

## MIRA INFORM REPORT

Report No. :	546528
Report Date :	28.12.2018

### IDENTIFICATION DETAILS

Name :	TRI-PACK FILMS LIMITED
Registered Office :	4 <sup>th</sup> Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi
Country :	Pakistan
Financials (as on) :	31.12.2017
Date of Incorporation :	29.04.1993
Com. Reg. No.:	0030231
Legal Form :	Public Limited Company (Listed at stock exchange of Pakistan)
Line of Business :	Subject is principally engaged in the manufacture and sale of Biaxially Oriented Polypropylene (BOPP) film and Cast Polypropylene (CPP) film
No. of Employees :	322

### RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> January 2017)

MIRA's Rating :	A
-----------------	---

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Maximum Credit Limit :	USD 420,177
Status :	Satisfactory
Payment Behaviour :	Slow and delayed
Litigation :	Clear

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**NOTES :**

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Pakistan	B1	B1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

**PAKISTAN - ECONOMIC OVERVIEW**

Decades of internal political disputes and low levels of foreign investment have led to underdevelopment in Pakistan. Pakistan has a large English-speaking population, with English-language skills less prevalent outside urban centers. Despite some progress in recent years in both security and energy, a challenging security environment, electricity shortages, and a burdensome investment climate have traditionally deterred investors. Agriculture accounts for one-fifth of output and two-fifths of employment. Textiles and apparel account for more than half of Pakistan's export earnings; Pakistan's failure to diversify its exports has left the country vulnerable to shifts in world demand. Pakistan's GDP growth has gradually increased since 2012, and was 5.3% in 2017. Official unemployment was 6% in 2017, but this fails to capture the true picture, because much of the economy is informal and underemployment remains high. Human development continues to lag behind most of the region. In 2013, Pakistan embarked on a \$6.3 billion IMF Extended Fund Facility, which focused on reducing energy shortages, stabilizing public finances, increasing revenue collection, and improving its balance of payments position. The program concluded in September 2016. Although Pakistan missed several structural reform criteria, it restored macroeconomic stability, improved its credit rating, and boosted growth. The Pakistani rupee has remained relatively stable against the US dollar since 2015, though it declined about 10% between November 2017 and March 2018. Balance of payments concerns have reemerged, however, as a result of a significant increase in imports and weak export and remittance growth.

Pakistan must continue to address several longstanding issues, including expanding investment in education, healthcare, and sanitation; adapting to the effects of climate change and natural disasters; improving the country's business environment; and widening the country's tax base. Given demographic challenges, Pakistan's leadership will be pressed to implement economic reforms, promote further development of the energy sector, and attract foreign investment to support sufficient economic growth necessary to employ its growing and rapidly urbanizing population, much of which is under the age of 25.

In an effort to boost development, Pakistan and China are implementing the "China-Pakistan Economic Corridor" (CPEC) with \$60 billion in investments targeted towards energy and other infrastructure projects. Pakistan believes CPEC investments will enable growth rates of over 6% of GDP by laying the groundwork for increased exports. CPEC-related obligations, however, have raised IMF concern about Pakistan's capital outflows and external financing needs over the medium term.

Source : CIA

## **COMPANY NAME**

Business Name **TRI-PACK FILMS LIMITED**

## **FULL ADDRESS**

### **REGISTERED ADDRESS**

4<sup>th</sup> Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan

Tel No. 92 (21) 35874047 - 49 (3 Lines)

Fax No. 92 (21) 35860251, 35831618

## **SHORT DESCRIPTION OF BUSINESS**

- |    |                           |   |
|----|---------------------------|---|
| a. | <b>Nature of Business</b> | Principally engaged in the manufacture and sale of Biaxially Oriented Polypropylene (BOPP) film and Cast Polypropylene (CPP) film |
| b. | <b>Year Established</b>   | April 29, 1993  |
| c. | <b>Registration No.</b>   | 0030231   |

