



Security Papers
LIMITED

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

Quarterly Report **2016**
30 September

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



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COMPANY INFORMATION

BOARD OF DIRECTORS

Chairman

Sheikh Mohammad Aijaz Akhtar - Non-executive & Independent

Directors

Dr. Abolghassem Jamshidi - Iran - Non-executive

Mrs. Ayla Akin - Turkey - Non-executive

Mr. Jamal Nasim - Non-executive

Mr. Muhammad Ayub - Non-executive

Mr. Shoaib Mir - Non-executive

Mr. Shamsuddin Soomro - Non-executive

Mr. Rauf Ahmad - Non-executive

Mr. Naveed Ehtesham - Non-executive

Chief Executive Officer

Mr. Muhammad Misbah Tunio - Executive

BOARD AUDIT COMMITTEE

Mr. Muhammad Ayub - Chairman

Sheikh Mohammad Aijaz Akhtar - Member

Dr. Abolghassem Jamshidi - Member

Mr. Shamsuddin Soomro - Member

Mr. Rauf Ahmad - Member

Mr. Babar Aijaz - Secretary

BOARD HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Jamal Nasim - Chairman

Mr. Muhammad Misbah Tunio - Member

Mr. Shoaib Mir - 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

EY Ford Rhodes

Chartered Accountants

LEGAL ADVISORS

Mohsin Tayebaly & Co.

Advocates & Legal Consultants

REGISTERED OFFICE

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MILLS

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TAX CONSULTANTS

A. F. Ferguson & Co.

Chartered Accountants

SHARE REGISTRARS

FAMCO Associates (Pvt.) Limited

8-F, Next to Hotel Faran, Nursery,

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WEB SITE

<http://security-papers.com>



DIRECTORS' REPORT

The Directors are pleased to present the un-audited Financial Information for the quarter ended 30 September 2016.

BUSINESS AND PERFORMANCE REVIEW

The Company produced 658 tons of finished paper during the quarter under review as compared to 593 tons in the corresponding period of previous year. Net sales reported to be Rs 655 million during the quarter under review as compared to Rs 657 million in the corresponding period of preceding year. The Company achieved sales volume of 671 tons as against 669 tons during the corresponding period of preceding year.

Gross profit reported to be Rs 244 million as against Rs 253 million in the corresponding period of preceding year showing a decrease of Rs 9 million primarily due to rising costs.

The profit before and after taxation during the period under review reported to be Rs 215 million and Rs 152 million respectively including other income of Rs 41 million as against Rs 273 million and Rs 197 million respectively including other income of Rs 95 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, 21 October 2016



Condensed Interim Balance Sheet
As at 30 September 2016

		Un-audited 30 September 2016	Audited 30 June 2016
ASSETS			
	Note	----- (Rupees in '000) -----	
Non-current assets			
Property, plant and equipment	4	1,664,022	1,710,120
Long-term deposits		15,514	15,514
Long-term investment	5	774,451	774,229
		<u>2,453,987</u>	<u>2,499,863</u>
Current assets			
Stores, spares and loose tools		112,267	108,025
Stock-in-trade		416,238	487,006
Trade debts - considered good		593,610	310,892
Advances, deposits, prepayments and other receivables		63,040	34,973
Accrued mark-up		19,543	75,523
Investments	6	1,262,918	1,608,966
Cash and bank balances		208,996	147,365
		<u>2,676,612</u>	<u>2,772,750</u>
Total assets		<u>5,130,599</u>	<u>5,272,613</u>
LIABILITIES			
Current liabilities			
Trade and other payables		656,259	552,525
Accrued mark-up		222	325
Current maturity of long term loan	7	22,598	40,037
Current portion of liabilities against subject to finance lease		4,549	4,685
Taxation - net		166,333	135,322
		<u>849,961</u>	<u>732,894</u>
Non-current liabilities			
Long Term Loan	7	606	1,212
Liabilities against assets subject to finance lease		12,969	13,990
Deferred taxation - net		262,046	275,028
		<u>275,621</u>	<u>290,230</u>
Total liabilities		<u>1,125,582</u>	<u>1,023,124</u>
Contingencies and commitments	8		
NET ASSETS		<u>4,005,017</u>	<u>4,249,489</u>
EQUITY			
Share Capital and reserves			
Authorised share capital 70,000,000 (30 June 2016: 70,000,000) ordinary shares of Rs 10 each		700,000	700,000
Issued, subscribed and paid-up capital		592,559	592,559
General Reserves		3,209,919	3,023,489
Unappropriated profit		152,815	631,815
(Deficit)/Surplus on re-measurement of investments classified as 'available for sales'		49,724	1,626
		<u>4,005,017</u>	<u>4,249,489</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



