

Quarterly Report
30 September **2015**

Security Papers
LIMITED

OHSAS 18001: 2007, ISO 9001:2008 & ISO 14001:2004 Certified





CONTENTS

Company Information	02
Directors' Report	03
Condensed Interim Balance Sheet	04
Condensed Interim Profit and Loss Account (Un-audited)	05
Condensed Interim Statement of Comprehensive Income (Un-audited)	06
Condensed Interim Cash Flow Statement (Un-audited)	07
Condensed Interim Statement of Changes in Equity (Un-audited)	08
Notes to the Condensed Interim Financial Information (Un-audited)	09
Attention Shareholders	14



COMPANY INFORMATION

BOARD OF DIRECTORS

Chairman

Sheikh Mohammad Aijaz Akhtar - Non-executive & Independent

Directors

Mrs. Ayla Akin - Turkey - Non-executive
Mr. Jamal Nasim - Non-executive
Dr. Abolghassem Jamshidi - Iran - Non-executive
Mr. Muhammad Ayub - Non-executive
Ch. Mehboob Ilahi - Non-executive
Mr. Shamsuddin Soomro - Non-executive
Mr. Muhammad Wajid Jamil - Non-executive
Ms. Nargis Ghaloo - Non-executive

Chief Executive Officer

Mr. Muhammad Misbah Tunio - Executive

BOARD AUDIT COMMITTEE

Mr. Muhammad Ayub - Chairman
Sheikh Mohammad Aijaz Akhtar - Member
Ch. Mehboob Ilahi - Member
Mr. Shamsuddin Soomro - Member
Mr. Babar Aijaz - Secretary

BOARD HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Jamal Nasim - Member
Mr. Muhammad Misbah Tunio - Member
Qazi Syed Imran Azam - Secretary

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

- Mr. Rizwan Ul Haq Khan

BANKERS

National Bank of Pakistan
Faysal Bank Limited
Habib Metropolitan Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Meezan Bank Limited

AUDITORS

Ernst & Young Ford Rhodes Sidat Hyder
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

MILLS

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

TAX CONSULTANTS

A. F. Ferguson & Co.
Chartered Accountants

SHARE REGISTRARS

FAMCO Associates (Pvt.) Limited
8-F, Next to Hotel Faran, Nursery,
Block-6, P.E.C.H.S, Shakra-e-Faisal,
Karachi.
Tel: (+9221) 34380101-5
Fax: (+9221) 34380106

WEB SITE

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



DIRECTORS' REPORT

The Directors are pleased to present the un-audited financial information for the quarter ended 30 September 2015.

BUSINESS AND PERFORMANCE REVIEW

The Company produced 593 tons of finished paper during the quarter under review as compared to 516 tons in the corresponding period of previous year. Net sales reported to be Rs 657 million during the quarter under review as compared to Rs 496 million in the corresponding period of preceding year thereby registering increase of Rs 161 million (i.e.32%). The Company achieved sales volume of 669 tons as against 524 tons during the corresponding period of preceding year.

Gross profit reported to be Rs 253 million as against Rs 160 million in the corresponding period of preceding year showing an increase of Rs 93 million primarily due to higher sales volume and better absorption of fixed costs.

The profit before and after taxation during the period under review reported to be Rs 273 million and Rs 197 million respectively including other income of Rs 95 million as against Rs 149 million and Rs 102 million respectively including other income of Rs 56 million during the corresponding period of preceding year.

FORWARD LOOKING INFORMATION

Going forward there are considerable macro economic, political and social challenges, we continue to focus on innovations, increased customer focus and a strong performance culture within the organization to optimize the return and improve productivity during the later period of the current financial year.

Your Directors are hopeful that with continued and concerted efforts, the Company would achieve the desired results during the current financial year.