## **WORKS LOCATION**

Plot No. G-1 - G-4, North  
Western Industrial Zone,  
Port Qasim, Karachi,  
Pakistan

## **WORKS & REGIONAL SALES OFFICES**

Plot No. 78/1, Phase IV, Hattar Industrial  
Estate, Hattar, Khyber Pakhtoonkwa,  
Pakistan

House No. 18, Sir Abdullah Haroon  
Road, Near Marriott Hotel, Karachi,  
Pakistan

## **AUDITORS**

A. F. Ferguson & Co.  
(Chartered Accountants)

## **LEGAL STATUS**

Public Limited Company (Listed at stock exchange of Pakistan)

## **DETAILS OF CHAIRMAN/DIRECTORS**

<b>Names</b>	<b>Designation</b>
Mr. Syed Babar Ali	Chairman
Mr. Syed Hyder Ali	Chief Executive
Mr. Kimihide Ando	Director
Mr. Khurram Raza Bakhtayari	Director
Mr. Yukio Hayasawa	Director
Mr. Syed Aslam Mehdi	Director
Mr. Asif Qadir	Director

## **SHARE HOLDERS**

<b>Categories</b>	<b>Percentage (%)</b>
Directors, CEO and their spouses & minor children	1.90
Associated Companies, Undertakings & Related Parties	63.30
Bank, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modaraba and Mutual Funds	0.00
Insurance Companies	

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

Modarabas and Mutual Funds	2.56
General Public	2.28
Others	21.98
	7.98

## **ASSOCIATES**

### **A. SUBSIDIARY**

None

### **B. ASSOCIATED COMPANIES**

Packages Limited, Pakistan.  
Mitsubishi Corporation, Japan.  
IGI Insurance Limited, Pakistan.  
Babar Ali Foundation, Pakistan.

## **PRODUCTS**

### **BIAXIALLY ORIENTED POLYPROPYLENE (BOPP) FILM**

Tri-Pack's BOPP films are the products of state of the art technology. This packaging film is available in four different grades i.e. Plain, Composite, Pearlized and Metalized, and its thickness ranges between 12 to 50 microns. The principal properties of their products are:

- **GOOD BARRIER TO MOISTURE.**
- **EXCELLENT TRANSPARENT GLOSS.**
- **GOOD PRINTABILITY.**
- **GOOD SEALABILITY.**

Grades of BOPP Film

#### **Plain Film**

Excellent clarity, high tensile strength, good dimensional stability and flatness, low electrostatic charge, corona treatment on one or both sides and waterproof. The Plain film is used for laminating cardboard, general packaging, wrap for fresh flowers and adhesive tape.

#### **COMPOSITE**

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

This grade has the property of heat sealability on both sides, dimensional stability and flatness, designed for high-speed workability, low-friction, high stiffness, elegant appearance, heat resistant and heat shrinking capabilities. The Composite film is used in packing of confectionery/biscuits, soap and processed food items.

#### **CIGARETTE GRADE**

Cigarette grade both sides heat-sealable BOPP film is manufactured specially to suit high-speed cigarette wrapping machines having excellent antistatic and slip with high seal strength, clarity and moisture barrier properties. Tri-Pack has attained the competency to manufacture the said grade and currently it is being supplied to the tobacco industry if the country.

#### **PEARLIZED**

Pearlized BOPP film is a both sides heatsealable one side corona treated film having uniform thickness, low transparency for minimum see through with good seal strength. It is suitable for high quality printing, over wrapping and flow pack machines for packaging. The pearlized film is used as a packaging material for processed food, icebars, candies, gift wrappers and tea.

#### **METALIZED**

This film is used as an alternate to al-foil in packaging requirements. Its offers excellent oxygen and moisture barriers and can be printed, laminated or used as a single film to provide barrier in the food products.

## **NUMBER OF EMPLOYEES**

322

## **PLANT CAPACITY AND PRODUCTION**

	2017	2016
	(Metric Tonnes)	
Operational capacity at year end	83,800	83,800
Production	51,371	50,181

Production of films during the year is based on market demand.

