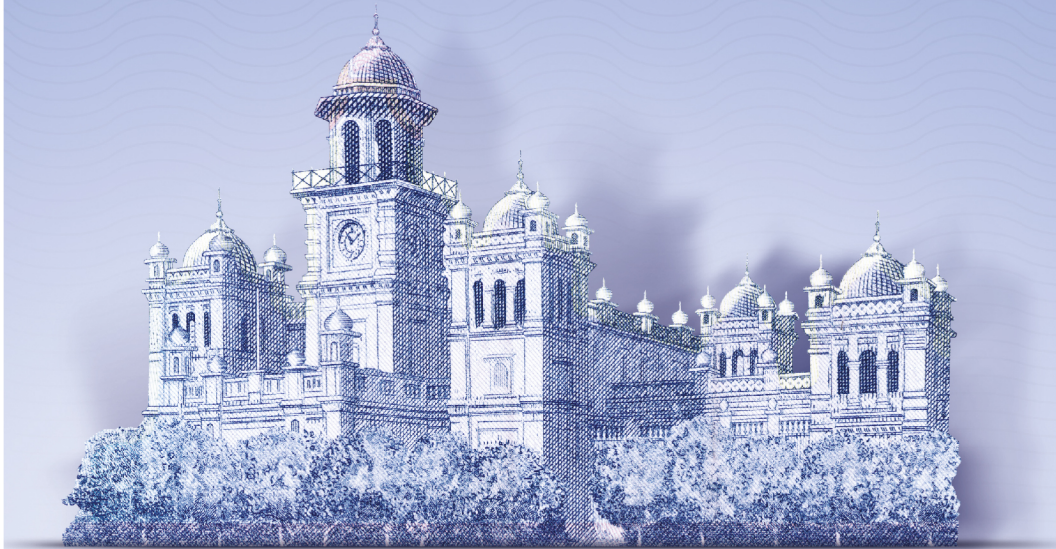


Quarterly Report September 30, 2019



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COMPANY INFORMATION

BOARD OF DIRECTORS

Chairman

Muhammad Haroon Rasheed - Non-executive

Directors

Sheikh Mohammad Aijaz Akhtar - Non-executive
Dr. Abolghassem Jamshidi - Non-executive
Mr. Memet Ozyavuz - Non-executive
Mr. Jamal Nasim - Non-executive - Independent
Mr. Muhammad Ayub - Non-executive - Independent
Sardar Ahmad Nawaz Sukhera - Non-executive - Independent
Mr. Rauf Ahmad - Non-executive
Mr. Naveed Ehtesham - Non-executive

Chief Executive Officer

Dr. Mohammad Ashraf Butt - Executive

BOARD AUDIT COMMITTEE

Mr. Jamal Nasim - Chairman
Sardar Ahmad Nawaz Sukhera - Member
Mr. Muhammad Ayub - Member
Sheikh Mohammad Aijaz Akhtar - Member
Dr. Abolghassem Jamshidi - Member
Mr. Naveed Ehtesham - Member
Mr. Aqeel Ahmed - Secretary

BOARD HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Jamal Nasim - Chairman
Mr. Muhammad Haroon Rasheed - Member
Dr. Mohammad Ashraf Butt - Member
Sheikh Mohammad Aijaz Akhtar - Member
Mr. Rauf Ahmad - Member
Mr. Shahbaz Ali - Secretary

CHIEF FINANCIAL OFFICER

- Mr. Babar Aijaz

COMPANY SECRETARY

- Mr. Rizwan Ul Haq Khan

BANKERS

National Bank of Pakistan
MIB Bank Limited (Formerly NIB Bank Limited)
Habib Metropolitan Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Meezan Bank Limited

AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants

TAX CONSULTANTS

A. F. Ferguson & Co.
Chartered Accountants

LEGAL ADVISORS

Mohsin Tayebaly & Co.
Advocates & Legal Consultants

REGISTERED OFFICE

Jinnah Avenue, Malir Halt,
Karachi - 75100
Tel : (+9221) 99248285
Fax : (+9221) 99248286
E-mail: comsec@security-papers.com

SHARE REGISTRARS

FAMCO Associates (Pvt.) Limited
8-F, Next to Hotel Faran, Nursery,
Block-6, P.E.C.H.S, Shahra-e-Faisal,
Karachi.
Tel: (+9221) 34380101-5
Fax: (+9221) 34380106
E-mail: info.shares@famco.com.pk

FACTORY

Jinnah Avenue, Malir Halt, Karachi - 75100
Tel : (+9221) 99248536-37
Fax : (+9221) 99248616

WEB SITE

<http://www.security-papers.com>



DIRECTORS' REPORT FOR THE QUARTER

The Directors are pleased to present the un-audited Financial Information for the quarter ended 30 September 2019.

BUSINESS AND PERFORMANCE REVIEW

The Company produced 1,109 tons of finished paper during the quarter under review which is 18% higher as compared to 936 tons in the corresponding period of previous year. Net sales reported to be Rs 1,186 million during the quarter under review which is 17% higher as compared to Rs 1,010 million in the corresponding period of preceding year. The Company achieved sales volume of 1,106 tons which is 18% higher as against 936 tons during the corresponding period of preceding year.

Gross profit reported to be Rs 437 million as against Rs 407 million in the corresponding period of preceding year showing an increase of Rs 30 million primarily due to higher sales volume. The gross profit margin remained under pressure due to higher input prices.

The profit before and after taxation during the period under review reported to be Rs 354 million and Rs 243 million respectively as against Rs 325 million and 237 million respectively. It includes other income of Rs 70 million as against Rs 32 million during the corresponding period of preceding year. During the period under review, the Company has not earned any income from investments in equity based mutual funds mainly due to subdued capital market.

FUTURE PROSPECTS

Your Company has always been at the forefront to meet the ever growing demand for Banknote and other security paper through timely enhancement in production capacities. The business environment is likely to remain challenging owing to rupee depreciation and inflationary conditions. However, the Company is focused on increasing productivity while managing risks to optimize the returns and to maintain profitability during the later period of the current financial year.

ACKNOWLEDGEMENT

The directors of your Company take this opportunity to express their gratitude to all the stakeholders for their encouragement and support.

On behalf of the Board of Directors

Dr. Mohammad Ashraf Butt
Chief Executive Officer

Jamal Nasim
Director

Karachi, October 25, 2019



Condensed Interim Statement of Financial Position

As at 30 September 2019

		30 September 2019 Un-audited	30 June 2019 Audited
ASSETS	Note	----- (Rupees in '000) -----	
Non-current assets			
Property, plant and equipment	5	1,506,672	1,514,757
Intangible assets		1,488	1,596
Long-term investments	6	1,284,717	1,190,841
Lease deposits		4,099	4,268
		<u>2,796,976</u>	<u>2,711,462</u>
Current assets			
Stores, spares and loose tools		190,481	182,517
Stock-in-trade		333,327	363,770
Trade debts - considered good		596,083	903,510
Loan, advances, deposits, prepayments and other receivables		37,889	86,598
Interest Accrued		29,676	45,120
Investments	7	1,024,120	1,586,544
Cash and bank balances		912,305	204,913
		<u>3,123,881</u>	<u>3,372,972</u>
TOTAL ASSETS		<u>5,920,857</u>	<u>6,084,434</u>
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Authorised share capital			
70,000,000 (30 June 2019: 70,000,000) ordinary shares of Rs 10 each		<u>700,000</u>	<u>700,000</u>
Issued, subscribed and paid-up capital			
59,255,984 (30 June 2019: 59,255,984) ordinary shares of Rs 10 each		<u>592,559</u>	<u>592,559</u>
Revenue Reserves			
General Reserves		4,217,879	3,937,879
Unappropriated (loss) / profit		(58,963)	407,658
Total shareholders' equity		<u>4,751,475</u>	<u>4,938,096</u>
Non-current liabilities			
Liabilities against assets subject to finance lease		18,962	18,735
Deferred taxation - net		115,393	125,618
		<u>134,355</u>	<u>144,353</u>
Current liabilities			
Trade and other payables		632,455	540,252
Accrued mark-up		22	116
Short-term running finance		-	88,030
Unclaimed dividend		31,607	1,832
Unpaid dividend		260,553	255,965
Current portion of liabilities against assets subject to finance lease		6,723	7,096
Taxation - net		103,667	108,694
		<u>1,035,027</u>	<u>1,001,985</u>
Total Liabilities		<u>1,169,382</u>	<u>1,146,338</u>
Contingencies & Commitments	8		
TOTAL EQUITY AND LIABILITIES		<u>5,920,857</u>	<u>6,084,434</u>