For and on behalf of the Board

SHEIKH MOHAMMAD AIJAZ AKHTAR
Chairman

Karachi, 27 October 2015



Condensed Interim Balance Sheet
As at 30 September 2015

		Un-audited 30 September 2015	Audited 30 June 2015
ASSETS			
	Note	----- (Rupees in '000) -----	
Non-current assets			
Property, plant and equipment	4	1,803,541	1,847,614
Long-term deposits		15,243	15,048
Long-term investment	5	<u>1,463,790</u>	<u>1,461,099</u>
		3,282,574	3,323,761
Current assets			
Stores, spares and loose tools		121,809	108,855
Stock-in-trade		414,629	366,127
Trade debts - considered good		300,097	252,764
Advances, deposits, prepayments and other receivables		59,848	76,711
Accrued mark-up		30,820	73,341
Investments	6	848,837	834,660
Cash and bank balances		54,492	114,543
		<u>1,830,532</u>	<u>1,827,001</u>
Total assets		5,113,106	5,150,762
LIABILITIES			
Current liabilities			
Trade and other payables		687,001	538,105
Accrued mark-up		1,190	1,474
Short Term Borrowings		84,882	-
Current maturity of long term loan	7	98,730	120,988
Current portion of liabilities against subject to finance lease		3,740	3,791
Taxation - net		131,226	123,714
		<u>1,006,769</u>	<u>788,072</u>
Non-current liabilities			
Long Term Loan	7	23,203	41,249
Liabilities against assets subject to finance lease		11,748	10,678
Deferred taxation - net		283,519	290,593
		<u>318,470</u>	<u>342,520</u>
Total liabilities		1,325,239	1,130,592
Contingencies and commitments	8		
NET ASSETS		<u>3,787,867</u>	<u>4,020,170</u>
EQUITY			
Share Capital and reserves			
Authorised share capital 70,000,000 (30 June 2015: 70,000,000) ordinary shares of Rs 10 each		<u>700,000</u>	<u>700,000</u>
Issued, subscribed and paid-up capital		592,559	592,559
General Reserves		3,023,489	2,873,119
Unappropriated profit		190,887	500,140
(Deficit)/Surplus on re-measurement of investments classified as 'available for sales'		(19,068)	54,352
		<u>3,787,867</u>	<u>4,020,170</u>

The annexed notes 1 to 13 form an integral part of this condensed financial information.

MR. MUHAMMAD MISBAH TUNIO
Chief Executive Officer

MR. MUHAMMAD AYUB
Director



Security Papers
LIMITED

Condensed Interim Profit and Loss Account (Un-audited)
For the Quarter ended 30 September 2015

	30 September 2015	30 September 2014
	----- (Rupees in '000) -----	
Sales - net	656,682	495,720
Cost of sales	<u>(403,435)</u>	<u>(335,268)</u>
Gross profit	253,247	160,452
Administration and general expenses	<u>(48,924)</u>	<u>(46,282)</u>
	204,323	114,170
Other operating income	<u>95,149</u>	<u>56,276</u>
	299,472	170,446
Other operating charges	<u>(22,336)</u>	<u>(12,246)</u>
	277,136	158,200
Finance costs	<u>(4,026)</u>	<u>(9,023)</u>
Profit before taxation	273,110	149,177
Taxation		
- Current	<u>(83,531)</u>	<u>(61,481)</u>
- Deferred	<u>7,074</u>	<u>14,326</u>
	<u>(76,457)</u>	<u>(47,155)</u>
Profit after taxation	<u>196,653</u>	<u>102,022</u>
	(Rupees)	
Earnings per share (Basic / Diluted)	<u>3.32</u>	<u>1.72</u>

The annexed notes 1 to 13 form an integral part of this condensed financial information.

MR. MUHAMMAD MISBAH TUNIO
Chief Executive Officer

MR. MUHAMMAD AYUB
Director



Security Papers
LIMITED

**Condensed Interim Statement of
Comprehensive Income (Un-audited)
For the Quarter ended 30 September 2015**

	30 September 2015	30 September 2014
	----- (Rupees in '000) -----	
Profit after tax for the period	196,653	102,022
Other comprehensive income		
Unrealised diminution during the period on re-measurement of investments classified as 'available for sale' - net	(53,724)	7,986
	-	-
Realised appreciation during the year redemption of investments classified as 'available for sale'	(19,696)	-
	(73,420)	7,986
Total comprehensive income for the period	<u>123,233</u>	<u>110,008</u>

The annexed notes 1 to 13 form an integral part of this condensed financial information.