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Condensed Interim Profit and Loss Account (Un-audited)
For the Quarter ended 30 September 2016

	30 September 2016	30 September 2015
	----- (Rupees in '000) -----	
Sales - net	655,300	656,682
Cost of sales	<u>(411,215)</u>	<u>(403,435)</u>
Gross profit	244,085	253,247
Administration and general expenses	<u>(51,194)</u>	<u>(48,924)</u>
	192,891	204,323
Other operating income	<u>41,367</u>	<u>95,149</u>
	234,258	299,472
Other operating charges	<u>(17,284)</u>	<u>(22,336)</u>
	216,974	277,136
Finance costs	<u>(1,505)</u>	<u>(4,026)</u>
Profit before taxation	215,469	273,110
Taxation		
- Current	<u>(76,601)</u>	<u>(83,531)</u>
- Deferred	12,982	7,074
	<u>(63,619)</u>	<u>(76,457)</u>
Profit after taxation	<u>151,850</u>	<u>196,653</u>
	(Rupees)	
Earnings per share - basic & diluted	<u>2.56</u>	<u>3.32</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



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**Condensed Interim Statement of
Comprehensive Income (Un-audited)
For the Quarter ended 30 September 2016**

	30 September 2016	30 September 2015
	----- (Rupees in '000) -----	
Profit after tax for the period	151,850	196,653
Other comprehensive income		
Unrealised appreciation during the period on re-measurement of investments classified as 'available for sale' - net	52,895	(53,724)
Realised appreciation during the year redemption of investments classified as 'available for sale'	(4,797)	(19,696)
	48,098	(73,420)
Total comprehensive income for the period	199,948	123,233

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 2016

	30 September 2016	30 September 2015
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	9 9,014	195,042
Long-term deposits	-	(195)
Taxes paid	(45,590)	(76,018)
Finance costs paid	(1,608)	(4,310)
Net cash generated from operating activities	(38,184)	114,519
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(4,391)	(7,298)
Proceeds from sale of property, plant and equipment	-	195
Mark-up received	90,023	88,895
Dividend received from mutual Fund	-	25,368
Realized capital gain on mutual fund	4,797	19,696
Investment redeemed during the period - net	394,444	(87,594)
Net cash generated from investing activities	484,873	39,262
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment against lease obligations	(1,157)	(934)
Long term loan	(18,045)	(40,304)
Short term borrowings	-	84,882
Dividend paid	(365,856)	(257,476)
Net cash used in financing activities	(385,058)	(213,832)
Net increase / (Decrease) in cash and cash equivalents	61,631	(60,051)
Cash and cash equivalents at the beginning of the period	147,365	114,543
Cash and cash equivalents at the end of the period	208,996	54,492

