



**Siddiqsons Tin Plate Limited**  
A Siddiqsons Group Company

A Commitment to Prime Quality !

Quarterly Report  
September 30  
2017



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## COMPANY INFORMATION

### Board of Directors:

Mr. Tariq Rafi	Chairman
Mr. Abdur Rahim	CEO
Mr. Ibrahim Shamsi	Director
Mr. Naeem ul Hasnain Mirza	Director
Mr. Sajjad Ahsan	Director
Mr. Muneer Qureshi	Director
Mr. Jean Pierre Gugenheim	Director

### Audit Committee:

Mr. Ibrahim Shamsi	Chairman
Mr. Sajjad Ahsan	Member
Mr. Muneer Qureshi	Member
Mr. Murtaza Ahmed	Secretary

### Human Resource & Remuneration Committee:

Mr. Munir Qureshi	Chairman
Mr. Ibrahim Shamsi	Member
Mr. Naeem-ul-Hasnain Mirza	Member

### Technical Committee

Mr. Tariq Rafi	Chairman
Mr. Abdur Rahim	Member
Mr. Naeem-ul-Hasnain Mirza	Member

### Executive Management Team

Mr. Naeem-ul-Hasnain Mirza	COO
Mr. Rashid Khaleeqe	DCCO
Mr. Furrugh Sadiq	CFO
Mr. Shahzad Shabbir	GM Commercial
Mr. Muhammad Jawaid Abbasi	GM Marketing

### Chief Financial Officer

Mr. Furrugh Sadiq

### Company Secretary

Mr. Muhammad Haris

### Bankers

Habib Metropolitan Bank Limited  
Habib Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
Allied Bank Limited  
The Industrial & Commercial Bank of China (ICBC)  
JS Bank Ltd  
Al Baraka Bank (Pakistan) Ltd

### Auditors

Deloitte Yousuf Adil  
Chartered Accountants

### Legal Advisor

Mr. Kashif Nazeer  
A/2, G-23, Park lane,  
Block-5, Clifton, Karachi

### Shares Registrar

Shares Registrar  
THK Associates (Pvt.) Limited,  
1st Floor, 40-C Block-6,  
P.E.C.H.S, Shahrah e Faisal,  
Karachi., UAN # 111 000 322

### Registered Office

Siddiqsons Tower  
7th Floor, Plot # 3, J.C.H., Society,  
Block 7 & 8, Main, Shahrah-e-Faisal,  
Karachi.

### Plant

Special Industrial Zone  
Winder, Baluchistan

### Web Presence

[www.siddiqsonstinplate.com](http://www.siddiqsonstinplate.com)



## DIRECTORS' REVIEW

### Dear Shareholders

On behalf of the Board of Directors, I would like to present the unaudited financial statements of the company for the first quarter ended September 30, 2017.

### Operating and Financial Results: Sales performance

During the period under review, Sales revenue was recorded at Rs.537 million as compared to Rs.594 million during the same period last year. The overall revenue downfall is almost 10%, however, the comparative period's sales include the sale of Chromite ore, which has temporarily been discontinued during the current period, due to abnormal price fluctuation. While the isolated impact of tinplate sales has shown a slight reduction of 1%. The GP margins also remained stable and the price fluctuations in international market were promptly taken into consideration in procurement as well as product pricing.

### Net Profit

The net results showed a profit after taxation of Rs.20.3 million during the period as compared to Rs.34 million in the corresponding period.

The export markets continued to be the strategic focus of your Company and we are working at our best to maintain a strong footprint in export market. The management is confident about the future prospects of profitability in export markets.

The National Tariff Commission (NTC), on January 19, 2017 has levied the final anti-dumping duty @19%, on the import of all sizes and gauges of CRC being imported from China and Ukraine. Since the type of CRC/TMBP as required by STPL is of specialized nature and is not manufactured locally and is primarily sourced from China, this anti-dumping duty will have a negative effect on the cost structure of the Company. Till date we have filed an appeal into the NTC Appellate Tribunal as well as in the High Court of Islamabad, with the prayer to save the only ETP plant of Pakistan, by exempting it from the levy of 19% antidumping duty. The management is hopeful about the favorable outcome of the case.

An amount of Rs. 227 million is blocked in the head of sales tax and income tax refundable due to Governmental taxation policies which also affected our cash flow and burdened your company with extra financial cost.

