



A Commitment to Prime Quality !



**QUARTERLY
REPORT**
MARCH 31
2016

Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

CONTENTS

Page

Company Information	01
Directors' Review	02
Condensed Interim Balance Sheet	04
Condensed Interim Profit and Loss Account	05
Condensed Interim Cash Flow Statement	06
Condensed Interim Statement of Changes in Equity	08
Notes to the Condensed Interim Financial Statements	09

COMPANY INFORMATION

Board of Directors:

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

Audit Committee:

Mr. Ibrahim Shamsi	Chairman
Mr. Salman Hussain	Member
Mr. Muneer Qureshi	Member
Mr. Murtaza Ahmed	Secretary

Human Resource & Remuneration Committee:

Mr. Ibrahim Shamsi	Chairman
Mr. Abdur Rahim	Member
Mr. Naeem-ul-Hasnain Mirza	Member

Chief Financial Officer

Mr. Rashid Khaleeqe

Company Secretary

Mr. Murtaza Ahmed

Internal Auditor

Mr. Furrugh Sadiq

Auditors

Deloitte Yousuf Adil
Chartered Accountants

Legal Advisor

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

Bankers

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

Shares Registrar

THK Associates (Private) Limited
Ground Floor, State Life Building # 3
Dr. Ziauddin Ahmed Road,
Karachi - 75530, 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



Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

3rd Quarterly Report
March 2016

01

DIRECTORS' REVIEW

Dear Shareholders

It is my pleasure to present on behalf of the Board of Directors the unaudited financial statements of the company for the nine months ended March 31, 2016.

Operating and Financial Results: Sales performance

During the period under review, sales volume was 18908mntn. as compared to 17145 Mtn. during corresponding period. Likewise Sales revenue for the period is Rs. 1,627.48million as compared to Rs. 1,696.59million during the same period last year. Although the sales growth in terms of volume has been recorded as 10%, however, due to falling prices of steel products, internationally, and which forced your company to aggressively adjust the product prices to remain in the market, there is a 4% decrease in monetary terms.

Gross Margin

Gross margin of the Company is recorded at Rs. 107.06million which is 6.6% of sales revenue as compared to Rs. 135.11 million which was 7.96% in corresponding period last year. This slash in GP margins is due to the same reason as explained above.

Net Profit

The net results showed a loss after taxation of Rs. 20.08 million during the period under review as compared to the profit of Rs. 15.29 million in the corresponding period last year.

Taking the vision of turning your Company into a profitable venture and to introduce the diversification into the business line of the Company has altered its Memorandum and Articles of Association of the Company by modifying its Capital and Object Clauses. We hope that this will help us in bringing a turnaround into the Company.

The global steel price level has witnessed a slight recovery during the third quarter, which has also marginally benefitted your Company, as reflected through gross margins of the third quarter. However, the market volatility is still on a high swing and this coupled with the instability in US dollar and irrational tariff structure, has made it very difficult for us to compete fairly.

Under invoicing from importers also hits our profit margin because it increases our production cost due to underutilization of production capacity.

A significant amount 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/Loss per share

The losses per share are Re. 0.26 as compared to earnings per share of Re. 0.19 in corresponding period.

Future Outlooks

Your company still looks forward to sustain its position as a market leader while maintaining a strict focus on its quality policy. Besides that we are also actively working to take part in export markets and have already sent trial orders to Middle East market. We hope these efforts will be materialized in large scale orders soon.



DIRECTORS' REVIEW

and will aid in increasing capacity utilization and overall profitability. Moreover the management of your company continues to strive for more stringent cost controls and efficient pricing policies and aims to improve its operational performance. In addition, we would like to apprise that the Federal Board of Revenue on January 13, 2016, has imposed the anti-dumping duty @19% on CRC which includes the raw material imported by our Company. The Company has filed a petition against the imposition of this duty on raw material imported by us. The case is pending decision in the Court. The stand alone impact of the said during the current quarter is about Rs. 10.5 million. However, the impact of this anti-dumping duty, if remain imposed, would be very radical since the local market cannot absorb such impact in view of availability of cheap ETP being imported from China and other sources.