MR. MUHAMMAD MISBAH TUNIO
Chief Executive Officer

MR. MUHAMMAD AYUB
Director



Condensed Interim Cash Flow Statement (Un-audited)
For the Quarter ended 30 September 2015

		30 September 2015	30 September 2014
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	9	195,042	52,984
Long-term deposits		(195)	59
Taxes paid		(76,018)	(47,643)
Finance costs paid		(4,310)	(9,177)
Net cash generated from operating activities		114,519	(3,777)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(7,298)	(45,464)
Proceeds from sale of property, plant and equipment		195	103
Mark-up received		88,895	95,334
Dividend received from mutual Fund		25,368	-
Realized capital gain on mutual fund		19,696	-
Investment made during the period - net		(87,594)	15,326
Net cash generated from investing activities		39,262	65,299
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment against lease obligations		(934)	(2,378)
Long term loan		(40,304)	(40,303)
Short term borrowings		84,882	54,408
Dividend paid		(257,476)	(116,950)
Net cash used in financing activities		(213,832)	(105,223)
Net increase / (Decrease) in cash and cash equivalents		(60,051)	(43,701)
Cash and cash equivalents at the beginning of the period		114,543	83,213
Cash and cash equivalents at the end of the period		54,492	39,512

The annexed notes 1 to 13 form an integral part of this condensed financial information.

MR. MUHAMMAD MISBAH TUNIO
Chief Executive Officer

MR. MUHAMMAD AYUB
Director



Condensed Interim Statement of Changes in Equity (Un-audited)
For the Quarter ended 30 September 2015

	Issued, subscribed and paid-up share capital	(Deficit)/Surplus on re-measurement of investments classified as available for sale	General reserves	Unappropriated profit	Total
----- Rupees in '000 -----					
Balance as at 30 June 2014	493,799	22,563	2,806,919	346,677	3,669,958
Total comprehensive income for the year ended 30 June 2014					
Profit for the period	-	-	-	102,022	102,022
Other comprehensive income, net of taxes		7,986	-		7,986
Transactions with owners					
Final cash dividend @ Rs 3.50 per ordinary share for the year ended 30 June 2014	-	-	-	(172,830)	(172,830)
Bonus Shares issued during the year	98,760	-	-	(98,760)	-
Transfer to general reserves	-	-	62,200	(62,200)	-
Balance as at 30 September 2014	<u>592,559</u>	<u>30,549</u>	<u>2,869,119</u>	<u>114,909</u>	<u>3,607,136</u>
Balance as at 30 June 2015	592,559	54,352	2,873,119	500,140	4,020,170
Total comprehensive income for the Three months ended 30 September 2015					
Profit for the period	-	-	-	196,653	196,653
Other comprehensive income, net of taxes		(73,420)	-	-	(73,420)
Transactions with owners					
Final cash dividend for the year ended June 30, 2015 declared subsequent to the year end	-	-	-	(355,536)	(355,536)
Transfer to general reserves	-	-	150,370	(150,370)	-
Balance as at 30 September 2015	<u>592,559</u>	<u>(19,068)</u>	<u>3,023,489</u>	<u>190,887</u>	<u>3,787,867</u>

The annexed notes 1 to 13 form an integral part of this condensed financial information.

MR. MUHAMMAD MISBAH TUNIO
Chief Executive Officer

MR. MUHAMMAD AYUB
Director



Notes to the Condensed Interim Financial Information (Un-audited)
For the Quarter ended 30 September 2015

1 STATUS AND NATURE OF BUSINESS

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

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

2 BASIS OF PREPARATION

2.1 This condensed financial information of the Company for the quarter ended 30 September 2015 has been prepared in accordance with approved accounting standards as applicable in Pakistan for financial reporting. This condensed financial information does not include all of the information required for full annual financial statements, and should therefore be read in conjunction with the audited annual financial statements of the Company as at and for the year ended 30 June 2015.

2.2 This condensed financial information is presented in Pakistan Rupees, which is the Company's functional and presentation currency and all financial information presented has been rounded off to the nearest thousand.

2.3 This condensed financial information is unaudited and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed financial information are the same as those applied in the preparation of the financial statements of the Company as at and for the year ended 30 June 2015.

Amendments to certain existing standards and new interpretation on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company.

4 PROPERTY, PLANT AND EQUIPMENT

		30 September 2015 (Un-audited)	30 June 2015 (Audited)
	Note	----- (Rupees in '000) -----	
Operating assets	4.1	1,799,535	1,843,930
Capital work-in-progress	4.2	4,005	3,684
		<u>1,803,540</u>	<u>1,847,614</u>



