The Packages Group

In a country where approximately 85% of family enterprises fracture before reaching the third generation, The Packages Group is Pakistan's most sophisticated and instructive example of how multigenerational business longevity may be attained by intentional institutional governance applied continuously over decades rather than by chance, bloodline privilege, or patriarchal authority. Syed Babar Ali founded the company in 1956 in Lahore as a joint venture between the Wazir Ali family and Akerlund and Rausing of Sweden, a packaging technology company whose principals would go on to form Tetra Pak and fundamentally alter the global liquid packaging market. The founding partnership was a governance statement in and of itself. Babar Ali made the decision to create with outside knowledge rather than only rely on internal competence from the beginning, a philosophical stance that would shape the group's management and expansion strategy for the ensuing 60 years.

Syed Babar Ali was an institution builder in the truest meaning of the word, not just a businessman. After completing his education at the University of California, Berkeley, he returned to Pakistan with a degree in international business, a sincere dedication to public service, and a governance philosophy that was radically different from the informal, patriarchal family business model that dominated Pakistani trade. In addition to holding key positions at the UN and serving as Pakistan's finance minister, he is most known for founding the Lahore University of Management Sciences, or LUMS, which went on to become the country's top business school. The profundity of Babar Ali's governance philosophy was demonstrated by that act alone: he recognized that a nationwide pipeline of properly prepared leadership was necessary for lasting economic success, and he made the same careful investments in creating that pipeline as he did in creating his own business. His fundamental belief—that the standard of governance you apply to your business is the standard of contribution you give to your country—was something that most Pakistani patriarchs never achieve.

Packages Limited grew steadily during the 1960s and 1970s under Babar Ali's leadership, increasing production capacity, strengthening its technical partnership with Sweden, and establishing a reputation for dependability and quality that made it the preferred supplier for Pakistan's expanding consumer goods sector. In addition to continuously investing in professional management infrastructure and hiring qualified engineers, trained accountants, and experienced executives rather than replacing them with family members and biradari loyalists, the company was listed on the Karachi Stock Exchange, voluntarily subjecting itself to the disclosure, accountability, and transparency standards that informal family businesses routinely avoid. Babar Ali's most significant governance legacy was his dedication to institutional depth over kinship convenience, which laid the organizational groundwork for all succeeding generations.

The group's diversification was executed with a discipline and patience rarely seen in Pakistani family business. Packages Group purposefully entered related and strategically related industries. Within the group structure, Bulleh Shah Packaging was created as a distinct corporate entity. Butterfly brand tissue products were introduced into the consumer goods market and eventually became one of Pakistan's most well-known household trademarks. In order to provide balance sheet resilience during Pakistan's infamously erratic economic cycles, the group expanded IGI, a diversified financial services division that included investments and insurance. Crucially, instead of being an unofficial extension of the parent company, each new company was set up as a separate corporate organization with its own independent board, professional management, and governance structure. The operational entanglement and accountability deficiencies that frequently lead to the demise of diverse Pakistani family enterprises were avoided by this structural discipline.

The establishment of a thorough family constitution, a legal governance framework that outlined the guidelines by which the Wazir Ali family would conduct business throughout generations, was essential to the group's multigenerational existence. This constitution dismantled the notion that inheritance automatically granted a corner office by establishing a strict division between executive job and business ownership. Before they could be considered leadership within the group, next-generation heirs had to earn prestigious international academic qualifications and show that they were successful in their separate careers outside of it. Inheritance was purposefully reinterpreted as a stake in centralized investment holding corporations and publicly listed corporate organizations rather than as a claim on tangible properties, factories, or operating cash. This equity-based inheritance model was revolutionary because it preserved the essential operational machinery while allowing individual heirs to receive their financial share through liquid corporate shares rather than through the forced physical division of industrial assets. The family constitution eliminated the heir's demand for their "part" of the operational capital, which is the most harmful force in Pakistani family businesses, by changing inheritance from asset theft to institutional stewardship.

This constitutional framework facilitated the crucial generational shift from Syed Babar Ali to the second generation. Syed Hyder Ali became the main leader of the second generation and went on to become Packages Limited's managing director and CEO. When he assumed leadership, he upheld the standards set by his father, which included professional credibility, institutional orientation, and a continuance of the governance culture rather than a break from it. As a non-negotiable operating norm for the family, Hyder Ali upheld Babar Ali's legacy of professional managerial investment, international relationships, and public accountability. The organizational culture that had taken decades to develop was strengthened rather than undermined by the change, which is a sign of a succession plan that was planned and carried out as opposed to improvised and endured.

The legal framework that safeguarded the family's wealth during generational shifts was created by the group's ownership consolidation through formal corporate holding vehicles and cross-shareholdings. The Wazir Ali family ensured that wealth transfer took place within a legal framework capable of absorbing multigenerational complexity by structuring ownership through auditable corporate entities rather than informal personal arrangements. This is the exact institutional protection that most Pakistani families lack and pay for catastrophically in courtroom battles, frozen accounts, and partition suits that drag on for decades. As a structural check on the unofficial patriarchal tendencies that undermine family businesses from within, the group's ongoing public listing across several entities added an additional layer of permanent governance discipline: independent board oversight, minority shareholder accountability, and regulatory scrutiny.

In the end, Babar Ali's impact goes much beyond the Packages Group's bottom line. What could have been a merely personal commercial dynasty was transformed into a national institutional contribution by his foundation of LUMS, his decades of public service, and his family's unwavering dedication to philanthropy and education. Similar to the Dell family's dedication to social purpose through their foundation and the Cathy family's values-driven leadership at Chick-fil-A, the Wazir Ali family founded their firm on a foundation of values broad enough to justify its own existence to the society it worked within. The most enduring family business legacies are always cultural as well as commercial, and the culture that the founder instills becomes the governance that the following generation inherits.

The Packages Group tale is the most immediately applicable to Pakistani family businesses in this series since it was established here, amidst the country's legal loopholes, informal business culture, kinship constraints, and economic uncertainty, and it managed to prosper. The Wazir Ali family did not live long because success was easy in Pakistan. They succeeded because they wouldn't let that setting compromise the standards they utilized to run their company. In a nation where 70% of family businesses fail before the second generation and the lack of succession planning is considered a cultural norm, Packages Group is unquestionably proof that the norm is a choice, and that a different decision, maintained over generations, results in a fundamentally different outcome.[i]

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