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: April 28, 2016



CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2016

	Note	Un-audited Mar-16 <small>.....(Rupees).....</small>	Audited Jun-15
NON-CURRENT ASSETS			
Property , Plant and equipment	5	627,587,493	647,266,141
Long-term deposits		10,490,038	10,497,538
		638,077,531	657,763,679
CURRENT ASSETS			
Stores, spares and loose tools		13,776,178	15,001,496
Stock-in-trade		346,679,829	517,812,540
Trade debts		344,619,168	436,214,734
Loans and advances		89,674,399	84,266,103
Trade deposits and short-term prepayments		13,588,793	3,517,064
Other receivables		45,509,010	45,509,010
Other financial assets		456,394	456,394
Sales tax refundable		18,976,280	51,077,606
Cash and bank balances		12,568,346	10,641,057
		885,848,396	1,164,496,004
		1,523,925,927	1,822,259,683
Issued, subscribed and paid-up		785,201,270	785,201,270
Unappropriated profits		(42,245,918)	(22,168,215)
		742,955,352	763,033,055
NON-CURRENT LIABILITIES			
Deferred taxation		-	-
CURRENT LIABILITIES			
Trade and other payables		104,153,009	100,638,556
Interest / mark-up accrued		9,362,714	14,698,397
Short-term borrowings		667,454,853	943,889,675
		780,970,576	1,059,226,628
CONTINGENCIES AND COMMITMENTS			
	6	1,523,925,927	1,822,259,683

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2016

	Note Nine Month Three Months	
		March 31 2016	March 31 2015	March 31 2016	March 31 2015
		(July - March)		(January - March)	
.....(Rupees).....					
Sales - net		1,627,482,591	1,696,590,684	509,921,586	613,576,479
Cost of goods sold	7	(1,520,420,534)	(1,561,482,939)	(495,317,144)	(581,687,040)
Gross profit		107,062,057	135,107,745	14,604,442	31,889,439
Other operating income		717,843	1,965,146	-	-
		107,779,900	137,072,891	14,604,442	31,889,439
Distribution cost		(6,705,918)	(6,221,348)	(745,488)	(933,840)
Administrative expenses		(43,597,007)	(25,999,760)	(17,613,280)	(7,104,398)
Other operating expenses		(16,318,866)	(12,182,061)	840,561	(629,750)
Finance cost		(44,960,986)	(60,404,578)	(13,315,075)	(18,209,003)
(Loss) / Profit before taxation		(3,802,877)	32,265,144	(16,228,840)	5,012,448
Provision for taxation		(16,274,826)	(16,965,907)	(5,127,737)	(2,751,533)
(Loss) / Profit for the year		(20,077,703)	15,299,237	(21,356,577)	2,260,915
(Losses) / Earnings per share - Basic and Diluted		(0.26)	0.19	(0.27)	0.03

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2016

	July 1st to March 31st	
	2016 Rupees	2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(3,802,877)	32,265,144
Adjustments for:		
Depreciation of property, plant and equipment	23,873,470	25,100,197
Loss on disposal of property, plant and equipment		5,564,119
Finance cost	44,960,986	60,404,578
Provision against slow moving stores		1,034,785
Profit on remeasurement of investment at market value	-	(62,462)
Operating cash flows before movement in working capital	65,031,579	124,306,361
(Increase) / decrease in current assets		
Stores, spares and loose tools	1,225,319	(1,236,542)
Stock in trade	171,132,710	(279,218,155)
Trade debts	91,595,568	34,801,336
Loans and advances	(16,136,083)	(16,847,702)
Trade deposits and short-term prepayments	(10,071,729)	(4,736,058)
Other receivables	-	-
Sales/income tax refundable	32,101,326	(50,317,508)
Increase / (decrease) in current liabilities		
Trade and other payables	3,514,453	589,708
Cash generated from / (used in) operations	338,393,143	(192,658,560)
Income taxes paid	(5,547,039)	38,039,513
Interest / markup paid	(50,296,669)	(61,680,595)
Long term deposits refunded	7,500	-
Net cash from / (used in) operating activities	282,556,935	(216,299,642)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,194,823)	(8,498,203)
Proceed from disposal of property, plant and equipment	-	24,358,973
Net cash (used in) / from investing activities	(4,194,823)	15,860,770



	July 1st to March 31st	
	2016 Rupees	2015 Rupees
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowing (repaid) / obtained -net	(306,754,789)	361,998,346
Net cash (used in) / from financing activities	(306,754,789)	361,998,346
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(28,392,677)	161,559,474
Cash and cash equivalents at July 1	(221,880,380)	(432,921,365)
Cash and cash equivalents at March 31	(250,273,057)	(271,361,891)
Cash and cash equivalents		
Cash and bank balances	12,568,346	23,339,702
Short term running finance	(262,841,403)	(294,701,593)
	(250,273,057)	(271,361,891)

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2016

	Issued, subscribed and paid up capital	Unappropriated profit	Total
(Rupees).....		
Balance at July 01, 2014	785,201,270	(1,997,513)	783,203,757
Comprehensive Income			
Profit for the period ended March 31, 2015	-	15,299,237	15,299,237
Other comprehensive income - net of tax	-	-	-
Balance at March 31, 2015	785,201,270	13,301,724	798,502,994
Loss for the year ended June 30, 2015		(20,170,702)	(20,170,702)
Other comprehensive income - net of tax	-	-	-
Balance at June 30, 2015	785,201,270	(22,168,215)	763,033,055
Comprehensive Income			
Loss for the period March 31, 2016	-	(20,077,703)	(20,077,703)
Other comprehensive income - net of tax	-	-	-
	-	(20,077,703)	(20,077,703)
Balance at March 31, 2016	785,201,270	(42,245,918)	742,955,352

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2016

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.

