



# CBS: Corporate Briefing Session

27 June, 2023



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# Organizational Overview and External Environment



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## Company Profile

- Security Papers Limited is a national strategic industrial organization engaged in the business of manufacturing security paper for Banknotes and Other Security Paper products.
- Due to its strategic nature of operations, the Company has been classified as Category 1A (KPID) Key Point Installation by the Government of Pakistan.
- The geographical presence of the Company is in Karachi, Pakistan, while its customers are located in Karachi, Lahore, Gujranwala, Faisalabad, Islamabad, Peshawar and other major cities of the country.



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## Vision

To be a nationally and internationally recognised and accepted security paper producing organization, providing highest quality paper to our customers, both in Pakistan and abroad.



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## Mission Statement

“Our Mission is to exceed the expectation of our Customers in producing, with security and efficiency, highest quality paper products, employing international best practices and applying an integrated approach to Product Research & Development, Manufacturing Technology, Operations Management, Counterfeit deterrence, Materials Procurement, Human Resource Management, Financial Management and information systems.”

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## Historical Milestones

**1965**

- Incorporated as Private Limited Company.

**1967**

- Listed on the Karachi Stock Exchange (now Pakistan Stock Exchange - PSX)

**1969**

- Started commercial production

**2004**

- New Paper Machine commissioned and inaugurated by Prime Minister of Pakistan.

**2006**

- Reverse Osmosis (RO) Plant installed and commissioned

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## Historical Milestones

**2009**

- Captive Power Plant installed

**2011**

- Modification and Upgradation of Rewinder and Sheeter Machines

**2012**

- New Mould Cover manufacturing facility installed

**2014**

- Automated Cotton (Comber) Dry Cleaning Plant installed

**2015**

- A new Thread Unwinding System installed

## Historical Milestones

**2016**

- Paper for National Passport developed and produced

**2018**

- Production capacity enhanced from 2500 tons to 3500 tons per annum through expansion of Pulp making Plant and enhancing operational speed of paper machine

**2019**

- Capacity enhancement of Paper Machine completed by utilizing in house resources for rehabilitation of "Short Former". (From 3,500 tons to 5,000 tons per annum)

**2020**

- Commissioning of Waste Water Recycling Plant in August '20

**2021**

- Upgrade Fire Alarm System, new Fire Hydrant, and Sprinkler System

**2022**

- Development of Special Watermark Security Paper for Ballot Printing

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## Product Portfolio



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## Our Customers

Pakistan Security Printing Corporation

National Security Printing Company

Government of Punjab

NADRA

Election Commission of Pakistan

Universities, Boards and Other Institutions

## OUR BUSINESS MODEL

### Inputs



### Key Processes



### Value Distribution



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Best Corporate Report Award 2021 by ICAP/ICMAP

37<sup>th</sup> Corporate Excellence Award by MAP





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## Corporate Awards

### SURPASSING THE BEST



# Corporate Awards

## Top Companies Award:

- Awarded Top 25 Companies Award of PSX for the years 2000 to 2007 and 2009 to 2016 & 2018-2021.

## Corporate Excellence Award:

- Awarded 37th Corporate Excellence Award of the Management Association of Pakistan (MAP);
- Holds 24th to 29th Awards (6 times in a row) as well as 31st to 37th (7 times in a row).

## Best Corporate Report Award:

- Received Best Corporate Report Award of ICAP for year 2021
- Holds BCR – ICAP awards for 2003 and 2006 to 2012 and 2020 to 2021.

## Best Sustainability Report Award (jointly by ICAP and ICMAP):

- Received Best Sustainability Report Award for 2020 and 2021.

18th Occupational Safety, Health and Wellbeing award – 2021 from the Employer's Federation of Pakistan

## Environmental Excellence Award:

- Received the 18th Annual Environmental Excellence Award 2021
- Also awarded 11th, 15th, 16th and 17th Annual Environmental Excellence Award in 2014, 2018, 2019, 2020 respectively.



# NOTICE

PSX/N-888

Dated: Sept 12, 2022

## NOTICE – TOP COMPANIES FOR THE YEAR 2021

Every year, the Pakistan Stock Exchange announces the names of the twenty-five (25) leading, publicly traded companies which have been adjudged in accordance with a comprehensive Selection Criteria approved by the PSX Board of Directors.

Continuing with its tradition, the Pakistan Stock Exchange is pleased to announce the winners of the prestigious Top 25 Companies Award for the year 2021.

