



# **Rupali Polyester Limited**

**Corporate Briefing Session  
Financial Year 2021-22  
November 24, 2022**

# Disclaimer



**Rupali Polyester Limited ("RPL/Company"), has made this presentation exclusively for informational reasons. The information provided here is not meant to offer any advice on trading in the company's shares.**

**Regarding the information, the Company makes no claims or promises. The material provided here is not meant to entice any kind of investment in any way. As a result, we ask that you use your own judgement and not exclusively depend on the information presented in this presentation when making any financial decisions.**

**Any loss or damage of any kind resulting from the use of this presentation or its contents or from any other circumstance relating to this presentation shall not be the responsibility of, and shall not give rise to, any liability on the part of, RPL or any of its affiliates, officials, advisors, associates, employees, or other person acting for, under, or on behalf of RPL.**

**This presentation is not a prospectus, offering circular, offering memorandum, or an offer, solicitation, invitation, or recommendation to buy or subscribe for any securities, and no portion of it should serve as the foundation for, or be regarded as a source of support for, or serve as a motivator for, entering into any arrangement, agreement, contract, commitment, or investment decision involving any securities. No money, securities, or other forms of payment are being requested, and any that are sent in response to this presentation or the information it contains will not be acknowledged.**

**RPL's personal beliefs and expectations for the future may be reflected in some of the presentation's assertions. These predictions about the future are the foundation of these forward-looking statements, which RPL cannot control. Such forward-looking statements do not necessarily represent the most likely or typical scenario and are merely one of several scenarios that could occur. These forward-looking statements are subject to various risks and uncertainties, which could cause actual outcomes to dramatically diverge from what was anticipated in the corresponding forward-looking statements.**

# Company Profile



**RUPALI POLYESTER LIMITED** was incorporated at Karachi in May 1980 as a Public Limited Company and is listed on Pakistan Stock Exchange Limited (formerly Karachi, Lahore and Islamabad Stock Exchanges). It owns and operates composite facilities to manufacture Polyester Staple Fiber and Polyester Filament Yarn. It produces quality products by using latest technology and best quality of raw materials. The Company has the privilege of being one of the pioneers in Pakistan for manufacture of Staple Fiber of highest quality. Since its inception, the Company has been growing steadily through expansion and diversified operations. The assets of the Company have increased to Rs.11,524 million from the initial capital outlay of Rs.150 million.

