



A Commitment to Prime Quality !

**QUARTERLY
REPORT**
SEPTEMBER 30
2015



Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

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COMPANY INFORMATION

Board of Directors:

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

Chairman
CEO
Director
Director
Director
Director
Director

Audit Committee:

Mr. Ibrahim Shamsi
Mr. Salman Hussain
Mr. Muneer Qureshi
Mr. Murtaza Ahmed

Chairman
Member
Member
Secretary

Human Resource & Remuneration Committee:

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

Chairman
Member
Member

Chief Financial Officer

Mr. Rashid Khaleeqe

Company Secretary

Mr. Murtaza Ahmed

Internal Auditor

Mr. Furrukh Sadiq

Auditors

Deloitte Yousuf Adil
Chartered Accountants

Legal Advisor

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

Bankers

Dubai Islamic Bank Limited | 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



DIRECTORS' REVIEW

Dear Shareholders

It is my pleasure to present on behalf of the Board of Directors unaudited financial statements of the company for the first quarter ended September 30, 2015 along with an update on the company's performance for the first three months.

Operating and Financial Results: Sales performance

Sales revenue for the period is Rs.536.87 million as compared to Rs.415.7 million during the same period last year, which is 29% higher than the previous period.

Gross Margin

Gross margin of the Company is Rs.44.48 million which is 8.3% of sales revenue as compared to Rs.25.57 million which was 6.15% in corresponding period last year. The increment in gross profit ratio was mainly due to effective working capital management.

Net Profit

The net results showed profit after taxation of Rs.7.68 million during the period under review as compared to loss of Rs.16.04 million in the corresponding period last year. The management continued to carry out its efforts to reduce its operational and administrative overheads to its optimum levels, as is evident from the reduction in operating overheads including the financial cost from a cumulative level of Rs.38.64 million to Rs.31.43 million.

The period under review has witnessed a new low level in commodity prices where steel products are no exception. This coupled with the volatility in US dollar and irrational tariff structure, has made it very difficult for the local producers 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 earnings per share are Re.0.10 as compared to loss per share of Re.0.20 in corresponding period.

Future Outlook

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 exploring export markets which hopes to be materialized soon 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.

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 27, 2015



Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

1st Quarterly Report
September 2015 03

CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30 , 2015

	Note	Unaudited Sep-15	Audited Jun-15
NON-CURRENT ASSETS			
	(Rupees).....	
Property , Plant and equipment	4	639,381,912	647,266,141
Long-term deposits		10,490,038	10,497,538
		649,871,950	657,763,679
CURRENT ASSETS			
Stores, spares and loose tools		15,746,137	15,001,496
Stock-in-trade		518,042,510	517,812,540
Trade debts		439,023,596	436,214,734
Loans and advances		102,602,979	84,266,103
Trade deposits and short-term prepayments		3,332,743	3,517,064
Other receivables		45,509,010	45,509,010
Other financial assets		456,394	456,394
Sales tax refundable		46,002,060	51,077,606
Cash and bank balances		13,247,770	10,641,057
		1,183,963,199	1,164,496,004
		1,833,835,149	1,822,259,683
SHARE CAPITAL AND RESERVES			
Authorized 1,200,000,000 (2009 : 1,200,000,000) ordinary shares of Rs.10/- each		1,200,000,000	1,200,000,000
Issued, subscribed and paid-up		785,201,270	785,201,270
Unappropriated profits		(14,482,821)	(22,168,215)
		770,718,449	763,033,055
NON-CURRENT LIABILITIES			
Deferred Liability		-	-
CURRENT LIABILITIES			
Trade and other payables		107,860,139	100,638,556
Interest / mark-up accrued		15,360,004	14,698,397
Short-term advances		-	-
Short-term borrowings		939,896,557	943,889,675
		1,063,116,699	1,059,226,628
CONTINGENCIES AND COMMITMENTS			
	5	1,833,835,149	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 1ST QUARTER ENDED SEPTEMBER 30, 2015

	Note Three Months	
		September 30 2015 (July - September)	September 30 2014
Sales - net		536,868,260	415,727,386
Cost of goods sold	6	(492,382,054)	(390,159,615)
Gross profit		44,486,206	25,567,771
Other operating income		-	1,183,966
		44,486,206	26,751,737
Distribution cost		(1,344,745)	(1,940,342)
Administrative expenses		(8,409,276)	(8,920,946)
Other operating expenses		(5,526,150)	(6,846,170)
Finance cost		(16,151,959)	(20,930,832)
Profit before taxation		13,054,077	(11,886,553)
Provision for taxation		(5,368,683)	(4,157,274)
Profit for the year		7,685,394	(16,043,827)
Earnings per share - Basic and Diluted	7	0.10	(0.20)

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2014

	July to September	
	2015 Rupees	2014 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,054,077	(11,886,552)
Adjustments for:		
Depreciation of property, plant and equipment	7,884,228	8,638,057
Finance cost	16,151,959	20,930,830
Profit on remeasurement of investment at market value	-	-
Operating cash flows before movement in working capital	37,090,264	17,682,335
(Increase) / decrease in current assets		
Stores, spares and loose tools	(744,640)	966,618
Stock in trade	(229,971)	(179,310,087)
Trade debts	(2,808,860)	104,189,352
Loans and advances	(4,218,009)	(2,609,055)
Trade deposits and short-term prepayments	184,321	342,213
Other receivables	-	-
Sales/income tax refundable	5,075,546	(27,435,753)
Increase / (decrease) in current liabilities		
Trade and other payables	7,221,582	11,685,767
Sales tax payable	-	-
Cash (used in) / generated from operations	41,570,234	(74,488,610)
Income taxes paid	(19,487,550)	(4,781,783)
Interest / markup paid	(15,490,352)	(18,256,032)
Long term deposits paid	7,500	-
Net cash (used in) / from operating activities	6,599,832	(97,526,425)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	-
Proceed from disposal of property, plant and equipment	-	-
Net cash (used in) / from investing activities	-	-



