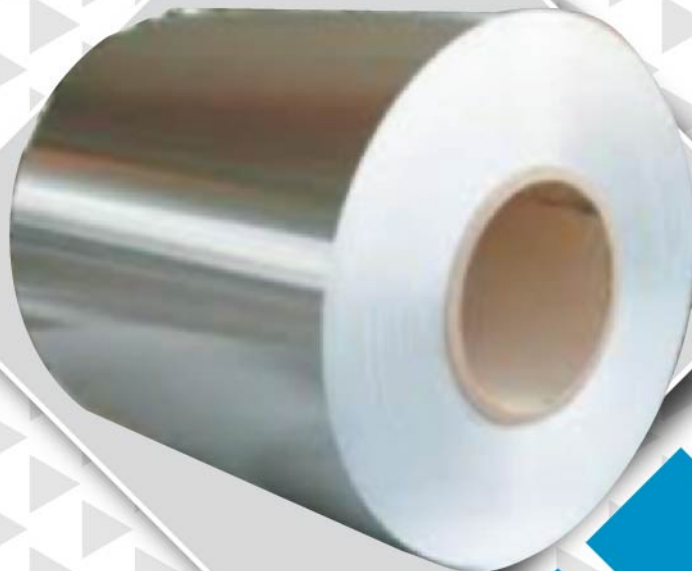


ANNUAL ▶ REPORT 2019



*A Commitment
to Prime Quality!*

Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

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VISION

- ✧ To become a professionally managed, fully integrated, customer focused prime quality Tin Plate producer, offering value added quality tin plate products to our customers within and outside Pakistan meeting International Standard.

MISSION

- ✧ To continuously provide quality tin plate to our valuable customers at affordable price, build strong and permanent relation with domestic and international patrons under the umbrella of quality, reliability and affordability, focused to our customers and always put our customers on first priority.

Our mission is going to be the course chart and radar of our ship so that every time we move we check our parameters to comply and follow our mission and do not deviate from it.



CORPORATE STRATEGY

To enable STPL a modest tin plate company with global acceptability, to attain new heights of success with the help of Al-mighty Allah. We plan to further expand our business network and penetrate in global tin industry through joint venture with different neighboring countries and contribute to generate robust foreign reserve for our country. Our objective is to successfully deliver quality products and services to our customers and enlighten the awareness of tin plate for food packaging industry in the country.



COMPANY INFORMATION

Board of Directors

Mr. Tariq Rafi	Chairman
Mr. Munir Qureshi	CEO
Mr. Ibrahim Shamsi	Director
Ms. Alia Sajjad	Director
Mr. Ashraf Mehmood Wathra	Independent Director
Mr. Abdul Wahab	Independent Director
Mr. Naeem-ul-Hasnain Mirza	Director

Audit Committee

Mr. Ashraf Mehmood Wathra (Chairman)	(Independent Director)
Mr. Ibrahim Shamsi (Member) (Non-Executive)	
Mrs. Alia Sajjad (Member) (Non-Executive)	
Mr. Muhammad Haris (Secretary)	

Human Resource & Remuneration Committee

Mrs. Alia Sajjad (Chairman) (Non-Executive)	
Mr. Munir Qureshi (Member) (Executive)	
Mr. Abdul Wahab (Independent Director)	
Mr. Muhammad Haris (Secretary)	

Technical Committee

Mr. Tariq Rafi	Chairman
Mr. Munir Qureshi	Member
Mr. Naeem-ul-Hasnain Mirza	Member

Executive Management Team

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

Chief Financial Officer

Mr. Furrukh Sadiq

Company Secretary

Mr. Muhammad Haris

Auditors

Deloitte Yousuf Adil
Chartered Accountants

Legal Advisor

Mr. KashiF Nazeer
A/2, G-23, Park Lane, Block-5, Clifton, Karachi

Bankers

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

Shares Registrar

THK Associates (Pvt.) Limited,
1st Floor, 40-C Block-6,
P.E.C.H.S, Shahrah e Faisal,
Karachi.,
UAN # 111 000322

Registered Office

Ocean Tower, 27th Floor,
G-3, Block 9, Scheme # 5,
Main Clifton Road, Karachi.
Tel : +9221-35166571-4

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

Web Presence

www.siddiqsonstinplate.com



BOARD OF DIRECTORS

MR. TARIQ RAFI, CHAIRMAN

Mr. Tariq Rafi is the Director of the Company, he is also serving his responsibilities as the Directors on the Board of Muslim Commercial Bank, Central Depository of Pakistan Limited (CDC), Siddiqsons Limited & Canvas Company of Pakistan (Pvt) Limited. Mr. Tariq possesses Sitara-e-Imtiaz, Young Businessmen Leader Award from Institute of Business Administration (IBA) and Best Businessmen Award for the year 1999 from Federation of Chamber of Commerce & Industries. He joined Siddiqsons Tin Plate Limited Board since inception of the Company.



MR. MUNIR QURESHI, CEO / DIRECTOR

Mr. Munir Qureshi is an Engineer and a graduate in public administration from Harvard University. He is a certified Director, in line with the requirement of Code of Corporate Governance. He had been in Government for 35 years and retired in 2014 at a senior level. He joined the Board of Directors of Siddiqsons Tin Plate Ltd in 2015. He has been appointed as a CEO as well in May, 2018.

MR. IBRAHIM SHAMSI, DIRECTOR

Mr. Ibrahim Shamsi is the Director of the Company, he has strong experience of modern management and effective control management. He is Chief Executive of Aladin Water & Amusement Park, Karachi and Joyland, Lahore and also Chariman of Cotton Web (Pvt) Limited. He is also serving his responsibilities as the Director of on the Board of Adamjee Insurance Company Limited the largest insurance company of Pakistan. By qualification Mr. Shamsi is Master of Business Administration from LUMS Lahore. He joined Siddiqsons Tin Plate Limited Board in 1997.



MS. ALIA SAJJAD, DIRECTOR

Ms. Alia Sajjad has joined the Board of STPL on June 26, 2018. She holds a Bachelors' degree in Business Administration. She is the executive director of Siddiqsons Limited, as well. She is also serving as COO of Triple Tree Associates, where she looks after finance, marketing and other operational affairs of the entity. She is also the Director of Ilmestors Academy. She has a good business acumen and has good entrepreneurial experience.

