

NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2006

1. SELECTED EXPLANATORY NOTES

- 1.1 Siddiqsons Tin Plate Limited (the company) is limited by shares incorporated in Pakistan on January 29, 1996 under the Companies Ordinance, 1984. The registered office of the company is situated at D-53, Textile Avenue, S.I.T.E, Karachi in the Province of Sindh. The Company's manufacturing facilities are located at Winder Industrial Estate in the Province of Baluchistan. The company is currently listed on Karachi Stock Exchange. The principal activity of the company is manufacturing and sale of tin plates and other steel products.
- 1.2 The financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.
- 1.3 These financial statements have been prepared under 'historical cost convention'.
- 1.4 These financial statements are unaudited but subject to limited scope review by auditors and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan.
- 1.5 The accounting policies and methods of computation followed in the preparation of these financial statements are the same as those of the published annual financial statements for the year ended June 30, 2006.

2. CONTINGENCIES AND COMMITMENTS

2.1 Contingencies

There is no change in the status of contingencies as disclosed in the last published annual audited financial statements for the year ended June 30, 2006.

	December 31 2006 Rupees	June 30 2006 Rupees
2.2 Commitments		
Outstanding letters of credit for raw material imports	374,396,952	282,428,455

3. ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

During the period following addition and deletion were made: -

	December 31, 2006		June 30, 2006	
	Acquisitions/ Additions	Disposal (W.D.V)	Acquisitions/ Additions	Disposal (W.D.V)
	<----- Rupees ----->			
Operating fixed assets				
Leasehold land	-	-	1,536,762	-
Power and installations	675,247	-	39,403,887	-
Factory equipment	-	-	438,618	-
Office equipment	2,235,770	-	77,810	-
Data processing equipment	148,813	-	530,117	-
Furniture and fixtures	-	-	41,150	-
Vehicles	3,589,188	824,960	6,107,861	1,503,564
Capital work in progress				
Machinery and equipment	2,821,140	-	993,972	-
Civil work	-	-	575,525	-
Advance for vehicles	-	-	-	958,000
 Six Months Three Months	
	December 31 2006	December 31 2005	December 31 2006	December 31 2005
	(July - December)		(October- December)	
	<----- Rupees ----->			

4. COST OF GOODS SOLD

Opening stock - finished goods	768,609,023	583,889,996	652,374,526	834,307,459
Cost of goods manufactured (4.1)	1,100,923,191	1,623,081,732	556,703,512	657,887,030
Closing stock - finished goods	(642,231,971)	(788,472,407)	(642,231,971)	(788,472,407)
	<u>1,227,300,243</u>	<u>1,418,499,321</u>	<u>566,846,067</u>	<u>703,722,082</u>

4.1 Cost of goods manufactured

Raw material consumed (4.1.1)	1,009,049,469	1,504,091,357	512,274,417	597,567,491
Salaries, wages and benefits	20,359,677	16,779,528	11,564,614	9,016,130
Stores and spares consumed	4,619,724	6,995,696	3,777,090	5,062,204
Packing material consumed	4,391,283	5,107,986	1,538,047	3,112,849
Power and fuel	28,018,729	54,013,703	8,224,293	24,004,740
Insurance	1,430,676	954,930	863,196	94,209
Repairs and maintenance	3,677,247	2,451,631	2,159,477	1,720,405
Rent, rates and taxes	758,500	400,825	23,500	400,825
Vehicles running and maintenance	402,260	301,655	137,959	111,970
Communication	188,175	175,370	97,235	36,275
Travelling and conveyance	856,529	823,546	273,493	290,339
Entertainment	23,870	32,736	10,436	11,852
Other manufacturing overheads	3,642,752	4,015,773	1,792,751	3,368,817
Depreciation	23,504,300	26,936,996	13,967,004	13,088,924
	<u>1,100,923,191</u>	<u>1,623,081,732</u>	<u>556,703,512</u>	<u>657,887,030</u>

..... Six Months Three Months	
December 31 2006 (July - December)	December 31 2005	December 31 2006 (October- December)	December 31 2005
<----- Rupees ----->			

4.1.1 Raw Material Consumed

Opening Stock	217,677,906	172,983,676	119,686,109	345,467,663
Purchases during the year - net off recovery of packing	938,395,748	1,799,070,651	539,612,493	720,062,798
Closing Stock	(147,024,185)	(467,962,970)	(147,024,185)	(467,962,970)
	<u>1,009,049,469</u>	<u>1,504,091,357</u>	<u>512,274,417</u>	<u>597,567,491</u>

5. RELATED PARTY TRANSACTIONS

Relationship with the Company	Nature of Transactions	Half year ended	
		December 31 2006 Rupees	December 31 2005 Rupees
Associated company	Sale of goods and services	12,970,872	27,259,103
Sale of property, plant and equipment		-	280,000
Re-imbursable expenses paid		-	43,000
Directors	Funds received on behalf of sponsors	-	52,805,029
Key management personnel	Short term employee benefits	4,916,975	4,532,591
Post employment benefits		561,940	489,320

6. DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issue on February 24, 2007 by the Board of Directors of the company.

7. GENERAL

In the absence of Mr. Tariq Rafi Chief Executive Officer of the company, who is out of country on business trip, the Board of Directors have authorized any two of the directors to sign on financial statement.

DIRECTOR

DIRECTOR