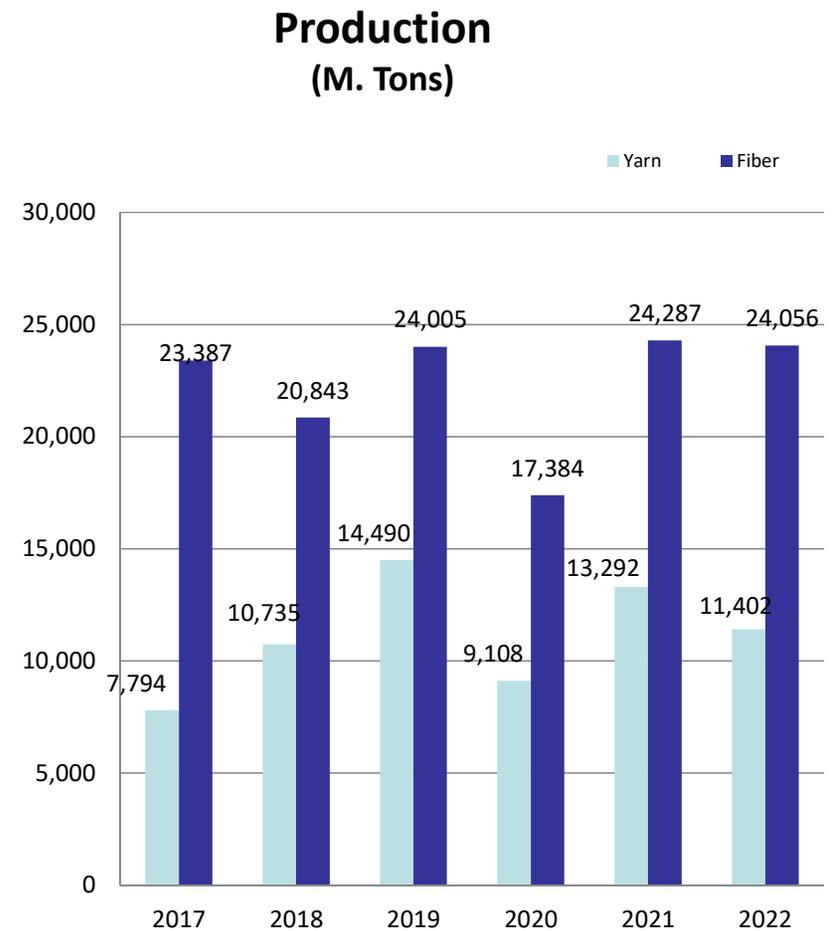
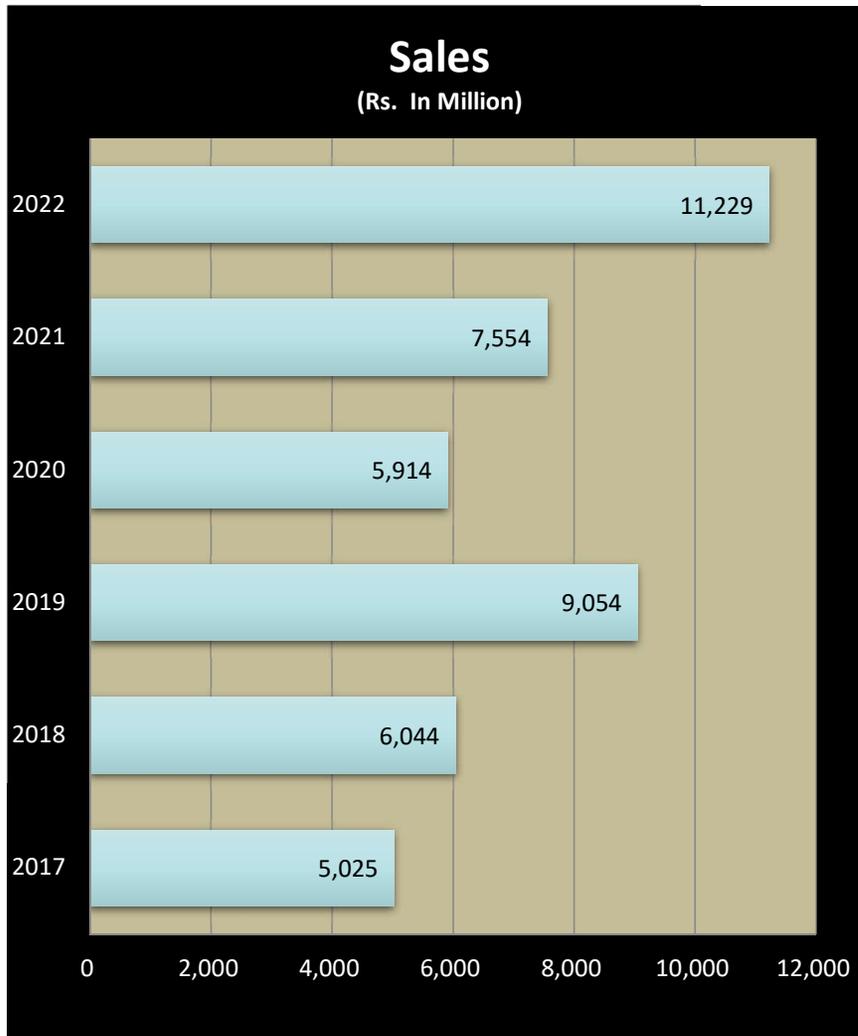
The Company has a Polymerization Unit with a capacity of 105 metric tons per day, Polyester Filament Yarn capacity of 30 metric tons per day and a Polyester Staple Fiber capacity of 65 metric tons per day. The Company has put up an additional POY line with a capacity of 28 M. Tons per day at a cost of around Rs.162 million. The various products of Rupali are in fact import substitution as these were previously imported from Japan, Indonesia, Taiwan and Korea. Now the Company is importing the basic raw materials only and through value addition is producing the highest quality products locally.