**MR. NAEEM UL HASNAIN MIRZA, DIRECTOR / C.O.O**

Mr. Naeem ul Hasnain is on our Board of Directors since October, 2013. He is also serving as Chief Operating Officer. He is a certified Director, in line with the requirement of Code of Corporate Governance. He is an Engineering graduate (BE) from NED University and started his professional career from Siddiqsons Tinplate in 1999. During his association with STPL, he extensively served in various management positions on different operational areas of STPL including installation of Plant & Machineries then complete operations of Plant, Import of Raw material, Sales of Finished products in Local Market and Exports. He extensively travelled abroad for Import of Raw materials, Export of Tin Plate, Legal affairs and for procurement of plant & machineries.

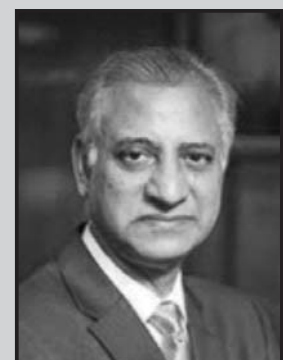
**MR. ABDUL WAHAB, DIRECTOR**

Mr. Abdul Wahab has joined the Board of Siddiqsons Tin Plate Limited on May 24, 2018. He earned his degree of MBA from the Institute of Business Management (IoBM). He is a seasoned professional having a dynamic and energetic personality.

**MR. ASHRAF MAHMOOD WATHRA, INDEPENDENT DIRECTOR**

Mr. Ashraf Mahmood Wathra represents Pakistan in several international forums. He was appointed as the State Bank Governor on 29 April 2014 and served till 28 April 2017. He has 35 years of commercial, corporate and investment banking experience. Prior to joining SBP, he had been associated with various international and national banks and worked in various regulatory regimes in leadership positions; including Singapore, Hong Kong, Australia, Bangladesh, Sri Lanka etc. He also served as a member of Board of Directors of Habib Finance International Hong Kong, Habib Finance Australia and as First Vice Chairman of Himalayan Bank Nepal for several years.

Mr. Wathra holds a master's degree in Business Administration and has attended numerous management courses at prestigious institutions around the globe. He joined Siddiqsons Tin Plate Limited Board in September, 2018.



NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that 24th Annual General Meeting of M/s. Siddiqsons Tin Plate Limited will be held on Monday, October 28, 2019 at 10:45 a.m. at Ocean Mall & Tower, 4th Floor, G-3, Block-9, Scheme-5, Clifton, Karachi, to transact the following business:

AGENDA

1. To confirm the minutes of the Annual General Meeting held on October 23, 2018.
2. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2019 together with Director's report and Auditor's report thereon.
3. To appoint Auditors of the Company for the year 2019-2020 and fix their remuneration. The present auditors M/s. Deloitte Yousuf Adil, Chartered Accountants are retiring and being eligible has offered themselves for reappointment.
4. To transact any other business with the permission of Chair.

By Order of the Board



Muhammad Haris
(Company Secretary)

Karachi
Dated: October 07, 2019

NOTES:

1. The Share Transfer Books of the Company will remain closed from October 22, 2019 to October 28, 2019 (both days inclusive). Transfers received at the Share Registrar of the Company, M/s. THK Associates (Pvt) Limited, 1st Floor, 40-C, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi at the close of business on October 21, 2019 will be treated in time for the purpose of above entitlement to the transferees.
2. A member entitled to attend and vote a Meeting is entitled to appoint another member as a proxy to attend, speak and vote on his/her behalf. A corporation being a member may appoint as its proxy any of its official or any other person whether a member of the company or otherwise.
3. An instrument of proxy and a Power of Attorney or other authority (if any) under which it is signed, or notarized copy of such Power of Attorney must be valid and deposited at the Share Registrar of the Company not less than 48 hour before the time of the Meeting.
4. Those shareholders whose shares are deposited with Central Depository Company of Pakistan Limited (CDC) are requested to bring their original Computerized National Identity Card (CNIC) along with participant's ID number and their account/sub-account numbers in CDC to facilitate identification at the time of Annual General Meeting. In case of Proxy, attested copies of proxy's CNIC or passport, Account and Participation's I.D numbers must be deposited alongwith the Form of Proxy with Share Registrar of the Company as per paragraph No.1 above. In case of Proxy for corporate members, the Board of Directors' Resolution/Power of Attorney with specimen signature of the nominee shall be produced at the meeting (unless it has been provided earlier to the Share Registrar). Attested copies of CNIC of the beneficial owners and the proxy shall be furnished with the proxy form. The proxy shall produce his / her original CNIC at the time of meeting.

For CNIC / IBAN & Zakat

5. Members are requested to provide their International Banking Account Number (IBAN) together with a copy of the Computerized National Identity Card (CNIC) to update our records. In case of non-submission, all future dividend payments may be withheld.



6. Members are requested to submit declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and also requested to notify the change in their address, if any, to Share Registrar of the Company.

E-DIVIDEND

As per Section 242 of the Companies Act, 2017, in case of a Public listed company, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Therefore, through this notice, all shareholders are requested to update their bank account details in the Central Depository System through respective participants. In case of physical shares, to provide bank account details to our Share Registrar, M/s THK Associates (Pvt) Ltd. E-Dividend mandate form is enclosed.

UNCLAIMED DIVIDENDS & BONUS SHARES

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact our Share Registrar M/s THK Associates (Pvt) Ltd. to collect/enquire about their unclaimed dividend or pending shares, if any.

Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan.

CIRCULATION OF NOTICE OF MEETING & ANNUAL ACCOUNTS THROUGH EMAIL

With reference to SRO 787(I/2014) dated September 8, 2014 issued by SECP, shareholders have option to receive Annual Audited Financial Statement and Notice of General Meeting through email. Shareholders of the Company are requested to give their consent on prescribed format to our Shares Registrar, M/s THK Associates (Pvt) Ltd., at 1st Floor, 40-C, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi to update our record if they wish to receive Annual Audited Financial Statement and Notice of General Meeting through email. However, if a shareholder, in addition, request for hard copy of Audited Financial Statements the same shall be provided free of cost within seven days of receipt of such request.

VIDEO CONFERENCE FACILITY

Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city and holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in the AGM. The demand for video-link facility shall be received by the Share Registrar at the address given hereinabove at least seven (7) days prior to the date of the meeting on the Standard Form provided in the annual report and also available on the company's website.