Sr. No.	Name of Company	Sr. No.	Name of Company
1	Fauji Fertilizer Company Limited	14	EFU Life Assurance Limited
2	Engro Corporation Limited	15	Pakistan Oilfields Limited
3	Systems Limited	16	Bank Alfalah Limited
4	Ferozsons Laboratories Limited	17	Jubilee Life Insurance Company Limited
5	<del>Engro Fertilizers Limited</del>	18	International Industries Limited
6	Security Papers Limited	19	Engro Polymer & Chemicals Limited
7	Dawood Hercules Corporation Limited	20	Mari Petroleum Company Limited
8	Habib Bank Limited	21	Gadoon Textile Mills Limited
9	TRG Pakistan Limited	22	International Steels Limited
10	Meezan Bank Limited	23	Pakistan Cables Limited
11	The Hub Power Company Limited	24	Packages Limited
12	MCB Bank Limited	25	Adamjee Insurance Company Limited
13	Cyan Limited		

The following are the salient benchmarks of the Selection Criteria of 2021:

- |       |                          |        |  |
|-------|--------------------------|--------|--|
| (i)   | Profitability Ratios,    | (vii)  | Corporate Social Responsibilities,                             |
| (ii)  | Liquidity Ratio,         | (viii) | Reporting on Sustainable Development Goals,                    |
| (iii) | Dividend Related Ratios, | (ix)   | Diversity and Inclusion,                                       |
| (iv)  | Solvency Ratios,         | (x)    | Corporate Governance & Investor Relations                      |
| (v)   | Free-Float of Shares,    | (xi)   | Compliance with Listing of Companies & Securities Regulations. |
| (vi)  | Turnover of Shares,      |        |  |

PSX would like to congratulate the Board of Directors and the Senior Management of the Top Companies for their commendable performance and wish them continued success in the future.

*Asmaa Saleem Malik*

**Asmaa Saleem Malik, CFA**  
Chief Listing Officer



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## ISO Certifications



Quality  
Management  
System (ISO  
9001:2015)



Environmental  
Management  
System (ISO  
14001:2015)



Occupational  
Health &  
Safety  
Management  
System (ISO  
45001: 2018)

# Governance



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# Board of Directors

## NON-EXECUTIVE DIRECTORS

### CHAIRMAN

Mr. Mohammad Aftab Manzoor	Nominee
----------------------------	---------

### DIRECTORS

Mr. Muhammad Sualeh Ahmad Faruqi	Independent	Elected
Mr. Jamal Nasim		Elected
Mr. Ahmad Hatami Yazd		Nominee
Ms. Figen Caliskan		Nominee
Mrs. Uzma Aijaz	Independent	Elected
Hafiz Muhammad Yousaf		Nominee
Mr. Shafqaat Ahmed		Nominee
Mr. Munir Ahmed	Independent	Elected