The annexed notes 1 to 11 form an integral part of this condensed financial information.

DR. MOHAMMAD ASHRAF BUTT
Chief Executive Officer

BABAR AIJAZ
Chief Financial Officer

JAMAL NASIM
Director



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Condensed Interim Statement of Profit or Loss (Un-audited)
For the Quarter ended 30 September 2019

	30 September 2019	30 September 2018
	----- (Rupees in '000) -----	
Sales - net	1,185,882	1,009,638
Cost of sales	(748,862)	(602,808)
Gross profit	437,020	406,830
Administrative expenses	(68,427)	(63,675)
Other income	70,222	32,398
Other charges	(83,420)	(50,209)
Finance costs	(1,089)	(744)
Profit before taxation	354,307	324,600
Taxation		
- Current	(121,548)	(110,605)
- Deferred	10,227	22,585
	(111,321)	(88,020)
Profit after taxation	242,985	236,580
	----- (Rupees) -----	
Earnings per share (basic & diluted)	4.10	3.99

The annexed notes 1 to 11 form an integral part of this condensed financial information.

DR. MOHAMMAD ASHRAF BUTT
Chief Executive Officer

BABAR AIJAZ
Chief Financial Officer

JAMAL NASIM
Director



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**Condensed Interim Statement of
Other Comprehensive Income (Un-audited)**
For the Quarter ended 30 September 2019

	30 September 2019	30 September 2018
	----- (Rupees in '000) -----	
Profit after tax for the period	242,985	236,580
Other comprehensive income for the period:		
<i>Other Comprehensive income to be reclassified to profit and loss account in subsequent periods</i>	-	-
<i>Other Comprehensive income not to be reclassified to profit and loss account in subsequent periods</i>	-	-
	-	-
Total comprehensive income for the period	242,985	236,580

The annexed notes 1 to 11 form an integral part of this condensed financial information.

DR. MOHAMMAD ASHRAF BUTT
Chief Executive Officer

BABAR AIJAZ
Chief Financial Officer

JAMAL NASIM
Director



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Condensed Interim Statement of Changes in Equity (Un-audited)
For the Quarter ended 30 September 2019

	Issued subscribed and paid-up share capital	Revenue Reserves			Total equity
		General reserves	Unappropriated Profit / (Loss)	Total Reserves	
Rupees in '000					
Balance as at 30 June 2018	592,559	3,673,519	439,473	4,112,992	4,705,551
Total comprehensive income for the three months period ended 30 Sep 2018					
Profit for the period	-	-	236,580	236,580	236,580
Transactions with owners					
Final cash dividend for the year ended June 30, 2018	-	-	(474,048)	(474,048)	(474,048)
Transfer to general reserves	-	264,360	(264,360)	-	-
Balance as at 30 September 2018	592,559	3,937,879	(62,355)	3,875,524	4,468,083
Balance as at 30 June 2019	592,559	3,937,879	407,658	4,345,537	4,938,096
Total comprehensive income for the three months period ended 30 Sep 2019					
Profit for the period	-	-	242,985	242,985	242,985
Transactions with owners					
Transfer to general reserves	-	280,000	(280,000)	-	-
Final cash dividend for the year ended June 30, 2019	-	-	(429,606)	(429,606)	(429,606)
Balance as at 30 September 2019	592,559	4,217,879	(58,963)	4,158,916	4,751,475

The annexed notes 1 to 11 form an integral part of this condensed financial information.