C. CASH FLOWS FROM FINANCING ACTIVITIES

	July to September	
	2015 Rupees	2014 Rupees
Short term borrowing obtained / (repaid) -net	(61,029,103)	286,856,308
Short term advance - net	-	(138,219,005)
Net cash from / (used in) financing activities	<u>(61,029,103)</u>	<u>148,637,303</u>
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(54,429,271)	51,110,878
Cash and cash equivalents at July 1	(221,880,380)	(432,921,365)
Cash and cash equivalents at September 30	<u>(276,309,651)</u>	<u>(381,810,487)</u>
Cash and cash equivalents		
Cash and bank balances	13,247,770	7,062,084
Short term running finance	<u>(289,557,421)</u>	<u>(388,872,571)</u>
	<u>(276,309,651)</u>	<u>(381,810,487)</u>

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 1ST QUARTER ENDED SEPTEMBER 30, 2015

	Issued, subscribed and paid up capital	Unappropriated profit	Total
(Rupees).....		
Balance at July 01, 2014 - Audited	785,201,270	(1,997,513)	783,203,757
Total comprehensive loss for the quarter ended September 30, 2014	-	(16,043,826)	(16,043,826)
Balance as at September 30, 2014 - Unaudited	<u>785,201,270</u>	<u>(18,041,339)</u>	<u>767,159,931</u>
Balance at July 01, 2015 - Audited	785,201,270	(22,168,215)	763,033,055
Total comprehensive income for the quarter ended September 30, 2015	-	7,685,394	7,685,394
Balance as at September 30, 2015 - Unaudited	<u>785,201,270</u>	<u>(14,482,821)</u>	<u>770,718,449</u>

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 1ST QUARTER ENDED SEPTEMBER 30, 2014

1. GENERAL INFORMATION

- 1.1** 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 Karachi Stock Exchange. 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.
- 1.2** The financial statements are presented in Pak. Rupee which is the company's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

3. FIANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2015.

4. PROPERTY, PLANT AND EQUIPMENT

Addition & deletion details

Plant & Machinery	-	(34,619,714)
Office equipments	-	476,734
Data processing equipments	-	1,409,740
Furniture and fixtures	-	-
Vehicle - Addition	-	-
Vehicle - deletion	-	(1,104,444)
	-	<u>(33,837,684)</u>

Unaudited
Sept,30
2015

Audited
June 30
2014

.....(Rupees).....



5. CONTINGENCIES AND COMMITMENTS

5.1. Contingency

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

5.2. Commitments

Letters of credit for import of raw material

Unaudited Sept,30 2015	Audited June 30 2015
.....(Rupees).....	
237,944,854	277,369,766

6. COST OF GOODS SOLD

Cost of goods manufactured

Finished stocks

Opening stock

Closing Stock

..... Three Months	
September 30 2015	September 30 2014
(July - September)	
480,312,587	530,443,204
293,139,130	151,358,226
1,255,673	1,255,673
(282,325,336)	(292,897,487)
12,069,467	(140,283,588)
492,382,054	390,159,616



6.1 Cost of good manufactured

 Three Months	
	September 30 2015	September 30 2014
	(July - September)	
Raw materials consumed	427,666,716	475,241,901
Packing materials	1,191,890	2,406,210
Salaries, wages and benefits	27,919,950	26,023,187
Fuel and power	12,244,785	13,680,637
Stores and spares consumed	324,900	324,900
Sorting, slitting and cutting charges	649,020	773,074
Repair and maintenance	246,564	150,000
Printing and stationery	20,000	20,000
Insurance	335,000	335,000
Communication	39,516	35,670
Traveling and conveyance	312,679	312,679
Transportation	295,195	280,200
Canning expenses / Printing	1,246,549	2,681,841
Depreciation	7,170,583	7,877,905
Other manufacturing expenses	649,240	300,000
	480,312,587	530,443,204

6.1.1 Raw material consumed

Opening stock	224,120,352	216,967,379
Purchase and purchase expenses	430,042,614	403,427,808
	654,162,966	620,395,187
Closing stock	(226,496,251)	(145,153,286)
	427,666,716	475,241,901

7. (LOSSES) / EARNINGS PER SHARE - Basic and diluted

There is no dilutive effect of the basic earnings per share of the Company, which is computed as under:

	July to Sep 2015	July to Sep 2014
(Loss) / Profit for the 1st Quarter (Rupees)	7,685,394	(16,043,826)
Weighted average number of ordinary shares outstanding at the period end	78,520,127	78,520,127
(Losses) / Earnings per share (Rupees)	0.10	(0.20)

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: -

Relationship with the Company	Nature of Transactions Quarter ended	
		September 30 2015 Rupees	September 30 2014 Rupees
		(July - September)	
Associated Company	Purchase of goods & services Short-term advances repaid	-	-
Key management personnel	Short-term employee benefit Post-employment benefit	-	-
Others	Loan from Director	-	-

9. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved and authorized for issue by the Board of Directors of the Company on October 27, 2015.

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.

CORPORATE

www.siddiqsonstinline.com