2. STATEMENT OF COMPLIANCE

- 2.1 This condensed interim financial information of the Company for the nine months ended March 31, 2016 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, 2015.
- 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 presentational currency and figures presented in the condensed interim financial information have been rounded off to the nearest rupee.
- 2.4 This condensed interim financial information is unaudited and is being submitted to shareholders as required by Section 245 of Companies Ordinance, 1984.
- 2.5 The comparative balance sheet presented has been extracted from annual financial statements for the year ended June 30, 2015, 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 nine months and 3rd quarter ended March 31, 2015.

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 30 June 2015, Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2015, which do not have any impact on condensed interim financial information except for IFRS 13 "Fair Value Measurement".



IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. However, it does not change the requirements regarding which item should be measured or disclosed at fair value. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements or disclosures about fair value measurements, except in specified circumstances. The application of this standard does not have an impact on this condensed interim financial information except certain additional disclosures as given in note I.

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, 2015.

5 ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

During the period following additions and disposals were made

	March 31, 2016		March 31, 2015	
	Additions	Disposals (W.D.V)/ transferred*/charged	Additions	Disposals/transfer (W.D.V)
(Rupees).....			
Operating fixed assets				
Plant and machinery	2,551,371	-	-	(29,923,093)
Office equipment	427,522	-	535,634	-
IT equipment	119,934	-	1,295,440	-
Factory Equipment	1,095,996	-	-	-
	<u>4,194,823</u>	<u>-</u>	<u>1,831,074</u>	<u>(29,923,093)</u>
Capital work in progress				
Advance for capital expenditure	3,443,847	-	6,622,288	-
	<u>3,443,847</u>	<u>-</u>	<u>6,622,288</u>	<u>-</u>

6. CONTINGENCIES AND COMMITMENTS

6.1. Contingency

There are no changes in contingency as disclosed in the annual audited financial statements for the year ended June 30, 2015.

6.2. Commitments

Letters of credit for import of raw material

(Unaudited) March 31, 2016	(Audited) June 30, 2015
.....(Rupees).....	

<u>349,714,342</u>	<u>277,369,766</u>
---------------------------	--------------------



7. COST OF GOODS SOLD

 Nine Months	
	March,31 2016	March,31 2015
	(July - March)	
(Rupees).....	
Cost of goods manufactured	1,446,840,050	1,746,444,567
Finished stocks		
Opening stock	293,139,130	152,330,931
	-	16,253,045
Closing Stock	(219,558,646)	(353,545,603)
	73,580,484	(184,961,627)
	<u>1,520,420,534</u>	<u>1,561,482,939</u>

7.1 Cost of good manufactured

Raw materials consumed	1,276,512,264	1,578,688,361
Packing materials	3,814,238	6,771,070
Salaries, wages and benefits	78,160,163	67,717,941
Fuel and power	45,076,220	46,246,454
Stores and spares consumed	5,539,212	4,235,320
Sorting, slitting and cutting charges	2,080,828	2,260,930
Repair and maintenance	1,622,728	975,846
Printing and stationery	126,386	110,573
Insurance	2,434,092	3,594,569
Communication	262,378	150,012
Traveling and conveyance	2,424,979	858,249
Transportation	1,194,665	2,089,156
Canning expenses / Printing	3,434,224	7,399,618
Depreciation	21,670,490	22,900,836
Provision for slow moving stock		1,034,785
Other manufacturing expenses	2,487,183	1,410,848
	<u>1,446,840,050</u>	<u>1,746,444,567</u>

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	... Nine months ended Quarter ended	
		March 31 2016	March 31 2015	March 31 2016	March 31 2015
		(July - March)		(January - March)	
.....(Rupees).....					
Associated companies	Expenses paid	2,435,114	997,775	66,149	78,936
	Short-term advances obtained	-	35,000,000	-	-
	Short-term advances paid	-	35,000,000	-	-
Key management personnel	Short-term employee benefit	14,421,570	12,969,140	4,801,373	4,323,011
	Post-employment benefit	554,977	430,645	184,992	238,799

9. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statement have been approved and authorized for issue by the Board of Directors of the Company on April 28, 2016.

10. GENERAL

Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR





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

Plant:

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