
	- saving accounts		8.1	10,029,631	240,303,589
	- current accounts		•	196,518,509	65,405,132
			l	206,548,140	305,708,721
				206,960,150	305,848,616
8.1	The savings accounts earns interest at floating June 2021: 3% to 7%) per annum.			0 0	,
		(Un-audited)	(Audited)	(Un-audited)	(Audited)
		31 December	30 June	31 December	30 June
9	ISSUED, SUBSCRIBED AND	2021	2021	2021	2021
	PAID UP SHARE CAPITAL	No. of s	hares	Rup	ees
	Ordinary shares of Rs. 10 each:				
	- fully paid in cash	57,336,000	57,336,000	573,360,000	573,360,000
	- issued as bonus shares	79,461,000	79,461,000	794,610,000	794,610,000
	- fully paid for consideration	, , , , , , , , , , , , , , , , , , ,	, , , , , , , , , , , , , , , , , , , ,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	other than cash (Note 9.1)	5,103,000	5,103,000	51,030,000	51,030,000
		141,900,000	141,900,000	1,419,000,000	1,419,000,000
9.1	These shares were issued against the fair vasituated opposite to Sundar Industrial Estate, E	•		s 48 kanals and	12 marlas and is (Audited)
					30 June
				31 December	30 June
				31 December2021	2021
10	SHORT-TERM BORROWINGS - secured				
10	SHORT-TERM BORROWINGS - secured Running finance Term finances:			2021	2021
10	Running finance			2021 Rupees	2021 Rupees
10	Running finance Term finances:			2021 Rupees 213,923,597	2021 Rupees 215,543,604
10	Running finance Term finances: - Import finance / Murabaha			2021 Rupees 213,923,597 140,359,177	2021 Rupees 215,543,604 28,508,122
10	Running finance Term finances: - Import finance / Murabaha			2021 Rupees 213,923,597 140,359,177 967,696,553	2021 Rupees 215,543,604 28,508,122 722,401,035

10.1 There is no material change in the terms and conditions of the short-term borrowings and running finance as disclosed in the unconsolidated annual audited financial statements as at and for the year ended 30 June 2021 except that the Company has obtained another facility of Rs. 300 million from Bank Alfalah Limited against local istisna and import musawamah.

		(Un-audited)	(Audited)
		31 December	30 June
		2021	2021
11	TRADE AND OTHER PAYABLES	Rupees	Rupees
	Trade creditors	1,375,074,722	1,125,136,515
	Accrued liabilities	101,965,188	109,644,290
	Payable to Shandong Yongtai Paper Mills Limited	81,675,825	81,675,825
	Withholding tax payable	5,725,348	6,035,823
	Workers' Profit Participation Fund payable	42,652,824	36,832,514
	Workers' Welfare Fund payable	2,936,702	9,424,141
	Advances from employees	2,351,570	3,478,673
	Retention money payable	86,205_	86,205
		1,612,468,384	1,372,313,986

### 12 CONTINGENCIES AND COMMITMENTS

### 12.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual consolidated audited financial statements for the year ended 30 June 2021.

### 12.2 Commitments:

- (a) There was no change in the commitments in respect of Letters of credit and contracts for capital expenditure since the date of preceding published annual financial statements.
- (b) Letter of credits and contracts other than for capital expenditure amounting to Rs. 206.91 million (30 June 2021: Rs. 129.16 million).

### 12.3 Guarantee

There are no significant changes in the guarantees issued by bank on behalf of the Group as reported in the annual consolidated audited financial statements for the year ended 30 June 2021.

### 13 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

### 13.1 Disaggregation of revenue from contracts with customers:

Revenue from contracts with customers, disaggregated by major product lines and timing of revenue recognition is listed below:

	Six months ended		Three months ended		
	(Un-au	dited)	(Un-au	udited)	
	31 December	31 December	31 December	31 December	
	2021	2020	2021	2020	
	Rupees	Rupees	Rupees	Rupees	
Major product lines:					
- Made-to-order packaging products	3,622,476,179	3,157,458,383	1,868,838,554	1,641,252,926	
- Standard packaging products	416,932,901	283,452,846	251,041,711	141,722,133	
	4,039,409,080	3,440,911,229	2,119,880,265	1,782,975,059	
Timing of revenue recognition:					
<ul> <li>Products transferred over time</li> </ul>	3,622,476,179	3,157,458,383	1,868,838,554	1,641,252,926	
- Products transferred at a point in time	416,932,901	283,452,846	251,041,711	141,722,133	
	4,039,409,080	3,440,911,229	2,119,880,265	1,782,975,059	