DR. MOHAMMAD ASHRAF BUTT
Chief Executive Officer

BABAR AIJAZ
Chief Financial Officer

JAMAL NASIM
Director



Condensed Interim Statement of Cash Flows (Un-audited)
For the Quarter ended 30 September 2019

		30 September 2019 Un-audited	30 September 2018 Un-audited
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	9	857,496	(159,311)
Lease deposits recovered		169	342
Taxes paid		(126,575)	(74,007)
Finance costs (paid) / received		(1,183)	690
Net cash generated from / (used in) operating activities		729,907	(232,286)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(37,736)	(25,127)
Proceeds from sale of property, plant and equipment		2,312	-
Redemption of Sukuk term finance certificates		-	571
Dividend received on mutual Fund		885	-
Mark-up received		77,654	61,941
Investment made during the period		(1,638,375)	-
Investment redeemed during the period		2,060,114	484,349
Net cash generated from investing activities		464,854	521,734
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment against lease obligations		(4,093)	(7,491)
Payment against short term running finance		(88,034)	(54,618)
Dividend paid		(395,242)	(225,621)
Net cash used in financing activities		(487,369)	(287,730)
Net increase in cash and cash equivalents		707,392	1,718
Cash and cash equivalents at the beginning of the period		204,913	405,650
Cash and cash equivalents at the end of the period		912,305	407,368

The annexed notes 1 to 11 form an integral part of this condensed financial information.

DR. MOHAMMAD ASHRAF BUTT
Chief Executive Officer

BABAR AIJAZ
Chief Financial Officer

JAMAL NASIM
Director



Notes to the Condensed Interim Financial Information (Un-audited) **For the Quarter ended 30 September 2019**

1. THE COMPANY & ITS OPERATION

Security Papers Limited (the "Company") is incorporated and domiciled in Pakistan as a public Company Limited by shares. The address of its registered office and factory is Jinnah Avenue, Malir Halt, Karachi, Pakistan. The Company is listed on the Pakistan Stock Exchange Limited.

The principal activity of the Company is manufacturing of specialised paper for Banknote and non-bank note security documents.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 This condensed interim financial information of the Company for the three months ended 30 September 2019 has been prepared in accordance with the requirements of the International Accounting Standards 34 "Interim Financial Reporting" and Islamic Financial Accounting Standards (IFASs) issued by Institute of Chartered Accountant of Pakistan and provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 This condensed interim financial information of the Company does not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended 30 June 2019. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

2.3 This condensed interim financial information is presented in Pakistan Rupees, which is the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

2.4 This condensed interim financial information is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information is the same as those applied in the preparation of the annual financial statements of the Company for the year ended 30 June 2019 except for the adoption of new standards effective as of 1 July 2019 as stated below:

3.2 Changes in significant accounting policies

During the current period, the Company has adopted IFRS 16 - Leases which is effective from annual periods beginning on or after January 01, 2019. However company expects that the adoption of the above amendments and interpretation of the standard will not affect the company's financial statements.

4. USE OF ESTIMATES AND JUDGEMENTS

4.1 The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

4.2 Estimates and judgements made by management in the preparation of this condensed interim financial information are the same as those that were applied to the annual financial statements of the Company as at and for the year ended 30 June 2019.