To avail this facility please send a written request, which must include the following information, to the Company Secretary and the Share Registrar of the Company i.e. M/s. THK Associates (Pvt) Ltd., 40-C, Block-6, PECHS, Shahrah-e-Faisal, Karachi at their respective email addresses harisjaffri.siddiqsonstinplate.com and secretariat@thk.com.pk not later than 7 days before the date of 12th annual general meeting.

Request to Avail Video Conferencing Facility

1. Folio No. / CDC Investors A/c No./ Sub-A/c No.
2. Name of Shareholder :
3. No. of Shares held at the 1st day of the Book Closure to establish the right to attend AGM:
4. Name of City where Video facility is required:

Signature of the member



ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کے پروویژن کی پیروی میں ایک ہی شہر میں رہنے والے شیئر ہولڈرز جو مکمل ادا شدہ شیئر کیپٹل کا کم از کم 10% کے حامل ہوں، کمپنی سے اے جی ایم میں شرکت کیلئے ویڈیو کانفرنس کی سہولت طلب کر سکتے ہیں۔ ویڈیو لنک کی سہولت حاصل کرنے کی درخواست شیئر رجسٹرار کے پاس درج بالا پتہ پر اجلاس کی تاریخ سے سات (7) دن پہلے پہنچ جانی چاہیے جو سالانہ رپورٹ میں فراہم کردہ اسٹیٹمنٹ ڈفارم پر ہواوریہ کمپنی کی ویب سائٹ پر بھی دستیاب ہے۔

اس سہولت کو حاصل کرنے کیلئے برائے مہربانی تحریری درخواست کمپنی سیکریٹری اور کمپنی کے شیئر رجسٹرار یعنی ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، G-40، بلاک 6، پی ای سی ایچ ایس، شارع فیصل، کراچی کو ان کے متعلقہ ای میل پتہ harisjaffri@siddiqsonstinplate.com پر اور secretariat@thk.com.pk پر 24 ویں سالانہ اجلاس عام کی تاریخ سے زیادہ سے زیادہ 7 دن پہلے ارسال کریں جس میں درج ذیل معلومات شامل ہوں۔

ویڈیو کانفرنس کی سہولت حاصل کرنے کیلئے:

- ۱۔ فولیو نمبر اسی ڈی سی انوسٹر اکاؤنٹ نمبر اسب اکاؤنٹ نمبر
- ۲۔ شیئر ہولڈر کا نام۔
- ۳۔ تعداد شیئرز جو کنٹیکٹ کی بندش کے پہلے روز تھی جو اے جی ایم میں شرکت کا حقدار بناتی ہے۔
- ۴۔ شہر کا نام جہاں ویڈیو کی سہولت درکار ہے۔

ممبر کے دستخط



کے وقت فراہم کرنا ہوں گے (اگر پہلے سے شیئرجسٹرار کو فراہم نہ کئے گئے ہوں) نیز شیئرز کے بینیفیشنل ماکان اور پراکسی کے سی این آئی سی کی تصدیق شدہ کاپیاں پراکسی فارم کے ہمراہ جمع کرنا ہوں گی۔ پراکسی کو اجلاس میں شرکت کے وقت اپنا اصل سی این آئی سی پیش کرنا ہوگا۔

سی این آئی سی / آئی بی اے این اور زکوٰۃ

- ۵۔ ممبرز سے درخواست ہے کہ ہمارے ریکارڈ کو اپ ڈیٹ رکھنے کیلئے وہ اپنا انٹرنیشنل بینکنگ اکاؤنٹ نمبر (آئی بی اے این) مع کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) کی کاپیاں فراہم کریں۔ یہ جمع نہ کرانے کی صورت میں آئندہ ان کے ڈیویڈنڈ کی ادائیگی روک لی جائے گی۔
- ۶۔ ممبرز سے درخواست ہے کہ زکوٰۃ سے استثنیٰ کیلئے زکوٰۃ اینڈ عشر آرڈیننس 1980 کے مطابق ڈکلیئریشن (CZ-50) جمع کرائیں۔ ان سے یہ بھی درخواست ہے کہ اپنے پتہ میں کسی تبدیلی کی صورت میں، اگر ہو، تو اس کی اطلاع کمپنی رجسٹرار کو دیں۔

ای۔ ڈیویڈنڈ

کمپنیز ایکٹ 2017 کے سیکشن 242 کی رو سے پبلک لسٹڈ کمپنی کیلئے لازم ہے کہ وہ نقد ڈیویڈنڈ کی ادائیگی صرف الیکٹرونک ذریعہ سے براہ راست اہل شیئرز ہولڈرز کے مقرر کردہ بینک اکاؤنٹ میں کرائیں۔ اس لئے، اس نوٹس کے ذریعہ تمام شیئرز ہولڈرز سے درخواست ہے کہ وہ اپنے بینک اکاؤنٹ کی تفصیلات اپنے متعلقہ شرکاء کے ذریعہ سینٹرل ڈیپازٹری سسٹم میں اپ ڈیٹ کر دیں۔ جب کہ فزیکل شیئرز کی صورت میں اپنے بینک اکاؤنٹ کی تفصیلات ہمارے شیئرز رجسٹرار میسرز ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ کو فراہم کریں جس کیلئے ای ڈیویڈنڈ مینڈیٹ فارم منسلک ہے۔

غیر کلیم شدہ ڈیویڈنڈز اور یونٹس شیئرز

ان شیئرز ہولڈرز کو کسی وجہ سے اپنے ڈیویڈنڈ یا یونٹس شیئرز کلیم نہیں کر سکے یا اپنے فزیکل شیئرز حاصل نہیں کر سکے، ہدایت کی جاتی ہے کہ اپنے غیر کلیم شدہ ڈیویڈنڈ یا یونٹس شیئرز کے حصول کے بارے میں معلومات کیلئے، اگر کوئی ہے، ہمارے شیئرز رجسٹرار میسرز ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ سے رابطہ کریں۔ برائے مہربانی نوٹ فرمائیں کہ کمپنیز ایکٹ 2017 کے سیکشن 244 کی پیروی میں تمام قابل ادائیگی ڈیویڈنڈز جو واجب الادا ہونے کی تاریخ سے تین سال تک کلیم نہ کئے گئے ہوں، ضروری کارروائی کے بعد وفاقی حکومت کے پاس جمع کر دیئے جائیں گے اور شیئرز ہونے کی صورت میں سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان کو پہنچا دیئے جائیں گے۔