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 2016

	Issued, subscribed and paid-up share capital	General reserves	Unappro- priated profit	(Deficit)/Surplus on re- measurement of investments classified as available for sale	Total equity
----- Rupees in '000 -----					
Balance as at 30 June 2015	592,559	2,873,119	500,140	54,352	4,020,170
Total comprehensive income for the year ended 30 June 2015					
Profit for the period	-	-	196,653	-	196,653
Other comprehensive income	-	(73,420)	(73,420)	-	-
Transactions with owners					
Final Cash dividend for the year ended June30,2015	-	-	(355,536)	-	(355,536)
Bonus Shares issued during the year	-	-	-	-	-
Transfer to general reserves	-	150,370	(150,370)	-	-
Balance as at 30 September 2015	<u>592,559</u>	<u>3,023,489</u>	<u>190,887</u>	<u>(19,068)</u>	<u>3,787,867</u>
Balance as at 30 June 2016	592,559	3,023,489	631,815	1,626	4,249,489
Total comprehensive income for the Three months ended 30 September 2016					
Profit for the period	-	-	151,850	151,850	303,700
Other comprehensive income	-	-	48,098	48,098	96,196
Transactions with owners					
Final cash dividend for the year ended June 30, 2016	-	-	(444,420)	-	(444,420)
Transfer to general reserves	-	186,430	(186,430)	-	-
Balance as at 30 September 2016	<u><u>592,559</u></u>	<u><u>3,209,919</u></u>	<u><u>152,815</u></u>	<u><u>49,724</u></u>	<u><u>4,005,017</u></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 2016

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 Pakistan Stock Exchange Limited.

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 2016 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 2016.

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 2016.

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 2016 (Un-audited)	30 June 2016 (Audited)
	Note	----- (Rupees in '000) -----	
Operating assets	4.1	1,658,815	1,704,667
Capital work-in-progress	4.2	5,207	5,453
		<u>1,664,022</u>	<u>1,710,120</u>



		30 September 2016 (Un-audited)	30 June 2016 (Audited)
	Note	----- (Rupees in '000) -----	
4.1. Operating assets			
Opening book value		1,704,667	1,843,930
Additions during the period / year	4.1.1	6,500	73,558
Disposal during the period / year at book value		-	(364)
Depreciation charged during the period / year		(52,352)	(212,457)
		<u>1,658,815</u>	<u>1,704,667</u>

4.1.1. Additions during the period / year

Land and building	-	1,661
Plant and machinery	77	35,413
Spare parts and stand by equipments	-	2,736
Electric, water and gas installations	4,485	16,388
Laboratory Equipment	-	4,029
Furniture & Fixtures	-	44
Office & Security Equipment	-	2,075
Computers and accessories	25	1,618
Motor Vehicles - Owned	50	426
Motor Vehicles - Leased	1,863	9,168
	<u>6,500</u>	<u>73,558</u>

4.2. Capital work-in-progress

Opening balance	5,453	3,684
Addition during the period / year	1,617	39,997
Transferred to operating fixed asset	(1,863)	(38,228)
	<u>5,207</u>	<u>5,453</u>

5. LONG-TERM INVESTMENT

Held to maturity

Pakistan Investment Bond - 5 years	5.1	<u>774,451</u>	<u>774,229</u>
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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 12.05%) per annum with maturity in July 2018. The profit payments are made semi annually.



		30 September 2016 (Un-audited)	30 June 2016 (Audited)
	Note	----- (Rupees in '000) -----	
6. INVESTMENTS			
Held to maturity			
Pakistan Investment Bonds		-	697,894
Available for sale			
<i>Term finance certificates</i>			
B.R.R. Guardian Modaraba 1635 (2016: 1,678) units of Rs 5,000 each	6.1	6,130	6,291
Units of Mutual Funds		1,256,788	904,781
		<u>1,262,918</u>	<u>1,608,966</u>

6.1 Diminishing Musharaka based term finance certificates originally had a term of 6 years and carried profit at the rate of six months KIBOR plus 1.3% payable semi annually with maturity on 26 May 2014. The borrower had defaulted on certain payments and entered into a restructuring agreement with the trustee on 15 April 2011. As per the revised terms, the principal amount was redeemable in varying monthly installments commencing from 07 August 2011 and ending on 07 December 2016 with regular profit pricing at the rate 01 month KIBOR and certain deferred profit (pertaining before restructuring) payable on monthly basis. The borrower has again defaulted on certain payments and entered into second restructuring agreement with the trustee on 30 June 2016. Revised terms include;

- The principal amount will be redeemed in varying monthly installments commencing from 07 July 2016 and ending on 07 April 2019.
- Markup at the rate of 01 month KIBOR plus 1.5% payable on monthly basis.