4.3 The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements as at and for the year ended 30 June 2019.



		30 September 2019 Un-audited	30 June 2019 Audited
	Note	----- (Rupees in '000) -----	
5. PROPERTY, PLANT AND EQUIPMENT			
Operating assets	5.1	1,480,303	1,510,353
Capital work-in-progress	5.2	26,369	4,404
		1,506,672	1,514,757
5.1. Operating assets			
Opening book value		1,510,353	1,573,237
Additions during the period / year	5.1.1	19,722	153,419
Disposal during the period / year at book value		(1,574)	(1,388)
Depreciation charged during the period / year		(48,198)	(214,915)
		1,480,303	1,510,353
5.1.1. Additions during the period / year			
Land and building		-	10,743
Plant and machinery		719	87,563
Spare parts and stand by equipments		2,237	4,394
Electric, water and gas installations		8,783	24,413
Laboratory Equipment		-	1,057
Furniture & Fixtures		549	527
Office & Security Equipment		1,280	8,150
Computers and accessories		448	1,593
Motor Vehicles - Owned		87	164
Motor Vehicles - Leased		5,619	14,815
		19,722	153,419
5.2. Capital work-in-progress			
Opening balance		4,404	15,882
Addition during the period / year		23,675	44,466
Transferred to operating fixed asset		(1,710)	(53,387)
Expensed Out		-	(2,557)
		26,369	4,404
6. LONG-TERM INVESTMENT			
Financial Asset at Amortised Cost			
Pakistan Investment Bonds	6.1	1,284,717	1,190,841
6.1	These represents investments in Pakistan Investment Bonds (PIBs) carrying floating and fixed profit at the rate ranging from 12.05% to 14.64% (June 2019: 11.05% to 13.69%) with maturities in May 2028 and June 2028. The profit payments are made semi annually.		
		30 September 2019 Un-audited	30 June 2019 Audited
7. INVESTMENTS		----- (Rupees in '000) -----	
Financial Assets at Amortised Cost			
Term Deposit Receipts		-	512,000
Financial Assets at FVTPL			
Units of Mutual Funds		1,024,120	1,074,544
		1,024,120	1,586,544



8. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2019.

	30 September 2019 Un-audited	30 June 2019 Audited
	----- (Rupees in '000) -----	
8.1 Commitments		
Ijrah Financing	1,309	1,714
Capital expenditure contracted for but not incurred	8,005	92,566
Commitments against letters of credit	115,675	12,259
	<u>124,989</u>	<u>106,539</u>

9. CASH GENERATED FROM OPERATIONS

	30 September 2019 Un-audited	30 September 2018 Un-audited
	----- (Rupees in '000) -----	
Profit before taxation	354,307	324,600
Adjustments for:		
Depreciation	48,198	53,949
Amortisation of intangibles	107	86
Gain on disposal of fixed asset	(738)	-
Un-realized loss on re-measurement of Mutual Fund	51,177	21,483
Reversal of Impairment on BRR Guardian Modarba	-	(143)
Amortisation of discount on PIB	(4,368)	-
Dividend Income on Mutual Fund	(885)	-
Mark up on T-bills / TFC	(11,800)	-
Mark up on Investments	(31,462)	(20,191)
Mark up on bank deposits and saving account	(18,947)	(9,068)
Mark up on security deposits	-	(141)
Mark up on employee Loan	-	(1)
Finance costs	1,089	744
Changes In:		
Store, Spare parts & loose tools	(7,964)	4,198
Stock in trade	30,443	14,430
Trade Debts	307,427	(541,639)
Loans, advances, deposits, prepayments and other receivables	48,709	(32,747)
Trade and other payables	92,203	25,129
Cash generated from / (used in) operations	<u>857,496</u>	<u>(159,311)</u>



10. TRANSACTIONS WITH RELATED PARTIES

The Company has related party relationship with associated undertakings, directors, key management personnel and retirement benefit funds. Transaction with related parties essentially entail sale and purchase of goods and /or services from the below mentioned concerns.