### Earnings per share

The earnings per share are Re. 0.26 as compared to Re.0.43 in corresponding period.

### Future Outlooks

In view of the stable international steel market conditions, your company looks forward to sustain its profitable position. The confidence of our customers is essence to our success and your company aims to maintain this confidence by providing prime quality tinplate at competitive prices. Besides that we are also actively working to penetrate into the export markets and have started getting commercial orders. This will aid in increasing capacity utilization and overall profitability of the company.

### Acknowledgement

The Directors of the Company would like to record its gratitude to its shareholders, partners, customers, Government authorities, financial institutions for their cooperation and continued support.

The Directors are also pleased to record their appreciation of the valuable and untiring efforts and services rendered by the staff of the Company.

On behalf of the Board

**Tariq Rafi**  
Chairman  
Karachi: October 26, 2017



**CONDENSED INTERIM BALANCE SHEET**

AS AT SEPTEMBER 30, 2017

	Note	Unaudited Sep-17	Audited Jun-17
.....(Rupees).....			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property , Plant and equipment	5	666,686,467	670,325,192
Long-term deposits		7,181,750	7,181,750
		<b>673,868,217</b>	<b>677,506,942</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		13,676,333	13,933,364
Stock-in-trade		824,922,473	526,531,365
Trade debts		438,213,588	515,788,166
Advance Income Tax		134,816,118	122,363,205
Loans and advances		42,643,547	10,536,614
Trade deposits		25,637,573	24,422,073
Term Deposit Certificates		21,900,000	20,650,000
Other receivables		4,110,181	19,426,747
Other financial assets		421,662	506,571
Sales tax refundable		92,259,810	57,415,584
Cash and bank balance		28,325,281	34,713,560
		<b>1,626,926,565</b>	<b>1,346,287,249</b>
<b>Total Assets</b>		<b>2,300,794,782</b>	<b>2,023,794,191</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		785,201,270	785,201,270
Accumulated profit		154,852,238	134,513,820
		<b>940,053,508</b>	<b>919,715,090</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred Taxation		-	-
<b>CURRENT LIABILITIES</b>			
Trade and other payables		167,039,913	154,857,072
Interest / mark-up accrued on borrowings		9,218,629	11,056,882
Short-term borrowings		1,184,482,732	938,165,147
		<b>1,360,741,274</b>	<b>1,104,079,101</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	6	<b>2,300,794,782</b>	<b>2,023,794,191</b>

The annexed notes form an integral part of these financial statements

\_\_\_\_\_  
CHIEF FINANCIAL OFFICER\_\_\_\_\_  
DIRECTOR\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

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**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2017

	Note	..... Three Months .....	
		September 30 2017 (July - September)	September 30 2016
Sales - net		536,569,521	593,660,157
Cost of goods sold	7	(476,847,145)	(526,023,974)
Gross profit		59,722,376	67,636,183
Distribution cost		(2,448,822)	(2,219,379)
Administrative expenses		(12,219,770)	(10,373,263)
Other operating expenses		(6,689,085)	(1,940,136)
Finance cost		(11,319,161)	(13,795,621)
Other Income		-	104,951
Profit before taxation		27,045,537	39,412,735
Provision for taxation		(6,707,119)	(5,330,538)
Profit for the year		20,338,418	34,082,197
Earnings per share - Basic and Diluted		0.26	0.43

The annexed notes form an integral part of these financial statements

\_\_\_\_\_  
CHIEF FINANCIAL OFFICER

\_\_\_\_\_  
DIRECTOR

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE IST QUARTER ENDED SEPTEMBER 30, 2017