		30 September 2015 (Un-audited)	30 June 2015 (Audited)
		----- (Rupees in '000) -----	
7 LONG TERM LOAN - secured			
Opening Balance		41,249	162,237
Repayments during the period		<u>(18,045)</u>	<u>(120,988)</u>
		23,204	41,249
Current maturity- shown under current liabilities		<u>(22,598)</u>	<u>(40,037)</u>
		<u>606</u>	<u>1,212</u>

The Company has acquired facility amounting to Rs 114.147 million (2016: Rs 114.147 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 2016 (2016: 31 December 2016) and carries mark-up at three months Karachi Inter Bank Offer Rate (KIBOR).

These facilities are secured by Pakistan Investment Bond of the Company having face value of Rs 785 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 2016 (Un-audited)	30 June 2016 (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	2,292	5,499
Commitments against letters of credit	47,395	55,639
	<u>49,687</u>	<u>61,138</u>

There are no major changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2016.

	30 September 2016 (Un-audited)	30 September 2015 (Un-Audited)
9 CASH GENERATED FROM OPERATIONS	----- (Rupees in '000) -----	
Profit before taxation	215,469	273,110
Adjustments for:		
Depreciation	52,352	53,125
Gain on disposal of fixed asset	-	(195)
Capital gain on redemption of mutual fund	(4,797)	(19,696)
Reversal of Impairment on BRR Guardian Modarba	(54)	(413)
Dividend income on mutual funds	-	(25,368)
Amortisation of discount on PIB	(2,328)	(2,691)
Mark up on Investments	(29,463)	(43,040)
Mark up on bank deposits and saving account	(4,440)	(2,585)
Mark up on security deposits	(141)	(141)
Finance costs	1,505	4,026
Working capital changes	(219,089)	(41,090)
	(206,455)	(78,068)
Cash flows generated from operations	<u>9,014</u>	<u>195,042</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 2016 and the balances outstanding as at 30 September 2016 were as follows:

	30 September 2016 (Un-audited) ----- (Rupees in '000) -----	30 September 2015 (Un-audited)
Associates:		
- Sale of goods to Pakistan Security Printing Corporation (Private) Limited - net	<u>652,972</u>	<u>614,370</u>
- Receivable from Pakistan Security Printing Corporation (Private) Limited - net	<u>587,184</u>	<u>291,172</u>
Key management personnel:		
- Salaries and other employee benefits	<u>38,997</u>	<u>26,362</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 2016.

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 2016.

13 DATE OF AUTHORISATION

This condensed financial information were authorised by the Board of Directors of the Company on 21 October 2016.

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. 275(I)/2016 dated 31st March 2016 read with Notification S.R.O. 19(I)/2014 dated 10th January 2014 and 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 the Income Tax Ordinance, 2001 (Mandatory)

(i) Pursuant to the provisions of the Finance Act 2016 effective July 1, 2016, 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 20%

To enable the company to make tax deduction on the amount of cash dividend @ 12.5% instead of 20%, 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 will be deducted @ 20% 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) As per FBR Circulars C. No. 1 (29) WHT/2006 dated 30.06.2010 and C. No. 1 (43) DG (WHT)/2008-Vol.II-66417-R dated 12th 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. 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.

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>

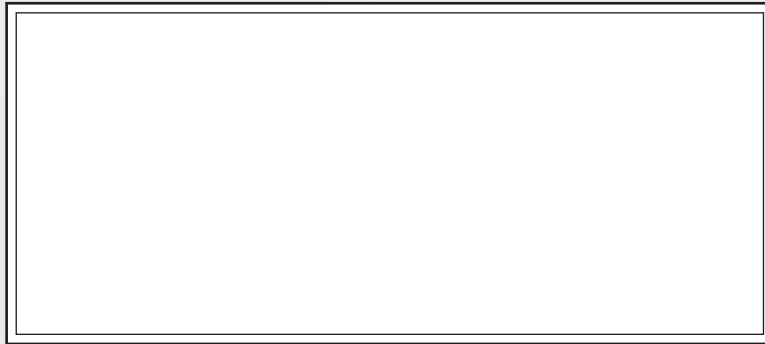
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21 October 2016

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