All sales transactions with Pakistan Security Printing Corporation (Private) Limited are carried out by the Company using the "Cost Plus Mark-up Method". Transactions with employee benefit funds are carried out based on the terms of employment of the employees and according to the actuarial advice. All other transactions are carried out on commercial terms.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of their management team, including the Chief Executive Officer and Directors to be its key management personnel.

There are no transactions with key management personnel other than under their terms of employments / entitlements. Balances outstanding from related parties are interest free, unsecured and repayable on demand.

The significant transactions with related parties carried out during the quarter ended 30 September 2019 and the balances outstanding as at 30 September 2019 are as follows:

Name	Nature of relationship	Basic of relationship	Nature of transaction	30 September 2019 Un-audited	30 September 2018 Un-audited
----- (Rupees in '000) -----					
Pakistan Security Printing Corporation (Pvt) Limited	Associated undertaking	Common directorship	Sales	1,140,925	926,667
			Shared expenses charged by associate	10,010	9,494
			Shared expenses charged to associate	71	-
			Dividend Paid	171,983	189,774
			Trade debts & Other Receivables - net	543,752	1,061,546
Summer Holdings, Turkey	Other	Director on board of Company	Dividend Payable	42,960	47,405
Industrial Development & Renovation Organisation, Iran	Other	Director on board of Company	Dividend Payable	330,679	281,794
Employees Retirement Funds benefit fund	Retirement benefit fund	Employees	Contribution made	11,198	12,198
Key management personnel	Related parties	Executives	Remuneration and benefits	34,062	37,749



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11. GENERAL

11.1 Date of authorization

This condensed interim financial information was authorised by the Board of Directors of the Company on 25 October 2019.

DR. MOHAMMAD ASHRAF BUTT
Chief Executive Officer

BABAR AIJAZ
Chief Financial Officer

JAMAL NASIM
Director



ATTENTION SHAREHOLDERS

Attention of shareholders is invited to the following legal requirements:

1. CNIC / NTN Number on Dividend Warrant (Mandatory)

As has already been notified from time to time, SECP has directed vide its Notification S.R.O. 831(1)/2012 dated July 5, 2012 that the Dividend Warrant(s) should also bear the Computerized National Identity Card (CNIC) Number of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s).

In order to comply with the SECP's directives and in terms of Section 243(2)(a) of the Companies Act, 2017, the Company shall be constrained to withhold the Dividend Warrant(s), in case of non availability copy of valid CNIC (for individuals) and National Tax Number (for corporate entity).

Accordingly, shareholders who have not yet submitted copy of their valid CNIC or NTN are once again requested to immediately submit the same to the Company or Share Registrar, M/s. FAMCO Associates (Pvt.) Limited.

2. Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001 (Mandatory)

- (i) Pursuant to the provisions of the Finance Act 2019 effective July 1, 2019, the rates of deduction of income tax from dividend payments under the Income Tax Ordinance have been revised as follows:

1. Rate of withholding Income tax deduction for the persons whose names are appearing on ATL ---- 15%.
2. Rate of withholding Income tax deduction for the persons whose names are not appearing on ATL ---- 30%.

To enable the company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not appearing on Active Tax-payers List (ATL) available on the website of FBR are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Persons not appearing in the Active Taxpayers' List: The rate of tax required to be deducted/collected, as the case may be, is increased by 100% as specified in the First Schedule to the Income Tax Ordinance, 2001 (updated as per Finance Act, 2019)

- (ii) Withholding tax will be determined separately on 'persons names appearing on ATL/persons names not appearing on ATL' status of Principal Shareholder as well as joint-holder (s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

			Principal Shareholder		Joint Shareholder	
Company Name	Folio/CDS Account #	Total Shares	Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)



The required information must reach our Share Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