Since inception, the philosophy of the Company's management is to grow on the strength of quality and reliability. To achieve this objective, it is maintaining a well equipped Research & Development Centre for standard maintenance, innovative improvements in its products and achieving economies in production techniques without compromising on standard and quality of products. Products and services offered by the Company are acknowledged by the customers as quality and reliable products and are the first preference of customers.

The Company gives high priority to customers' satisfaction, tries to maintain uninterrupted supply of its products and provides after sales services, technical support for trouble shooting.

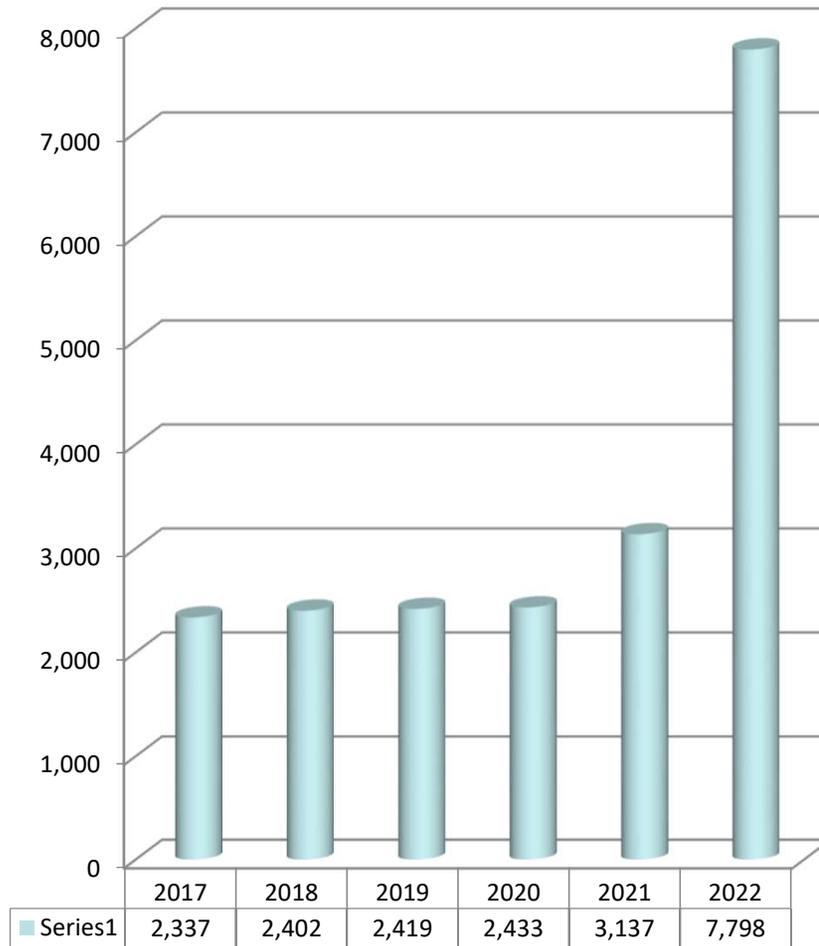
**ALHAMDO LILLAH**, the Company enjoys high prestige and reputation in the business community, banks, financial institutions and customers. It is also amongst major contributors to the national exchequer.