## **BANKERS NAME**

- (1) Askari Bank Limited, Pakistan.
- (2) Bank Alfalah Limited, Pakistan.

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

- (3) Bank Al-Habib Limited, Pakistan.
- (4) Barclays Bank PLC, Pakistan, Pakistan.
- (5) Deutsche Bank A.G., Pakistan.
- (6) Faysal Bank Limited, Pakistan.
- (7) HSBC Bank Middle East Limited, Pakistan.
- (8) MCB Bank Limited, Pakistan.
- (9) Meezan Bank Limited, Pakistan.
- (10) NIB Bank Limited, Pakistan.
- (11) Standard Chartered Bank, Pakistan.
- (12) The Bank of Khyber, Pakistan.
- (13) The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (14) Dubai Islamic Bank, Pakistan.
- (15) Habib Metropolitan Bank Limited, Pakistan.

## **CREDIT RATING**

The Pakistan Credit Rating Agency (Pvt) Ltd. (PACRA), an affiliate of IBCA Limited, UK has assigned our Company a long-term rating of "A+" (single A plus) and a short -term rating of "A1" (single A one). This confirms a strong capacity of the Company for timely payment of its financial commitments.

## **CONTRIBUTION TO NATIONAL EXCHEQUER**

Tri-Pack's contribution to the national exchequer in the form of sales tax, custom duties and income taxes is approximately Rs 2,881 million in 2017.

## **FUTURE OUTLOOK**

Tri-Pack Films Limited has a history of consistent expansion growth. We have expanded from 10,800 tons of BOPP to 66,800 tons and 8,000 tons of CPP to 17,000 tons. The Company has planned investments amounting to Rs. 2.2 billion to acquire state-of-the-art machinery for the production of specialized films i.e. transparent and high strength metallized films for the first time in Pakistan to cater the export and local markets. Internationally, the industry is moving towards the specialized films which are not yet introduced in Pakistan. These films will enable the Company to enter into the specialized films market which will enable the end consumer to have a utmost quality product. Further, these investments are also aimed to improve efficiencies in the existing operations.

## **COMPANY PROFILE**

Tri-Pack Films Limited (Tri-Pack) – a joint venture between Mitsubishi Corporation of Japan and Packages Limited of Pakistan was incorporated as a Public Limited Company on April 29, 1993 to produce Biaxially

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.



**MIRA INFORM PRIVATE LIMITED**  
605, Palmspring, Near D'Mart, Link Road,  
Malad (West), Mumbai - 400 064. INDIA  
Tel : 91-22-40448000 (44 lines)  
Fax : 91-22-40448045 / 40448046  
E-mail : mira@mirainform.com  
info@mirainform.com  
Website : <http://www.mirainform.com>  
<http://www.miraglobalcheck.com>  
<http://www.miraglobalcollections.com>

Orientated Polypropylene (BOPP) Films in Pakistan. Its head office is based in Karachi and regional offices are located in Karachi, Lahore and Hattar where focus is to provide customers with dependable, economical and quality films backed by strong customer services. Tri-Pack is indeed proud of making distinctive contributions to the packaging industry in Pakistan. The Company is continuously growing since inception with an installed production capacity of more than 80,000 tons per annum. With four manufacturing lines in Karachi and Hattar capable of manufacturing over 65,000 tons per annum of BOPP Films and two lines in Karachi with an annual capacity of over 15,000 tons of producing CPP Films touch the lives of millions of people every day.

In view of current disturbed economic and political situation, we would advise to deal with all the business in Pakistan with some caution.

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.32
UK Pound	1	INR 88.98
Euro	1	INR 80.02
PKR	1	INR 0.50

**Note** : Above are approximate rates obtained from sources believed to be correct

**INFORMATION DETAILS**

Analysis Done by :	NIY
Report Prepared by :	SYL

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**RATING EXPLANATIONS**

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)