

## CHERAT PACKAGING LIMITED

MODERN MOTORS HOUSE, BEAUMONT ROAD, KARACHI-75530, PAKISTAN.  
UAN : (9221) 111-000-009  
TEL : (9221) 35683566-35683567-35688348-35689538  
FAX : (9221) 35683425  
E-MAIL : cherat@gfg.com.pk  
WEB : www.gfg.com.pk



Ghulam Faruque  
Group

CPPL/AMF/  
August 30, 2018

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Road,  
Karachi.

The Director  
Corporate Supervision Department  
Securities & Exchange Commission of Pakistan  
7th Floor, NIC Building  
63-Jinnah Avenue, Blue Area  
Islamabad.  
Fax: 051-9100454 & 9100471

Dear Sir,

### FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2018

We have to inform you that the Board of Directors of the Company in its meeting held on Thursday, August 30, 2018 at 11:00 a.m. at the Head Office of the Company at Modern Motors House, Beaumont Road, Karachi, has recommended the following:

- I. **CASH DIVIDEND**  
Cash Dividend @ Rs. 5.00 per share i.e. 50% (This is in addition to interim dividend already paid @ Rs. 2.00 per share i.e. 20%)
- II. **BONUS SHARES**  
Issuance of Bonus Shares in proportion of 15 shares for every 100 shares held i.e. 15%
- III. **RIGHT SHARES**  
**NIL**
- IV. **ANY OTHER ENTITLEMENT/CORPORATE ACTION**  
**NIL**
- V. **ANY OTHER PRICE SENSITIVE INFORMATION**  
The financial results of the Company for the year ended June 30, 2018 are annexed. The Auditors' Certificate along with Board Resolution in respect of bonus shares are attached herewith.

The Annual General Meeting of the Company will be held on Wednesday, October 24, 2018 at 11:30 a.m. at the Factory, Plot No. 26, Gadoon Amazai, Industrial Estate, District Swabi, Khyber Pakhtunkhwa.

The share transfer books of the Company will be closed from Thursday, October 18, 2018 to Wednesday, October 24, 2018 (both days inclusive). Transfers received at the office of the share registrar of the company M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block "B" S.M.C.H.S. Main Shahrah-e-Faisal, Karachi at the close of business on Wednesday, October 17, 2018 will be treated in time for the purpose of above entitlement. The above entitlement will be made on the existing paid-up capital of the Company.

The Annual Report of the Company will be transmitted through PUCARS at least 21 days before holding of Annual General Meeting.

Yours sincerely,  
For **Cherat Packaging Limited**

  
**Amer Faruque**  
**Chief Executive**

Encl.: As stated above

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**CHERAT PACKAGING LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	2018	2017
	----- (Rupees `000) -----	
Turnover – net	7,091,653	6,443,932
Cost of sales	(5,993,321)	(5,187,454)
<b>Gross profit</b>	<b>1,098,332</b>	<b>1,256,478</b>
Distribution costs	(98,022)	(117,198)
Administrative expenses	(75,475)	(62,145)
Other expenses	(60,661)	(60,582)
	(234,158)	(239,925)
Other income	28,971	20,508
<b>Operating profit</b>	<b>893,145</b>	<b>1,037,061</b>
Finance costs	(128,262)	(64,118)
<b>Profit before taxation</b>	<b>764,883</b>	<b>972,943</b>
<b>Taxation</b>		
Current	-	(265,069)
Prior	5,040	(22,715)
Deferred	(58,844)	16,890
	(53,804)	(270,894)
<b>Net profit for the year</b>	<b>711,079</b>	<b>702,049</b>
<b>Earnings per share – basic and diluted</b>	<b>Rs. 21.79</b>	<b>(Restated) Rs. 22.81</b>


Amer Faruque  
Chief Executive

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AB/2106/18  
30 August 2018

The Board of Directors  
Cherat Packaging Limited (the Company)  
Karachi

## **Auditors' Certificate on Computation of 'Free Reserves'**

Dear Sirs

We have been requested to provide you with a certificate on the annexed computation of residual free reserves for the purpose of issue of bonus shares by the Company, as required under Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996.

### **Scope of Certificate**

This certificate is issued in terms of the requirement of Rule 6 (iii) read with the definition of free reserves as contained in Rule 6(iii) (b) of the Companies (Issue of Capital) Rules, 1996.

### **Management Responsibility**

It is the management's responsibility to ensure compliance with Rule 6 of the Companies (Issue of Capital) Rules, 1996. The responsibility for preparation and fair presentation of Statement of Free Reserve is primarily that of the management of the Company. The management's responsibilities include causing the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularities. This certification does not relieve the management of its responsibilities.

### **Auditors' Responsibility**

Our responsibility is to certify that the free reserves retained after the proposed issues of bonus shares are more than 15 percent of the enhanced paid-up capital, in accordance with the 'Guidelines for issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to trace the amounts reported in the Statement of Free Reserves to the financial statements of the Company for the year ended 30 June 2018 and checking whether Free Reserves are computed in accordance with the requirement of Rule 6 of the Companies (Issue of Capital) Rules, 1996.

### **Certificate**

Based on the procedures mentioned above, we certify that the Free Reserves ((in terms of meaning given in the Companies (Issue of Capital) Rules, 1996)) retained after the proposed issues of bonus shares as reported in the Statement of Free Reserves as at 30 June 2018 are more than 15 percent of the enhanced paid-up capital . Further, the contingent liabilities outstanding as at 30 June 2018 falling with the scope of paragraph 14 of International Accounting Standard 37 "Provisions, Contingent liabilities and Contingent Assets" have been deducted while calculating the minimum residual reserves of 15 percent.



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**Restriction on use and distribution**

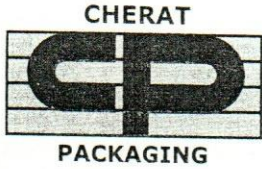
This certificate is issued on the request of the Company for the purpose of issue of bonus shares to shareholders of the Company as required under the Rules and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and the attachment.

Yours faithfully



KJ/FS:fr.

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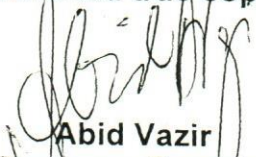


### Resolution passed by the Board of Directors in its meeting held on August 30, 2018

The Board of Directors has resolved that Bonus Shares @ 15% be recommended to the shareholders for approval at the ensuing Annual General Meeting of the company, payable to the shareholders registered at the close of business on October 17, 2018.

It was further resolved that a sum of Rs. 50,403,360/- be capitalized out of the unappropriated profits of the company for the year 2017/18 to issue at par 5,040,336 ordinary shares of Rs. 10 each. Such shares shall be distributed as bonus shares to those members, whose names appear in the register of members of the company as on October 17, 2018 @ 15% i.e. Fifteen (15) bonus shares for every one hundred (100) shares held; that the new shares shall rank pari passu with the existing shares of the company for all purposes; that fraction shares arising thereof shall be disregarded and whole shares representing such fractions shall be disposed off in such manner as the Directors of the company think fit and the proceeds shall be distributed in due proportion amongst the members entitled thereto in accordance with their respective rights; that the Directors of the Company be and are hereby authorized to sign the new share certificates and the common seal of the company be affixed in the presence of any two Directors; that the Directors and the Company Secretary be and are hereby authorized to give effect to this resolution and to do all such acts, deeds and things as may be necessary or required for the issuance, allotment and distribution of ordinary shares.

Certified true copy

  
Abid Vazir  
Company Secretary

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