اجلاس کی اطلاع اور سالانہ اکاؤنٹس کی گردشی ترسیل

بحوالہ ایس ای سی پی کے جاری کردہ ایس آر او نمبر (1/2014) 787 مورخہ 8 ستمبر 2014، شیئرز ہولڈرز کو سالانہ آڈٹ شدہ مالیاتی حسابات اور اجلاس عام کی اطلاع ای میل کے ذریعہ وصول کرنے کی سہولت حاصل ہے۔ کمپنی کے شیئرز ہولڈرز سے درخواست ہے کہ وہ اس کیلئے اپنی رضامندی سے ہمارے شیئرز رجسٹرار میسرز ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، پہلی منزل، C-40 بلاک 6 بی ای سی ایچ ایس، شاہراہ فیصل، کراچی پر ہمارے ریکارڈ کیلئے اپ ڈیٹ کر دیں کہ وہ سالانہ آڈٹ شدہ مالیاتی حسابات اور اجلاس عام کی اطلاع ای میل کے ذریعہ وصول کرنے کے خواہشمند ہیں۔ تاہم اگر شیئرز ہولڈرز اس کے علاوہ سالانہ آڈٹ شدہ مالیاتی حسابات کی ہارڈ کاپی حاصل کرنا چاہیں تو ان کی درخواست موصول ہونے کے سات دن کے اندر ان کو مفت فراہم کر دی جائے گی۔



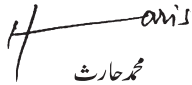
نوٹس برائے چوبیسواں سالانہ اجلاس عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ میسرز صدیق سنز ٹن پلیٹ لمیٹڈ کا چوبیسواں سالانہ اجلاس عام مورخہ 28 اکتوبر، 2019 بروز پیر 10:45 بجے دن، اوشین مال اینڈ ٹاور، چوتھی منزل، G-3، بلاک-9، اسکیم-5، کلفٹن، کراچی میں مندرجہ ذیل امور کی انجام دہی کے لئے منعقد کیا جا رہا ہے۔

ایجنڈا

- ۱۔ مورخہ 23 اکتوبر، 2018 کو منعقد ہونے والے سالانہ اجلاس عام کی کارروائی کی توثیق کرنا۔
- ۲۔ 30 جون، 2019 کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ اکاؤنٹس مع ڈائریکٹرز کی رپورٹ اور آڈیٹرز کی رپورٹ کی وصولی، ان پر غور و خوض کرنا اور ان کو اختیار کرنا۔
- ۳۔ سال 2019-2020 کیلئے کمپنی کے آڈیٹرز کی تقرری اور ان کا مشاہرہ طے کرنا۔ موجودہ آڈیٹرز میسرز ڈیلوائٹ یوسف عادل، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور اہل ہونے کی بناء پر انہوں نے خود کو دوبارہ تقرر کیلئے پیش کیا ہے۔
- ۴۔ چیئرمین کی اجازت سے کسی دیگر امور کی انجام دہی۔

بحکم بورڈ



محمد حارث
(کمپنی سیکریٹری)

کراچی

مورخہ: 07 اکتوبر 2019ء

نوٹس:

- ۱۔ کمپنی کی شیئرز انسٹرکٹس مورخہ 22 اکتوبر تا 28 اکتوبر 2019 (بشمول دونوں دن) بند رہیں گی۔ تاہم کمپنی کے شیئرز رجسٹرار میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، فرسٹ فلور، G-40، بلاک 6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی پر 21 اکتوبر 2019 کو کاروباری اوقات کے اختتام تک موصول ہونے والے ٹرانسفرز ٹرانسفریز کی درج بالا اہلیت کیلئے بروقت تصور ہوں گے۔
- ۲۔ ہر ممبر جو میٹنگ میں شرکت کرنے اور ووٹ دینے کا اہل ہے، وہ اپنی جگہ کسی دوسرے ممبر کو شرکت کرنے، بولنے اور ووٹ دینے کیلئے پر کسی مقرر کر سکتا/ کر سکتی ہے۔ کارپوریشن ممبر ہونے کی صورت میں اپنے کسی آفیشیل کو یا کسی دوسرے شخص کو، چاہے وہ کمپنی کا ممبر ہو یا نہ ہو، پر کسی مقرر کر سکتی ہے۔
- ۳۔ پر کسی کی دستاویز اور پاور آف اٹارنی یا کوئی اور اتھارٹی (اگر کوئی ہو) جس کے تحت دستخط کئے گئے ہوں یا ایسی پاور آف اٹارنی کی نوٹری سے تصدیق شدہ کاپی، جو کارآمد ہو، اجلاس کے شروع ہونے سے کم از کم 48 گھنٹے قبل کمپنی کے شیئرز رجسٹرار کے پاس جمع ہونا لازمی ہے۔
- ۴۔ ان شیئرز ہولڈرز سے، جن کے شیئرز سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (سی ڈی سی) میں جمع ہیں، درخواست ہے کہ سالانہ اجلاس عام میں شرکت کے وقت تصدیق کیلئے اصل کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی)، مع شرکاء کا آئی ڈی نمبر اور سی ڈی سی میں ان کے اکاؤنٹ اسب اکاؤنٹ نمبر ساتھ لائیں۔ پر کسی ہونے کی صورت میں درج بالا پیرا نمبر 1 کے مطابق پر کسی کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں، اکاؤنٹ اور شرکاء کے آئی ڈی نمبر پر کسی فارم کے ہمراہ کمپنی کے شیئرز رجسٹرار کے پاس جمع کرنا لازمی ہے۔ کارپوریٹ ممبرز کے پر کسی ہونے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد اور پاور آف اٹارنی مع نامزد کردہ شخص کے نمونہ کے دستخط اجلاس



CODE OF CONDUCT

Honesty, integrity and strong commitment to high standards of ethical, moral and lawful conducts are among the most important traditions. This dedication is critical to meet our commitment to the shareholders, customers, suppliers and employees.

Ethical behaviour is an individual responsibility. Behaviour reflecting- high ethical standards are expected of all executives and employees regardless of their position or location.