		30 September 2015 (Un-audited)	30 June 2015 (Audited)
	Note	----- (Rupees in '000) -----	
4.1. Operating assets			
Opening book value		1,843,930	1,811,153
Additions during the period / year	4.1.1	8,730	237,078
Disposal during the period / year st book value		-	(398)
Depreciation charged during the period / year		(53,125)	(203,903)
		<u>1,799,535</u>	<u>1,843,930</u>
4.1.1. Additions during the period / year			
Land and building		-	33,729
Plant and machinery		-	110,415
Spare parts and stand by equipments		-	6,053
Electric, water and gas installations		4,876	76,290
Laboratory Equipment		1,227	111
Furniture & Fixtures		-	2,912
Office & Security Equipment		-	2,463
Computers and accessories		697	1,109
Motor Vehicles - Owned		177	150
Motor Vehicles - Leased		1,753	3,846
		<u>8,730</u>	<u>237,078</u>
4.2. Capital work-in-progress			
Opening balance		3,684	118,583
Addition during the period / year		2,073	88,809
Transferred to operating fixed asset		(1,752)	(203,708)
		<u>4,005</u>	<u>3,684</u>
5. LONG-TERM INVESTMENT			
<i>Held to maturity</i>			
Pakistan Investment Bond - 5 years	5.1	<u>1,463,790</u>	<u>1,461,099</u>

5.1 These represent investments in Pakistan Investment Bonds (PIB's) carrying profit at a rate of 11.25% to 11.5% (effective yield of 11.97% to 12.96%) per annum with maturity in August 2016 and July 2018. The profit payments are made semi annually.



		30 September 2015 (Un-audited)	30 June 2015 (Audited)
	Note	----- (Rupees in '000) -----	
6. INVESTMENTS			
Available for sale			
<i>Term finance certificates</i>			
B.R.R. Guardian Modaraba			
2,173 (2015: 2,503) units of Rs 5,000 each	6.1	8,147	9,384
Units of Mutual Funds		840,690	825,276
		<u>848,837</u>	<u>834,660</u>

6.1 The Term Finance certificates originally had a term of 5 years and carried profit at the rate of six months KIBOR plus 1.3% (effective annual rate of 11.84%) payable semi annually with maturity on 7 July 2014. On 7 January 2011 the borrower defaulted in payment of interest and entered into restructuring agreement with the TFC holders. As per the revised terms, the principal amount will be redeemed in varying monthly principal installments commencing from 7 August 2011 and ending on 7 December 2016. The certificates now carry markup at the rate of one month KIBOR (effective annual rate of 9%) payable on monthly basis alongwith the accrued profit before the restructuring. The fair value if the above statement has been valued using rate notified by Mutual Fund Association of Pakistan.

		30 September 2015 (Un-audited)	30 June 2015 (Audited)
		----- (Rupees in '000) -----	
7 LONG TERM LOAN - secured			
Opening Balance		162,237	323,451
Repayments during the period		<u>(40,304)</u>	<u>(161,214)</u>
		121,933	162,237
Current maturity- shown under current liabilities		<u>(98,730)</u>	<u>(120,988)</u>
		<u>23,203</u>	<u>41,249</u>

The Company has acquired facility amounting to Rs 283.37 million (2015: Rs 283.37 million) from Bank Al Habib Limited for purchase & installation of plant and machinery for balancing, modernisation and replacement of existing machinery. The entire financing is to be availed by 31 December 2015 (2015: 31 December 2015) and carried mark-up at three months Karachi Inter Bank Offer Rate (KIBOR).

The facility is secured by Pakistan Investment Bonds and Treasury Bills of the Company having face value of Rs 950 million. The facility availed is re-payable in 5 years in 20 equal quarterly installments starting from the date of disbursement. The Company has an option to prepay the loan without incurring any penalty



	30 September 2015 (Un-audited)	30 June 2015 (Audited)
8 CONTINGENCIES AND COMMITMENTS	----- (Rupees in '000) -----	
8.1 Contingencies		
Income tax	10,221	10,221
Claim against the Company not acknowledged as debt	2,379	2,379
Sales Tax on Services	4,163	4,163
	<u>16,763</u>	<u>16,763</u>
8.2 Commitments		
Capital expenditure contracted for but not incurred	2,509	6,414
Commitments against letters of credit	11,400	63,885
	<u>13,909</u>	<u>70,299</u>
	30 September 2015 (Un-audited)	30 September 2014 (Un-Audited)
	----- (Rupees in '000) -----	
9 CASH GENERATED FROM OPERATIONS		
Profit before taxation	273,110	149,177
Adjustments for:		
Depreciation	53,125	49,963
(Gain)/loss on disposal of fixed asset	(195)	(94)
Capital gain on redemption of mutual fund	(19,696)	-
Reversal of Impairment on BRR Guardian Modarba	(413)	(189)
Dividend income on mutual funds	(25,368)	-
Amortisation of discount on PIB	(2,691)	(2,386)
Mark up on Investments	(43,040)	(51,203)
Mark up on bank deposits and saving account	(2,585)	(852)
Mark up on security deposits	(141)	(141)
Finance costs	4,026	9,023
Working capital changes	(41,090)	(100,314)
	<u>(78,068)</u>	<u>(96,193)</u>
Cash flows generated from operations	<u>195,042</u>	<u>52,984</u>