13.2 This includes unbilled revenue amounting to Rs. 106.2 million (31 December 2020: Rs. 81.70 million).

36 | Half Yearly Report

# ROSHAN PACKAGES LIMITED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

		Six months ended		Three months ended			
		(Un-au	idited)	(Un-au	dited)		
		31 December	31 December	31 December	31 December		
		2021	2020	2021	2020		
14	COST OF REVENUE	Rupees	Rupees	Rupees	Rupees		
	Raw materials consumed	3,066,546,089	2,562,679,678	1,605,512,084	1,323,207,686		
	Salaries, wages and other benefits	170,229,339	136,796,881	80,151,076	72,497,716		
	Fuel and power	175,870,714	112,989,428	94,587,595	55,666,112		
	Depreciation of operating fixed assets	77,687,796	70,363,769	40,503,834	35,470,289		
	Production supplies	78,434,378	57,605,341	44,201,420	35,749,774		
	Repairs and maintenance	52,314,157	39,516,766	28,187,117	24,147,022		
	Travelling and conveyance	14,133,916	11,747,520	6,557,664	6,304,741		
	Packing material consumed	14,506,808	10,584,276	7,400,559	5,352,613		
	Insurance	2,456,096	3,394,747	1,215,758	1,655,430		
	Vehicle running expenses	5,861,005	2,106,595	2,839,295	1,241,737		
	Carriage inward expenses	2,575,172	1,568,728	1,129,170	937,375		
	Depreciation of right of use asset	217,454	958,739	108,727	426,669		
	Communication expenses	401,342	785,772	108,286	414,093		
	Rent	5,646,270	648,677	5,286,012	109,300		
	Printing and stationery	639,147	392,315	363,138	197,281		
	Others	6,727,280	5,475,343	3,752,291	3,459,506		
	Cost of goods manufactured	3,674,246,963	3,017,614,575	1,921,904,026	1,566,837,344		
	Opening stock of finished goods	48,238,056	11,727,881	61,886,318	12,579,379		
	Closing stock of finished goods	(85,557,386)	(16,050,550)	(85,557,386)	(16,050,550)		
		(37,319,330)	(4,322,669)	(23,671,068)	(3,471,171)		
		3,636,927,633	3,013,291,906	1,898,232,958	1,563,366,173		

### 15 EARNINGS PER SHARE - BASIC AND DILUTED

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

		Six months ended (Un-audited)		Three months ended (Un-audited)		
		<b>31 December</b> 31 December 2021 2020		31 December 2021	31 December 2020	
Profit attributable to owners of the Company	Rupees	157,757,634	142,098,422	133,239,000	63,773,556	
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000	
Basic earnings per share	Rupees	1.11	1.00	0.94	0.45	

### 16 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual unconsolidated audited financial statements for the year ended 30 June 2021.

### 17 FAIR VALUE MEASUREMENT

The Company's fair value measurement policies are consistent with that disclosed in the annual unconsolidated audited financial statements for the year ended 30 June 2021.

		(Un-audited)	
		31 December	31 December
		2021	2020
CASH FLOWS FROM OPERATIONS		Rupees	Rupees
Profit before taxation		79,249,268	182,469,649
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of operating fixed assets	5.1	80,270,249	72,305,252
Finance costs		56,334,280	57,661,174
Provision for Worker's Profit Participation Fund		5,820,310	10,287,978
Provision for gratuity		15,646,668	9,043,338
Depreciation of right-of-use assets		4,747,039	5,736,338
Provision for Worker's Welfare Fund		2,874,587	4,455,320
Interest income on loans		(6,512,839)	(5,651,498)
Grant income		(1,191,416)	(1,134,076)
Profit on bank deposits		(22,459,924)	(28,367,694)
Amortization of intangible assets		-	362,586
Allowance for expected credit losses		-	7,653,634
Loss on disposal of operating fixed asset		(531,677)	75,936
Exchange loss		12,896,474	8,247,993
Provision for accumulating compensated absences		1,240,825	1,453,254
Cash flows before working capital changes		228,383,844	324,599,184
Effect on cash flow due to working capital changes:			
Decrease / (increase) in current assets:			
Stores and spare parts		(51,058,022)	5,160,907
Stock-in-trade		(476,113,059)	63,497,235
Trade receivables		(320,181,430)	(183,030,585)
Contract assets		(13,892,605)	(818,017)
Advances, deposits, prepayments and other receivables		(16,087,911)	(80,852,718)
		(877,333,027)	(196,043,178)
Increase / (decrease) in current liabilities:			
Contract liabilities		29,974,847	(3,125,436)
Trade and other payables		261,198,714	78,210,447
		291,173,561	75,085,011
Net working capital changes		(586,159,466)	(120,958,167)
		(357,775,622)	203,641,017

### 19 TRANSACTIONS WITH RELATED PARTIES

18

The related parties include the, associated undertaking, key management personnel and their associates. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

		Six month	ns ended	Three months ended			
Name of related		(Un-audited)		(Un-audited)			
party and relationship	Nature of transaction	ature of transaction 31 December 2021		31 December 2021	31 December 2020		
		Rupees	Rupees	Rupees	Rupees		
Roshan	Sales	1,660,975	5,182,541	1,660,975	5,182,541		
Enterprises -	Receipts against sales	1,965,454	5,401,170	1,965,454	5,401,170		
Common	Markup accrued on loan	6,512,304	5,651,498	3,404,765	2,528,206		
directorship	Markup received during the	ne period -	30,310,285	-	30,310,285		

38 | Half Yearly Report

# ROSHAN PACKAGES LIMITED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

Name of related		Six month (Un-au		Three months ended (Un-audited)		
party and relationship	Nature of transaction			31 December 2021	31 December 2020	
		Rupees	Rupees	Rupees	Rupees	
Al-Firdusi	Sale	8,027,203	10,121,687	5,429,248	6,871,633	
Exporters - Common directorship	Receipts against sales	10,196,851	6,456,942	7,691,734	2,802,562	
Directors and Chief Executive	Salary and other benefits	16,746,464	16,746,464	9,141,464	9,141,464	

### 20 DATE OF AUTHORIZATION

These consolidated c	ondensed	interim financial	statements were	approved by the	Board of I	Directors of	the C	Group and
authorized for issue o	n Mar	ch 01. 2022						

Director	Chief Financial Officer
NA	Law dil
	Director