Our businesses and customs vary, and each individual who works for the Company is unique, however, we have certain standards and responsibilities to share wherever we do

Code of Conduct

Management Commitment to Code of Conduct

- I. We, the management of the enterprise are committed to the following principles:
 - ethical management practices
 - recognition of merits
 - empowerment of employees
 - respect of employees, suppliers, clients, and shareholders
 - respect of basic human rights
 - avoidance of conflicts of interest

Managerial Responsibilities

2. Managers are expected to set the highest standards of ethical business conduct and are encouraged to discuss the ethical and legal implications of business decisions. It is their responsibility to create and sustain work environment in which employees, consultants and contract workers know that ethical and legal behaviour is expected of them.
3. Managers must be diligent in looking for indications that unethical or illegal conduct has occurred, and take appropriate action on regular basis to address any situation that seem to be in conflict with the law or the Code.

Employee Commitment to Code of Conduct

4. All employees should have the opportunity to contribute, learn, grow and advance based on merit. Ethical principles which employees must follow include:
 - Honesty
 - Fulfilment of their promises
 - Integrity and loyalty
 - Feeling of belongingness

Code, Policies and Applicable Laws

5. It is management's responsibility to ensure compliance with the Code, Company's policies and all prevailing applicable laws in conducting business within the country and around the globe.



Confidentiality

6. We safeguard confidential information by keeping it secure, avoiding discussion in public areas and limiting access to those who have to know for execution of their duties.
7. Information that is not generally disclosed and is helpful to the company must be protected.

Conflict of Interest

8. Actions must be based on sound business judgement, and not motivated by personal interest or gain. Any situation that creates or appears to create a conflict of interest between personal interests and the interests of the Company will be avoided.

Protecting Company Assets

9. All employees are entrusted with numerous company assets, and have a special responsibility to protect them.
10. Company's resources should 'be used only to conduct company's business or for purposes authorized by management.
11. Unauthorized copying of software, tapes; books and other legally protected work, is a misuse of asset and may expose the company to legal liability.
12. Any act by Company's employee that involves theft, fraud, embezzlement, or misappropriation of any property/asset is prohibited.

Favours and Benefits

13. Employees should not misuse their position to influence vendors, subordinates or any other person to provide any undue favour or benefits, whether financial or otherwise, to themselves or others.
14. Employees shall not provide or offer to provide any favours or benefits to government departments or engage in any activities, which could influence the business decisions and violate the law. Offering or providing bribes or kickbacks is prohibited in all circumstances.
15. Gifts and entertainment may be used in developing business relationships and not be lavish or in excess of the generally accepted business practices of industry.

Competitive Information

16. The Company will always obtain information regarding customers; suppliers and competitors legally and ethically. Theft of proprietary information, inducing disclosures by a competitor's past or present employees is prohibited.

Business Conduct

Customers

1. The Company ensure that its products and services meet customer requirements and product specification.
2. Labelling of products will be complete, fair and honest. Only claims, which can be substantiated and fulfilled, are made by the company, its employees and its agent.



Shareholders

3. We ensure shareholders' participation and respect their rights to information while protecting the interests of other stakeholders.
4. The Company respects the right of shareholders to submit proposals for vote and to ask questions at the meeting.
5. Shareholders are informed about significant and material violations of corporate policies (including codes of conduct) and any decisions by tribunals or courts which are unfavourable of the company.

Employees

6. The Company values its employees and their contributions towards its operations.
7. The Company pays adequate wages to enable employees, to meet the basic needs for themselves and their families.
8. The Company will not make any discrimination in its policies of employment and remuneration, whether by race, age, gender, disability or religion.
9. Each worker should be employed on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs.
10. Training, development, promotion and advancement opportunities within the Company are available to all employees.
11. The Company recognizes the need for supporting and/or providing the essential social infrastructure and community services to its workers.
12. All those who work within and on the Company's premises, whether permanent, temporary or contractual, shall receive equal protection especially in provision of equipment and information concerning their health and safety at work:

Suppliers / Subcontractors

13. The Company accepts its responsibility to use its purchasing power to encourage good corporate organizations among its suppliers.
14. The Company is careful in its negotiations and contractual arrangements with other companies. This includes fair dealing, prompt payment and the avoidance of corrupt practices, bribes and questionable payment.
15. The Company seeks out supplies that meet the same quality standards on environmental and social grounds as the Company sets for its own products.
16. The Company will not enter into contracts with suppliers who use any form of forced or bonded labour.



Accuracy of Business Records

17. Employees throughout the Company are responsible for recording any kinds of information properly, honestly and accurately.
18. All financial books, records and accounts accurately reflect transactions and events, and conform both to generally accepted accounting principles and to Company's system of internal controls.

Working Hours

19. Working hours in accordance with local standards are followed at all sites and offices of the Company.

Wages and Benefits

20. We ensure that wages and social benefits are in accordance with laws in force or prevailing wage practice in the country.

Health, Safety and Environment

21. The Company is committed to provide a safe and healthy work environment to its employees. Each facility is required to have a safety program in place that includes appropriate training programs. The Company will meet applicable laws and government regulations as well as Company's own standards.
22. Each employee is responsible for observing the safety and health rules and practices that apply to his or her job. Employees are also responsible for taking precautions necessary to protect themselves & and their co-workers, including reporting accidents, injuries, and unsafe practices or conditions.

Appropriate and timely action will be taken to correct known unsafe conditions.