- (iii) As per FBR Circulars No. 1 (29) WHT/2006 dated 30 June 2010 and No. 1 (43) DG (WHT)/2008- Vol. II -66417-R dated 12 May 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance, 2001 (tax on dividend amount) where the statutory exemption under clause 47B of part - IV of Second Schedule is available. The shareholders who fall in the category mentioned in above clause and want to avail exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar before book closure otherwise tax will be deducted on dividend as per applicable rates.
- (iv) For any query/problem/information, the investors may contact the Company Secretary at phone: 021-99248285 and email address comsec@security-papers.com and/or FAMCO Associates (Pvt.) Ltd. at phone 021-34380101-5 and email address: info.shares@famco.com.pk.
- (v) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or FAMCO Associates (Pvt.) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

3. Payment of Cash Dividend Electronically (Mandatory)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholder only through electronic mode directly into their bank account designated by the entitled shareholders instead of issuing physical dividend warrants.

Therefore, shareholders are requested to provide the details of their bank mandate information specifying: (a) title of account, (b) account number (c) IBAN number (d) bank name and (e) branch name, code and address to the Company or Share Registrar. Those shareholders who hold shares with participants / Central Depository Company of Pakistan (CDC) are advised to provide the same to their concerned participant / CDC.

Please note that as per Section 243(3) of the Companies Act, 2017, listed companies are entitled to withhold payment of dividend, if necessary, information is not provided by shareholders.

For the convenience of shareholders e-Dividend Mandate Form is available on Company's website: <http://www.security-papers.com>.



4. Unclaimed / Unpaid Shares and Dividends

In accordance with the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it is due and payable, the Company shall give ninety days notices to the shareholders to file claim, if no claim is made before the Company by the shareholders, the Company shall proceed to deposit the unclaimed or unpaid Shares / Dividends with the Federal Government in compliance with the Section 244 of the Companies Act, 2017.

In this regard, a Notice dated December 28, 2017 was sent by Registered Post acknowledgement due on the last known addresses of the shareholders to submit their claims within 90 days to the Company. In compliance of Section 244(1)(b) of the Companies Act, 2017 a Final Notice had also been published on 30th March 2018 in two daily newspapers i.e. (i) Business Recorder and (ii) Daily Jang in English and Urdu respectively.

In case no claim is received within the given period from the aforesaid Notice, the Company shall proceed to deposit the unclaimed / unpaid amount with the Federal Government pursuant to the provisions of sub-section (2) of Section 244 of the Companies Act, 2017.

5. Placement of Financial Accounts on Website

Pursuant to the notification of the SECP (SRO 634(I)/2014) dated: 10th July 2014 the financial statements of the Company have been placed on Company's website: <http://www.security-papers.com>.

6. Change of Address (If any)

Members are requested to notify any change in their addresses immediately.

Shareholders are requested to provide above mentioned information/documents to (i) respective Central Depository System (CDS) Participants and (ii) in case of physical securities to the Company / Share Registrar:

Registered Office

The Company Secretary
Security Papers Limited
Jinnah Avenue, Malir Halt,
Karachi.
Tel. No: (+9221) 99248285
Fax No: (+9221) 99248286
Email: comsec@security-papers.com
Website: <http://www.security-papers.com>

Karachi
October 25, 2019

OR Share Registrar

FAMCO Associates (Pvt.) Limited
8-F, Next to Hotel Faran, Nursery,
Block-6, P.E.C.H.S., Shahrah-e-Faisal,
Karachi.
Tel. No: (+9221) 34380101-5
Fax No: (+9221) 34380106
Email: info.shares@famco.com.pk
Website: www.famco.com.pk

Rizwan Ul Haq Khan
Company Secretary



Security Papers
LIMITED

OHSAS 18001: 2007, ISO 9001:2015 & ISO 14001:2015 Certified

REGISTERED OFFICE & SHARES DEPARTMENT

Jinnah Avenue, Malir Halt, Karachi-75100

Phone: (+9221) 99248285 Fax: (+9221) 99248286

Website: www.security-papers.com