	July 1st to September 30th	
	2017 Rupees	2016 Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	27,045,537	39,412,735
Adjustments for:		
Depreciation of property, plant and equipment	7,043,978	7,434,183
Loss/(gain) on disposal of property, plant and equipment	-	39,179
Finance cost	11,319,161	13,795,620
Provision against other receivables	15,316,566	-
Loss on remeasurement of investment at market value	84,909	-
Operating cash flows before movement in working capital	60,810,151	60,681,717
(Increase) / decrease in current assets		
Stores, spares and loose tools	257,032	925,828
Stock in trade	(298,391,109)	(164,391,409)
Trade debts	77,574,580	(33,207,185)
Loans and advances	(32,106,933)	3,319,891
Trade deposits and short-term prepayments	(1,215,500)	3,905,324
Term deposit certificates	(1,250,000)	-
Sales/income tax refundable	(34,844,226)	(14,545,078)
Increase / (decrease) in current liabilities		
Trade and other payables	12,182,841	4,465,600
Cash used in operations	(216,983,163)	(138,845,312)
Income taxes paid	(19,160,032)	(27,584,095)
Interest / markup paid	(13,157,415)	(13,769,597)
Long term deposits paid	-	2,500
Net cash used in operating activities	(249,300,610)	(180,196,504)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,251,250)	-
Advance for purchase of fixed assets	(2,154,000)	-
Net cash used in investing activities	(3,405,250)	-



	July 1st to September 30th	
	2017 Rupees	2016 Rupees
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short term borrowing obtained - net	<b>155,808,343</b>	180,243,274
Net cash from financing activities	<b>155,808,343</b>	180,243,274
Net (decrease) / increase in cash and cash equivalents (A+B+C)	<b>(96,897,517)</b>	46,770
Cash and cash equivalents at July 1	<b>(107,880,339)</b>	(304,559,375)
Cash and cash equivalents at September 30	<b>(204,777,856)</b>	(304,512,605)
<b>Cash and cash equivalents</b>		
Cash and bank balances	<b>28,325,281</b>	10,809,378
Short term running finance	<b>(233,103,137)</b>	(315,321,983)
	<b>(204,777,856)</b>	(304,512,605)

The annexed notes form an integral part of these financial statements

\_\_\_\_\_  
CHIEF FINANCIAL OFFICER

\_\_\_\_\_  
DIRECTOR

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2017

	Issued, subscribed and paid up capital	Unappropriated profit	Total
	.....(Rupees).....		
Balance at June 30, 2016	785,201,270	36,720,043	821,921,313
<b>Comprehensive Income</b>			
Profit for the period ended September 30, 2016	-	34,082,197	34,082,197
Other comprehensive income - net of Tax	-	-	-
<b>Balance at September 30, 2016</b>	<b><u>785,201,270</u></b>	<b><u>70,802,240</u></b>	<b><u>856,003,510</u></b>
Balance at June 30, 2017	785,201,270	134,513,820	919,715,090
<b>Comprehensive Income</b>			
Profit for the period ended September 30, 2017	-	20,338,418	20,338,418
Other comprehensive income - net of Tax	-	-	-
<b>Balance at September 30, 2017</b>	<b><u>785,201,270</u></b>	<b><u>154,852,238</u></b>	<b><u>940,053,508</u></b>

The annexed notes form an integral part of these financial statements

\_\_\_\_\_  
CHIEF FINANCIAL OFFICER

\_\_\_\_\_  
DIRECTOR

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER



## **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

### **I LEGAL STATUS AND OPERATIONS**

Siddiqsons Tin Plate Limited (the Company) was incorporated in Pakistan on January 29, 1996 as public company limited by shares under the Companies Ordinance 1984. The shares of the Company are listed at Pakistan Stock Exchange (Formerly Karachi Stock Exchange). The registered office of the Company is situated at Siddiqsons Tower, 7th Floor, Plot # 3, J.C.H. Society, Block 7 & 8, Main Shahrah-e-Faisal, Karachi in the province of Sindh and the tin plate plant is located at Winder Industrial Estate in the province of Balochistan. The canning plant is located at Malir, Karachi in the province of Sindh. The principal activity of the company is manufacturing and sale of tin plates, cans and other steel products and trading of refined chromite.

### **2 STATEMENT OF COMPLIANCE**

- 2.1** This condensed interim financial information of the Company for the three months period ended September 30, 2017 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. These condensed interim financial information do not include all of the information required for the full financial statements and, therefore, these should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2017.
- 2.2** The condensed interim financial information has been prepared under historical cost convention except other financial assets which are valued at fair value.
- 2.3** The condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional and presentation currency and figures presented in the condensed interim financial information have been rounded off to the nearest rupee.
- 2.4** The comparative balance sheet presented has been extracted from annual financial statements for the year ended June 30, 2017, whereas comparative condensed profit and loss account, condensed cash flow statement and condensed statement of changes in equity are stated from the unaudited condensed interim financial information for the three months period and quarter ended September 30, 2016.



### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgement made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2017. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2017, which do not have any impact on condensed interim financial information.

### 4 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2017.

### 5 ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

#### 5.1 During the period following additions and disposals were made

	September 30, 2017		September 30, 2016	
	Additions	Disposals	Additions	Disposals
	.....(Rupees).....			
<b>Operating assets</b>				
Data processing equipment (IT equipment)	156,350	-	-	-
Furniture & Fixtures	39,000	-	-	-
Vehicles	1,055,900	-	-	-
	<u>1,251,250</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 6 CONTINGENCIES AND COMMITMENTS

#### 6.1 Contingencies

There is no material change in status of the contingencies as disclosed in the annual audited financial statements for the year ended June 30, 2017.



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	Note	September 30, 2017 (Un-audited)	June 30, 2017 (Audited)
.....(Rupees).....			
<b>6.2 Commitments</b>			
Letters of credit for raw material import		<b>360,416,764</b>	525,680,568
Bank guarantee in favour of Excise and Taxation department		<b>76,932,469</b>	73,182,469
..... Three Months .....			
		September 30 2017	September 30 2016
(July - September)			
.....(Rupees).....			
<b>7. COST OF GOODS SOLD</b>			
Cost of goods manufactured	7.1	<b>575,637,642</b>	434,611,054
Finished stocks		<b>330,764,379</b>	257,990,645
Opening stock		<b>54,082,911</b>	142,670,328
Closing Stock		<b>(483,637,787)</b>	(309,248,053)
		<b>(98,790,497)</b>	91,412,920
		<b>476,847,145</b>	526,023,974
<b>7.1 Cost of good manufactured</b>			
Raw materials consumed - Tin Plate		<b>520,007,564</b>	336,531,654
Raw materials consumed - Chromite		-	45,122,000
Packing materials		<b>211,720</b>	1,050,280
Salaries, wages and benefits		<b>28,867,883</b>	26,568,888
Fuel and power		<b>14,654,023</b>	14,617,933
Stores and spares consumed		<b>67,166</b>	324,900
Sorting, slitting and cutting charges		<b>723,721</b>	512,743
Repair and maintenance		<b>382,576</b>	711,198
Printing and stationery		<b>40,885</b>	9,900
Insurance		<b>335,000</b>	335,000
Communication		<b>157,404</b>	81,065
Traveling and conveyance		<b>1,427,605</b>	177,248
Transportation		<b>251,372</b>	31,044
Canning expenses		<b>1,438,882</b>	1,239,981
Depreciation		<b>6,511,474</b>	6,836,756
Other manufacturing expenses		<b>560,367</b>	460,464
		<b>575,637,642</b>	434,611,054

## 8 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related group companies, directors of the company, key management personnel and post employment benefit plans. The significant transactions with related parties are as follows: -

### 8.1 Details of transactions with related parties are as follows:

Relationship with the Company	Nature of Transactions	Three months ended	
		September 30 2017	September 30 2016
		(July - March)	
Associated Company	Expenses paid Purchases of goods and Services	-	323,252
Key management personnel	Short-term employee benefit Post-employment benefit	<b>6,487,733</b> <b>262,948</b>	5,741,644 232,709

## 9 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved and authorized for issue by the Board of Directors of the Company on October 26, 2017.

## 10 GENERAL

Figures have been rounded off to the nearest Rupee.

\_\_\_\_\_  
CHIEF FINANCIAL OFFICER

\_\_\_\_\_  
DIRECTOR

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

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\*Mobile apps are also available for download for android and ios devices



**Siddiqsons Tin Plate Limited**  
A Siddiqsons Group Company

**Registered Office:** Siddiqsons Tower, 7th Floor, Plot # 3, J.C.H., Society,  
Block 7 & 8, Main Shahrah-e-Faisal, Karachi.  
Tel: +9221-34325193-95, Fax: +9221-34390140

**Central Office:** Ocean Mall & Tower, 27th Floor, Plot # G-3, Block # 9,  
Near II Talwar, Clifton, Karachi. Tel : +9221-35166571-4

**Plant:** Plot # 5, Special Industrial Zone, Winder, Distt. Lasbela, LIEDA, Baluchistan.

[www.siddiqsonstinplate.com](http://www.siddiqsonstinplate.com)