## EXECUTIVE DIRECTOR - CHIEF EXECUTIVE OFFICER

Mr. Imran Qureshi
-------------------



# Board Committees

**Board of Directors**

Board Audit  
Committee

Board Human  
Resource and  
Remuneration  
Committee

Board Investment and  
Risk Management  
Committee

Board Strategic  
Committee

Board Procurement  
Committee

## Management Committees

**Executive  
Committee**

**Corporate Social  
Responsibility  
(CSR)  
Committee**

**IT Steering  
Committee**

**Enterprise Risk  
Management  
Committee**

**Business  
Continuity Plan  
Committee**

**Health & Safety  
Committee**

**Worker's  
Welfare Fund  
Committee**

**Worker's Profit  
Participation  
Fund (WPPF)  
Committee**

**Prevention of  
Sexual  
Harassment  
Committee**

**Whistle Blowing  
Committee**

## Board's Approved Policies

Corporate Social  
Responsibility Policy

Sexual  
Harassment  
Policy

Investment  
Policy  
Guidelines

Risk  
Management  
Policy

Insider Trading  
Policy

Directors'  
Remuneration  
Policy

Whistle  
Blowing Policy

Related Party  
Transactions  
Policy

Communication  
& Disclosure  
Policy

Environmental  
Policy

Occupational  
Health & Safety  
Policy

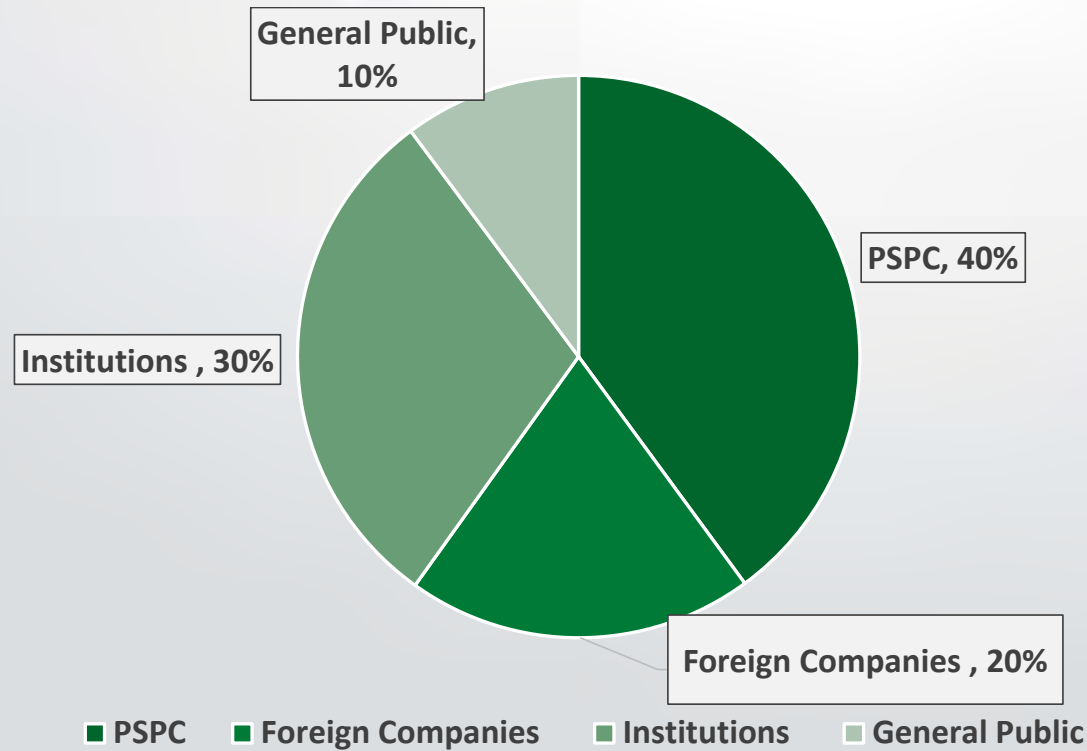
Quality Policy



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## Shareholding Pattern (as at 30<sup>th</sup> June 2022)