10 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, directors, key management personnel and retirement benefit funds. The Company has a policy whereby all transactions with related parties are based on commercial terms. Transactions with related parties essentially entail sale of goods to the aforementioned concerns. However, contributions to staff retirement benefits are made in accordance with the terms of the contribution plan. The significant transactions with related parties carried out during the quarter ended 30 September 2015 and the balances outstanding as at 30 September 2015 were as follows.

	30 September 2015	30 September 2014
	----- (Rupees in '000) -----	
Associates:		
- Sale of goods to Pakistan Security Printing Corporation (Private) Limited - net	<u>614,370</u>	<u>462,885</u>
- Receivable from Pakistan Security Printing Corporation (Private) Limited - net	<u>291,172</u>	<u>352,129</u>
Key management personnel:		
- Salaries and other employee benefits	<u>26,362</u>	<u>23,846</u>

11 ESTIMATES AND JUDGEMENTS

Estimates and judgements made by management in the preparation of this condensed financial information were the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended 30 June 2015.

12 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2015.

13 DATE OF AUTHORISATION

This condensed financial information were authorised by the Board of Directors of the Company on 27 October 2015.

MR. MUHAMMAD MISBAH TUNIO
Chief Executive Officer

MR. MUHAMMAD AYUB
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, the Securities and Exchange Commission of Pakistan (SECP) vide Notification S.R.O. 19(I)/2014 dated 10th January 2014 read with Notification S.R.O. 831(1)/2012 dated July 5, 2012 required 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).

Henceforth, issuance of dividend warrant(s) will be subject to submission of CNIC (individuals) / NTN (corporate entities) by shareholders.

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 2015 effective July 1, 2015, the rates of deduction of income tax from dividend payments under the Income Tax Ordinance have been revised as follows:

1. Rate of tax deduction for filer of income tax return 12.5%
2. Rate of tax deduction for non-filers of income tax return 17.5%

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

(ii) Further, according to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' 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:

Company Name	Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			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) 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.
- (iv) 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. Dividend Mandate (Optional)

In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide Circular No. 18 of 2012 dated June 05, 2012, a shareholder may, if so desire, direct the Company to pay dividend through his/her/its bank account under Section 250 of the Companies Ordinance, 1984.

Further, transferee of shares may exercise option for dividend mandate by using the revised "Form of Transfer Deed" available on Company's website. The revised form of transfer deed will enable the transferees to receive cash dividend directly in their bank accounts, if such transferee provides particulars of its bank account which he/she/it desires to be used for credit of cash dividend.

If they so desires the shareholders have the option to seek the dividend mandate by using the standardized "Dividend Mandate Form" available on Company's website <http://www.security-papers.com>.

4. Payment of Cash Dividend Electronically (Optional)

The SECP has initiated e-dividend mechanism through its letter No: 8(4) SM/CDC/2008 dated April 05, 2013. In order to avail benefits of e-dividend (such as instant credit of dividends, no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address etc.) shareholders are hereby advised to provide details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) bank name, (iv) branch name, code and address.

5. Consent for Electronic Transmission of Audited Financial Statements & Notices (Optional)

The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated 8th September 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. Accordingly, members are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-mail. In order to avail this facility a Standard Request Form is available at the 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.



Security Papers
LIMITED

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
27 October 2015

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
info.shares@famco.com.pk

Rizwan Ul Haq Khan
Chief Financial Officer &
Company Secretary



Security Papers
LIMITED

OHSAS 18001: 2007, ISO 9001:2008 & ISO 14001:2004 Certified

REGISTERED OFFICE & SHARES DEPARTMENT:

Jinnah Avenue, Malir Halt, Karachi-75100.

Ph:(92)-021-99248285 Fax: (92)-021-99248286

FACTORY: Jinnah Avenue, Malir Halt, Karachi-75100

Ph:(92)-021-99248536-37 Fax:(92)-021-99248616