Child Labour

23. Company discourages for employment of Child Labour.



SIX YEAR AT A GLANCE - RATIO ANALYSIS

For the period ended 30th June 2019

DESCRIPTION	2019	2018	2017	2016	2015	2014
Rupees in "000"						
TRADING RESULTS						
Net Turnover	3,408,744	2,646,261	2,537,686	2,119,459	2,341,355	2,092,101
Gross Profit	334,807	165,694	309,972	234,413	140,346	6,672
Profit / (Loss) before tax	128,925	(40,646)	159,070	79,961	3,369	(191,582)
Profit / (Loss) after tax	86,891	(67,733)	128,330	58,888	(20,171)	(152,260)
Dividend	-	-	30,536	-	-	-
BALANCE SHEET						
Share Capital	2,292,788	785,201	785,201	785,201	785,201	785,201
Unappropriated profit	123,412,379	66,780	134,514	36,720	(22,168)	(1,998)
Total Assets	4,557,393	2,358,625	2,023,794	1,650,388	1,822,260	1,830,702
INVESTORS INFORMATION						
Gross Profit in percent of sales	9.82	6.26	12.02	11	6	0.32
Earnings/(Loss) Per Share	0.39	(0.65)	1.63	0.75	(0.26)	(1.94)
Profit / (Loss) before tax in percent of sales	3.78	(1.54)	6.27	4	0.14	(9.16)
Profit / (Loss) after tax in percent of sales	2.55	(2.56)	5	2.78	(0.86)	(7.28)
Inventory Turnover (days)	122	100	84	98	82	134
Debtor turnover (days)	61	72	59	63	65	82
Break-up value Per share (Rs)	11.9	10.9	11.7	10.46	9.72	9.97
Market value Per share (Rs)	9.69	15.22	27.33	12.5	8.02	7.30
Dividend per share (Rs)	-	-	0.5	0	-	-
Dividend yield ratio (%)	-	-	1.83	0	-	-
Dividend Payout Ratio (%)	-	-	30.67	0	-	-
Return on equity (%)	3.20	(7.95)	13.95	7.16	(2.60)	(19.40)
Current Ratio	1.53	1.17	1.22	1.21	1.01	1.06
Interest cover (times)	1.73	0.69	4.15	2.05	1.04	(0.85)



DIRECTORS' REPORT

To the Shareholders

Dear shareholders

The Directors of Siddiqsons Tin Plate Limited are pleased to present the annual report of your company along with the audited financial statements for the financial year ended June 30, 2019, together with the auditor's report thereon.

Global business scenario

The rise in packaged food sales, rising demand for metal packaging in beverages industry, increasing urbanization, increasing demand for aerosol products, and increasing consumption of canned vegetables and foods are the primary drivers of global tinplate packaging market. The market is also driven by growth of pharmaceuticals and cosmetics industry which is expected to propel the growth of the tinplate packaging market. Tinplate is also used in applications other than containers; which include making electrical machinery parts and many other products. Tinplate offers 100 percent recyclability and is an eco-friendly packaging material and recent eco-awareness drives being carried out internationally are making the metal packaging, the preferred choice for consumers. According to the global Tinplate Packaging Market report published by Value Market Research, the market is expected to touch USD 9.5 BN by 2025, with a CAGR of 2.2% growing from valued USD 8.2 BN (by revenue) in 2018. However, this growth is largely linked with the limitations and dynamics of steel manufacturing sector, which is itself quite volatile in nature. During the year the steel industry shows a moderate growth rate of 1.5% (approx.).

Pakistan's Economic Scenario

Macro-economic scenario of Pakistan, during the year, largely characterized by volatility and uncertainty. The increase in interest rate by 6% and devaluation of Pak Rupee by 35% resulted in higher cost of doing business and increased working capital requirement for businesses.

Business Performance Overview & Financial Highlights

	2019	2018	2017
Net Sales	3,408,743,813	2,646,260,757	2,537,686,396
Gross Margin	334,806,834	165,694,478	309,972,014
Profit/(Loss) before taxation	128,924,764	(40,645,514)	159,069,982
Profit/(Loss) after taxation	86,890,505	(67,733,341)	128,329,628
Earnings/(Losses) per share	0.39	(0.86)	1.63



The year under review posed a lot of volatilities and marked some unprecedented fluctuations. The biggest effect on profitability, remained the highest ever finance cost, which rose by 33% on YOY basis. On the other hand, the protection measures being taken to support local flat steel industry is restricting the supply chain of the Company. However, your company has managed to explore the alternate sources of raw material.

On the competitive front, the imposition of anti-dumping duty on import of Electrolytic Tin Plate (ETP) is a sigh of relief and helped to curb the under invoicing and dumping of ETP in Pakistani market. This also helped in providing a level playing field for locally produced ETP.

The price trend of Tin Mill Black Plate (TMBP) also witnessed a mix trend. The first two quarters of current financial year shows a declined trend, however this trend moderately reversed during last two quarters. Hence the second half of the financial year put a lot of pressure on direct cost of operations, since the rupee devaluation and rising discount rates were also adversely impacting the cost of doing business.

The continuous development of export markets is one of the prime focus of your company and is critical to the growth and sustainability in the long run. However, the opportunities available in the export market cannot be fully availed until the time CRC plant is fully operational. Realizing this fact the management is fully committed to make the new CRC plant operational by the end of calendar year 2020.

Sales

The sales revenue of the company is increased by 29% however, the quantity sold is less by 2.5%.

Production

Current year's production was 10% higher than last year. The quantity produced was 20,288 metric tons as compared to 18,221 metric tons in the previous year. The capacity utilization 17%.

Operational overview

The sales revenue have recorded an increase of 29% and the EBITDA (Excluding non-recurring items) stood at Rs.284,310 million (8.3%) as compared to Rs.130,763 million (5%). This increase in EBITDA margin reflects the operational viability and efficiency of the business. The Cost of sales has increased by 24% as compared to previous year.

The distribution and administrative expenses has shown a moderate increase of 8% which mainly includes the annual increment in salaries and wages and increased legal and professional expenses. The finance cost has however remained on an increasing scale due to rise in SBP discount rate and recorded an increase of 33% as compared to last year.

The net profit after taxation for the year stood at Rs.86.89 million as compared to a loss of Rs.67.7 million in the last year.

Earnings per share

The earnings per share have been recorded at Re. 0.39, as compared to a loss of Re. (0.22) in the previous year.



Payments to National Exchequer

The Company has made payments of Rs.1,056 million to the National Exchequer on account of income tax, sales tax, custom duties and other levies.

PACRA Credit Rating

During the year, your Company was awarded the entity rating of A- (Single A minus) for long term and A2 (Single A two) for short term with "stable" outlook. The rating was evaluated and assigned by Pakistan Credit Rating Agency.

Risk Management

The mechanism of risk management at the company comprises of identifying and addressing the risk in all areas of activities namely strategic decision making, Operations, Compliance and Financial Reporting. These risks are effectively reviewed and monitored by the Board, itself.

Adequate controls has been designed and implemented at all levels of the organization through SOPs and other policy guidelines.

Human Resources

The Company operates a well-equipped Human Resources department at Group level which operates in line with the strategic directions of the Board and its Human Resources Committee. All employee related matters such as remuneration, allowances, leaves, performance appraisals and hiring & terminations are dealt through them. The head of human resources department also works as the secretary of the Board's HR Committee.