# Strategic Planning



# Strategic Planning Process





# Strategic Goals



**Customers' satisfaction**



**Employees' empowerment**



**Enterprise Risk Management and Business Continuity Planning**



**Continuous improvement (KAIZEN)**



**Operational Efficiency**



**Maximum Return on Investment**

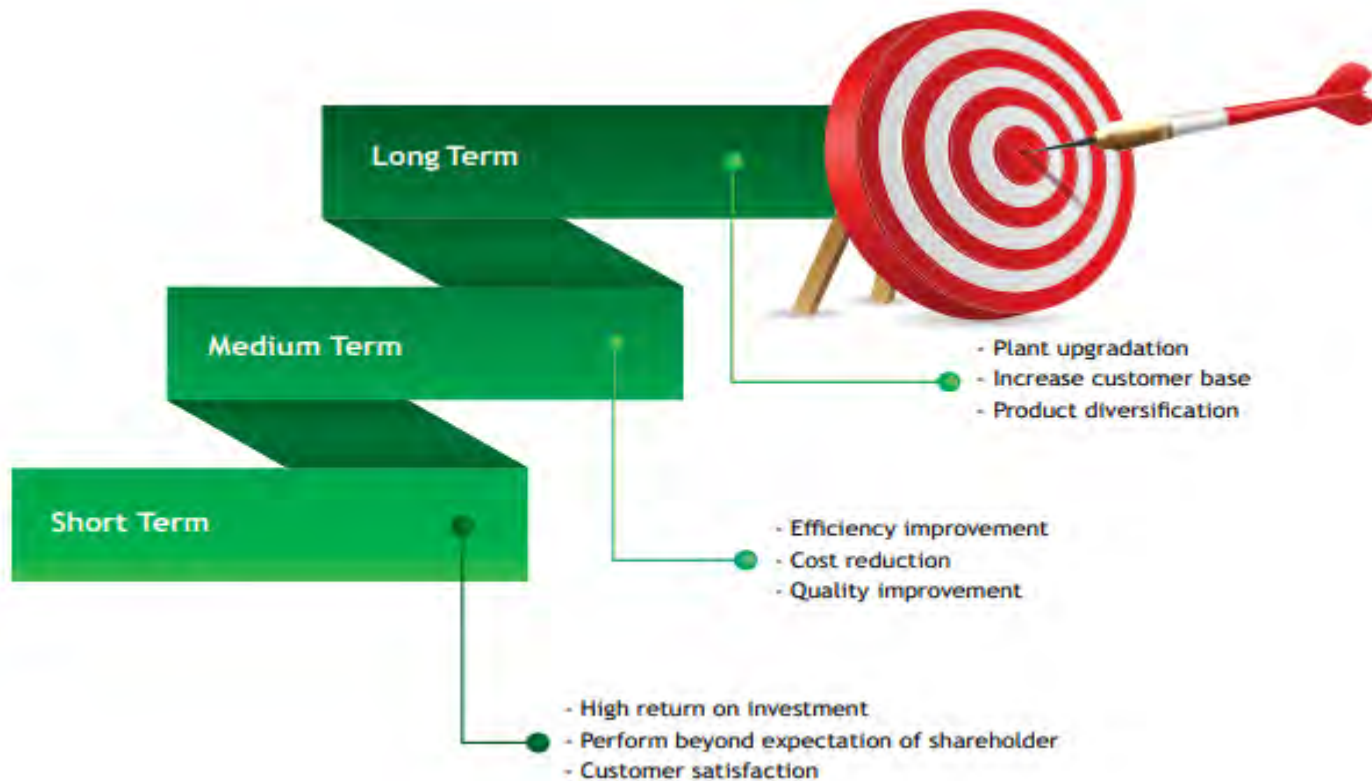


**Corporate Social Responsibility**



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# Strategic Objectives



# Financials Overview





## Profit or Loss Nine Months Overview

PARTICULARS	JULY - MARCH	
	2023	2022
SALES – RS '000	3,616,017	3,935,407
GROSS PROFIT – RS '000	627,874	1,408,686
PROFIT AFTER TAXATION – RS '000	431,056	895,575
EARNING PER SHARE – RS	7.27	15.11

## Ratio Analysis Nine Months

PARTICULARS	JULY - MARCH	
	2023	2022
GROSS PROFIT TO SALES %	17%	36%
NET PROFIT TO SALES %	12%	23%
TOTAL ASSETS TURNOVER %	43%	46%
CURRENT RATIO	2.94:1	4.25:1

# Sustainability & CSR

ESG



## Sustainability and Corporate Social Responsibility (CSR)

Sustainable Development Goals (SDGs) have been identified as a roadmap for our business to integrate them into our strategy. While SPL supports all seventeen SDGs, it prioritizes its actions where it can achieve the greatest impact:

- We organize health awareness and safety sessions for our employees (SDG-3).
- The Company provides scholarship assistance to its employees for their children's education (SDG-4).
- SPL contributes towards SDGs by Customer Satisfaction, Mitigating Risks, Operational Efficiencies, Implementing Kaizen & 5S methodology.

The Company is committed to supporting and investing in the communities in which it operates through a variety of Corporate Social Responsibility initiatives.



## Sustainability and CSR

### CSR Activities

- Prime Minister Flood Relief Fund 2022
- Indus Hospital for Anesthesia Machine
- Help Line
- SOS Village

# Projects



## Projects Completed

Construction of Comber Store

Solar Powered project 40 KW

Drilling of Additional Bore for New RO Plant

## Projects under progress

Up-gradation of PM2 Scanner

New RO Plant

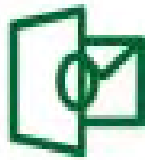
Up-gradation of AVR for Co-generation plant

Dual Fired Buner for Steam Boiler

Cargo Lift- 5.0 ton Capacity



# Future Outlook



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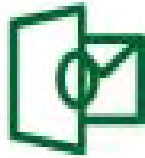
## Future Outlook

- We expect demand for Banknote Paper (BNP) and Other Security Paper (OSP) to continue to grow as long term outlook for Security Papers remains positive
- The Company remains focused on innovations, a strong performance culture within the Organization, improved productivity and enhanced shareholder's value
- New technologies are continuously evolving in the Security Paper industry and the Company is committed to adopt any new technology that can improve the Company's performance
- The Pakistani economy is facing significant challenges with risks emanate from abysmally low Foreign Exchange reserves, steep inflation and rising interest rates. Continued delay in resumption of IMF program coupled with the geo-political uncertainty have aggravated the economic challenges. As a result, the input cost, both raw material and utilities, are on rising trend.

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# THANK YOU

SAKAM RESIDENCES



**For further queries, please reach out to  
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