# Graphical Presentation





## Shareholders Equity Rs. In Million





# Key Financial Information

# Five Years at a Glance

(Rupees in Million)



Particulars	UOM	2022	2021	2020	2019	2018
<b>Profit and Loss Account</b>						
Sales - Net	Rs. in thousand	11,229,275	7,554,429	5,914,249	9,053,741	6,044,111
Cost of Goods Sold	Rs. in thousand	10,035,836	6,710,396	5,520,731	8,562,629	5,680,917
<b>Gross Profit</b>	Rs. in thousand	<b>1,193,439</b>	<b>844,033</b>	<b>393,518</b>	<b>491,112</b>	<b>363,192</b>
Operating profit	Rs. in thousand	864,498	604,317	341,768	342,664	234,689
Profit before tax	Rs. in thousand	865,731	546,036	108,801	174,302	115,822
Profit after tax	Rs. in thousand	861,092	292,065	33,510	54,975	64,553
Income tax - current	Rs. in thousand	251,712	113,317	88,714	95,670	60,479
- prior years	Rs. in thousand	613	537	453	574	266
- deferred	Rs. in thousand	(247,686)	140,117	(13,876)	23,083	(9,477)
<b>Dividend</b>						
Cash dividend	Rs. in thousand	170,343	170,343	-	34,068	34,068
Cash dividend rate	%age	50	50	-	10	10
<b>Balance Sheet</b>						
Share capital	Rs. in thousand	340,685	340,685	340,685	340,685	340,685
Reserves	Rs. in thousand	7,456,895	2,796,622	2,504,500	2,078,613	2,078,613
Shareholders equity	Rs. in thousand	7,797,580	3,137,307	2,845,185	2,419,298	2,401,499
No. of ordinary shares	Numbers	34,068,514	34,068,514	34,068,514	34,068,514	34,068,514
Non Current Liabilities	Rs. in thousand	218,656	181,349	263,369	539,687	554,584
Current liabilities	Rs. in thousand	3,507,833	3,183,831	3,797,067	3,055,610	2,939,711
Property, Plant and Equipment	Rs. in thousand	6,917,027	3,089,935	3,082,353	3,295,511	3,201,449
Capital work-in-progress	Rs. in thousand	17,994	147,706	10,402	64,020	234,019
Long term investments/loans/deposit	Rs. in thousand	4,281	4,281	4,281	4,396	4,396
Current assets	Rs. in thousand	3,755,348	2,805,337	3,110,413	2,252,188	2,252,399
Net current assets	Rs. in thousand	247,515	(378,494)	(686,654)	(803,422)	(687,134)
<b>Total liabilities</b>	Rs. in thousand	<b>11,524,069</b>	<b>6,502,487</b>	<b>6,905,621</b>	<b>6,014,595</b>	<b>5,895,744</b>
<b>Total Assets</b>	Rs. in thousand	<b>11,524,069</b>	<b>6,502,487</b>	<b>6,905,621</b>	<b>6,014,595</b>	<b>5,895,744</b>



Particulars	UOM	2022	2021	2020	2019	2018
<b>Profitability Ratios</b>						
Gross profit ratio (%)	Percentage	10.63	11.17	6.65	5.42	6.01
Net profit to sales (%)	Percentage	7.67	3.87	0.57	0.61	1.07
Cash Dividend per share	Rupees	5	5	-	1	1
Debt: equity ratio		0 : 100	0 : 100	4 : 96	4 : 96	6 : 94
Break-up value per share		228.88	92.09	83.51	71.01	70.49
Market value per share at the end of the year	Rupees	38.00	34.00	13.20	27.55	29.50
<b>Production volume</b>						
Production capacity	M. Tons	22,100	22,100	22,100	22,100	22,100
Production achieved	M. Tons	35,458	37,579	26,493	38,495	31,578
Capacity utilization	%age	160	170	120	174	143
Employees	Nos.	1,349	1,389	1,344	1,468	1,323

# Operational Overview



<b>Financial Overview</b>	<b>2022</b>	<b>2021</b>
<b>Statement of Profit or Loss</b>	(Rupees in '000')	
<b>For the year ended 30 June 2022</b>		* (Restated)
<b>Sales - net</b>	11,229,275	7,554,429
<b>Cost of sales</b>	10,035,836	6,710,396
<b>Gross profit</b>	1,193,439	844,033
<b>Other income</b>	73,443	80,805
	1,266,882	924,838
<b>Distribution costs</b>	26,298	23,162
<b>Administrative expenses</b>	194,472	159,864
<b>Finance costs</b>	72,210	139,086
<b>Other operating expenses</b>	108,171	56,690
	401,151	378,802
<b>Profit for the year before taxation</b>	865,731	546,036
<b>Provision for taxation</b>	4,639	253,971
<b>Profit for the year</b>	861,092	292,065
	2022	2021
	(Rupees)	
		* (Restated)
<b>Earnings per share - basic and diluted</b>	25.27	8.57