Health, Safety & Environment (HSE)

The management of your Company takes the HSE measures seriously and ensures the strict implementation of all safety measures. During the year under review no major incident was reported. The management ensures compliances with environmental standards.

Provident Fund

The estimated fair value of investment of Siddiqsons Tin Plate Limited - Staff Provident Fund based on internal records as on June 30, 2019 was Rs.47.33 million (2018: Rs.39.33 million).

Changes in the Board of Directors

During the year one casual vacancies was filled in by the Board of Directors. Mr. Ashraf Mahmood Wathra joined the Board in place of Mr. Jean Pierre Gugenheim.

Future Outlook

The setting up of the new CRC plant is of pivotal importance for the long term sustainability and profitability of the Company. This plant primarily aims at timely feeding the existing ETP plant, to facilitate the local customers with prompt delivery of ETP as per required specification and of international quality. Moreover, it will also enhance the export competitiveness of the Company. The project has been kicked-off with Ground breaking done on April 21, 2019. The planned Commercial Operation is planned during the month of November 2020.



Auditors

The present auditors M/s. M. Yousuf Adil Saleem & Co., Chartered Accountants retires and being eligible have offered themselves for the reappointment. With the endorsement of the Audit Committee, the Board of Directors have recommended their reappointment as auditors of the Company for the year ending June 30, 2020, at a remuneration to be mutually agreed.

Compliance with the Code of Corporate Governance

The requirement of the Code of Corporate Governance set out by the Pakistan Stock Exchange in their Listing Regulations, relevant for the year ended June 30, 2017 have been adopted by the Company and have been complied with. A separate statement of compliance with the Code of Corporate Governance has been signed by the Chief Executive Officer and is included in this report.

Statement of Code of Conduct

The Board has adopted the statement of Code of Conduct. All employees have been informed and are required to observe these rules of conduct in relation to customers, suppliers and regulations.

Corporate and financial reporting frame work

- The financial statements together with the notes thereon have been drawn up by the management in conformity with the Companies Ordinance, 1984. These Statements present fairly Company's state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained by the Company.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- The International Accounting Standards / International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the Company's ability to continue as a going concern.
- There has been no departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- Significant diversion from last year's operating results has been disclosed in the Directors' Report.

Board of directors' meetings

During the year under report, the Board of Directors met five (4) times. The numbers of meetings attended by each director during the year is shown below:



Name of Directors	No. of Meeting Attended
Mr. Tariq Rafi	4
Mr. Ibrahim Shamsi	3
Ms. Aliya Sajjad	2
Mr. Munir Qureshi	4
Mr. Abdul Wahab	3
Mr. Naeem ul Hasnain	4
Mr. Ashraf Mahmood Wathra (Appointed on 13th September, 2018)	1

Leave of absence was granted to Directors who could not attend the Board meetings.

Audit Committee and internal control system

The management of your Company believes in good corporate governance, implemented through a well-defined and efficiently applied system of check and balance, and the provision of transparent, accurate and timely financial information. The board of directors establishes a sound system of internal control, which is effectively implemented at all level within the Company.

The Audit Committee comprises of three (3) members, comprising of one independent and two non-executive directors including the chairman of the Committee. The Committee has its terms of reference which were determined by the Board of Directors in accordance with the guidelines provided in the Listing Regulations.

Corporate Social Responsibility

During the year under review the Company is continuing support society in the areas of education, clean water and health care in Winder- Baluchistan.

Pattern of shareholding

The total number of Company's shareholders as at June 30, 2019 were 3687. The pattern of shareholding as at June 30, 2019 along-with necessary disclosures as required under the Code of Corporate Governance is annexed with this report.

Acknowledgement

The Directors of the Company would like to take the opportunity to thank the Securities and Exchange Commission of Pakistan, Shareholders, Partners, Customers, Government Authorities, Autonomous bodies and the Financial Institutions for their co-operation & 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.


Tariq Rafi
 Chairman


Munir Qureshi
 Chief Executive Officer

Karachi, October 04, 2019



ڈائریکٹر کا نام	حاضر اجلاسوں کی تعداد
جناب طارق رفیع	4
جناب ابراہیم شمسی	3
محترمہ عالیہ سجاد	2
جناب منیر قریشی	4
جناب عبدالوہاب	3
جناب نعیم احسن	4
جناب اشرف محمود وٹھرا (13 ستمبر 2018 کو تقرری کی گئی)	1

جو ڈائریکٹر ان حاضر نہ ہو سکے ان کی غیر حاضری کی رخصت منظور کر لی گئی۔

آڈٹ کمیٹی

آپ کی کمپنی کی انتظامیہ اچھے ادارتی نظم و ضبط کے نفاذ پر یقین رکھتی ہے، اس مقصد کے لئے چیک اینڈ بیلنس کا واضح اور مستعد نظام موجود ہے جس کے تحت شفاف، درست اور بروقت مالیاتی معلومات فراہم کی جاتی ہیں۔ بورڈ آف ڈائریکٹرز نے اندرونی گرفت کا ایک مضبوط نظام قائم کیا ہے جو کہ کمپنی میں ہر سطح پر نافذ ہے۔ آڈٹ کمیٹی تین (3) ممبران پر مشتمل ہے جس میں ایک آزاد اور دونوں ایگزیکٹو ڈائریکٹر ان میں کمیٹی کا چیئرمین بھی شامل ہے۔ کمیٹی کی ذمہ داریوں کا تعین بورڈ آف ڈائریکٹرز نے لسٹنگ ریگولیشنز میں دیئے گئے رہنما اصولوں کے مطابق کیا ہے۔

ادارتی سماجی ذمہ داری


جائزہ سال کے دوران کمپنی نے تسلسل کے ساتھ معاشرے کو تعلیم، صاف پانی اور طبی نگہداشت کے شعبوں میں تعاون فراہم کیا۔

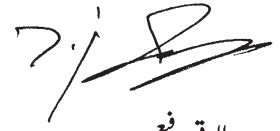
حصص داری کی ساخت

30 جون 2019 کو کمپنی کے حصص یافتگان کی کل تعداد 3687 تھی۔ ادارتی نظم و ضبط کے ضابطہ کے تحت 30 جون 2019 کی حصص داری کی ساخت کے ساتھ ضروری منکشفات شامل کئے گئے ہیں۔