\* Deferred tax in respect of certain deductible temporary differences was not considered and accounted for. Deferred tax liability was recorded in respect of taxable temporary differences due to misapplication of accounting policy. The error has been corrected retrospectively and comparative information has been restated in accordance with the requirements of IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors'.



- ◆ **Sale revenue:** posted a growth of 48% i.e., Rs. 3.63 billion. The Company, for the first time in his history, crossed the Rs. 10 billion benchmark. Revenue from sales of Polyester Staple Fiber (PSF) and Polyester Filament Yarn (PFY) is increased owing to positive variation in sale prices.
- ◆ **Pak Rupee Depreciation:** On average, during the year, Pak Rupee is depreciated 11% against US Dollar i.e. increased by Rs. 17.49, from Rs. 160.44 to Rs. 177.94. Maximum Rate was Rs. 212.50. is further depreciating.
- ◆ **PTA, MEG and HFO Costs:** on average, costs of PTA, MEG and HFO increased by 70%, 35% and 88% respectively during the year.
- ◆ **Energy Costs:** on average, energy costs increased by 50% during the year.
- ◆ **Cost of Sales:** due to high material prices and energy costs, product-manufacturing costs are increased by 47% per unit.
- ◆ **Gross Profit:** increased by 41% in value, however, GP ratio to sales is decreased by 0.54% from 11.17% to 10.63%. Raw material prices and energy generation costs are increasing.
- ◆ **Admin and Distribution Costs:** increased because of staff increments and inflationary pressures.



- ◆ **Finance Costs:** despite the increase in SBP's discount rate, KIBOR, and effective mark-up rates, due to the less utilization of working capital loans, finance costs have decreased.
- ◆ **Other Income:** scrap and waste sales is increased, however, due to no gain on fair value estimation of investment property, overall, other income has decreased.
- ◆ **Taxation:** due to deferred tax corrections have decreased.
- ◆ **Operating and Net Profit:** increased by 59% and 195% respectively.

# Outlook & Challenges



## Following are the big challenges for business:

- ↪ The prevailing uncertainty and economic instability in the country
- ↪ Pak Rupee depreciation
- ↪ Foreign Currency shortages with the result that Banks face difficulty in opening import L/Cs
- ↪ Dumped imports of Polyester Filament Yarn and Polyester Staple Fiber in the country, causing major injury to domestic PSF and PFY industry and huge infrastructure investment may go waste if this industry is not given protection by the National Tariff Commission by way of imposing Anti-Dumping Duty at previous rates.



www.jamapunji.pk

**Jama Punji**  
سہ ماہیہ انویسٹمنٹ کمپنی



**Be aware, Be alert,  
Be safe**  
Learn about investing at  
[www.jamapunji.pk](http://www.jamapunji.pk)

**Key features:**

- 📄 Licensed Entities Verification
- 📊 Scam meter\*
- 🎮 Jamapunji games\*
- 📊 Tax credit calculator\*
- 📄 Company Verification
- 📄 Insurance & Investment Checklist
- 📄 FAQs Answered
- 📈 Stock trading simulator (based on live feed from KSE)
- 📄 Knowledge center
- 📊 Risk profiler\*
- 📊 Financial calculator
- 📄 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📱 Jamapunji application for mobile device
- 📄 Online Quizzes

 Jama Punji is an Income Taxpayer\* Member of Securities and Exchange Commission of Pakistan

[jamapunji.pk](http://jamapunji.pk)    [@jamapunji.pk](https://www.facebook.com/jamapunji.pk)

\*Mobile app is available for download for android and ios devices.



# **Q & A Session**