اعتراف

آپ کی کمپنی کے ڈائریکٹر ان اس موقع پر سیکورٹیز اینڈ کمیشن آف پاکستان، حصص یافتگان، شراکت داروں، گاہکوں، سرکاری اداروں، خود کار انجمنوں اور مالیاتی اداروں کے مسلسل تعاون اور مدد پر ان کے مشکور ہیں۔ ڈائریکٹر ان کمپنی کے ملازمین کی قابل قدر اور انتھک محنت و خدمات پر انہیں ستائش پیش کرتے ہیں۔


منیر قریشی
چیف ایگزیکٹو آفیسر


طارق رفیع
چیئرمین

کراچی، 04 اکتوبر 2019

آڈیٹرز

موجودہ آڈیٹرز میسرز ایم یوسف عادل سلیم اینڈ چارٹرڈ اکاؤنٹنٹس سیکندوس ہو چکے ہیں اور اہلیت کے باعث انہوں نے اپنی دوبارہ تقرری کی پیشکش کی ہے۔ آڈٹ کمیٹی کی توثیق پر بورڈ آف ڈائریکٹرز نے سال 30 جون 2020 کے لئے باہمی طے شدہ معاوضہ پر کمپنی کے آڈیٹرز کی حیثیت سے ان کی دوبارہ تقرری کی سفارش کی ہے۔

ادارتی نظم و ضبط کے ضابطے کی پاسداری

سال ختمہ 30 جون 2017 میں پاکستان اسٹاک ایکسچینج کے متعلقہ لسٹنگ ریگولیشنز میں دیئے گئے ادارتی نظم و ضبط کو کمپنی نے اختیار کر لیا ہے اور اس کی پاسداری کی ہے۔ ادارتی نظم و ضبط کی پاسداری سے متعلق ایک الگ بیانیہ پر چیف ایگزیکٹو آفیسر نے دستخط کئے ہیں اور اسے رپورٹ میں شامل کیا گیا ہے۔

ضابطہ اخلاق سے متعلق بیانیہ

بورڈ نے ضابطہ اخلاق کو تشکیل دیا ہے۔ تمام ملازمین کو اس سے آگاہ کر دیا گیا ہے اور ان کے لئے لازمی ہے کہ وہ گاہکوں، سپلائرز اور نگران اداروں کے معاملے میں ان ضوابط کی پاسداری کریں۔

ادارتی اور مالیاتی رپورٹنگ کا فریم ورک

- ☆ کمپنی کی انتظامیہ کے تیار کردہ مالیاتی گوشواروں کے ساتھ ان کے نوٹس کمپنیز آرڈیننس 1984 کے تحت تیار کئے گئے ہیں۔ یہ گوشوارے کمپنی کے معاملات، اس کے کاروباری نتائج، نقدی کے بہاؤ اور ایکویٹی میں تبدیلیوں کو شفافیت کے ساتھ پیش کرتے ہیں۔
- ☆ کمپنی میں حسابات کی کتابیں مناسب انداز میں تیار کی گئی ہیں۔
- ☆ درست حساباتی پالیسیوں کو تسلسل کے ساتھ مالیاتی گوشواروں کی تیاری کے دوران ملحوظ خاطر رکھا گیا ہے اور حساباتی تخمینوں کی بنیاد معقول اور مضبوط فیصلوں پر ہے۔
- ☆ مالیاتی گوشواروں کی تیاری کے دوران عالمی مالیاتی رپورٹنگ معیارات/عالمی اکاؤنٹنگ معیارات، جو پاکستان میں لاگو ہیں کو ملحوظ خاطر رکھا گیا ہے
- ☆ اندرونی گرفت کے نظام کی شکل مضبوط ہے اور موثر انداز میں نافذ العمل ہے اور اس کی نگرانی کی جاتی ہے۔
- ☆ کمپنی کی چلتے ہوئے ادارے کی صلاحیت میں کوئی قابل ذکر شک و شبہ نہیں ہے۔
- ☆ پاکستان اسٹاک ایکسچینج کے وضاحت کردہ ادارتی نظم و ضبط کے بہترین طور طریقوں سے اگر کوئی انحراف نہیں ہوا۔
- ☆ گزشتہ سال کے کاروباری نتائج میں قابل ذکر انحراف کو ڈائریکٹر رپورٹ میں منکشف کیا گیا ہے۔

بورڈ آف ڈائریکٹرز کے اجلاس

جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس ہوئے۔ سال کے دوران ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے:



PACRA کی قرضہ جاتی ریٹنگ

سال کے دوران آپ کی کمپنی کو ادارتی ریٹنگ میں طویل مدتی کے لئے A- (سنگل A منس) اور قلیل مدتی کے لئے AS (سنگل A ٹو) کے ”مستحکم“ منظر نامہ سے نوازا گیا۔ اس ریٹنگ کا تجزیہ اور تھخیص پاکستان کریڈٹ ریٹنگ ایجنسی نے کی۔

خطرات کا انتظام

کمپنی کے خطرات کے انتظام کا نظام تمام سرگرمیوں جیسے کہ کلیدی فیصلہ سازی، آپریشنز، پاسداری اور مالیاتی رپورٹنگ وغیرہ میں خطرات کی نشاندہی اور ان کے ازالہ پر مشتمل ہے۔ بورڈ بذات خود ان خطرات کا موثر انداز میں جائزہ لیتا ہے اور نگرانی کرتا ہے۔ مناسب گرتوں کو تشکیل دیا گیا ہے اور SOPs اور دیگر پالیسی رہنما اصولوں کے ذریعے انہیں ادارے میں ہر سطح پر نافذ ہیں۔

انسانی وسائل

کمپنی کے پاس گروپ کی سطح پر ایک انسانی وسائل کا بہترین شعبہ موجود ہے جو کہ بورڈ اور اس کی انسانی وسائل کمیٹی کی طے کردہ کلیدی سمتوں کے مطابق کام کرتا ہے۔ یہ شعبہ ملازمین سے متعلق ملحقہ معاملات جیسے کہ معاوضہ، الاؤنسز، چھٹیاں، کارکردگی کی تھخیص اور بھرتی اور برخاستگی کے فرائض انجام دیتا ہے۔ بورڈ کے شعبہ انسانی وسائل کا سربراہ بورڈ کی HR کمیٹی کے سیکریٹری کے طور پر کام کرتا ہے۔

صحت، تحفظ اور ماحول (HSE)

کمپنی کی انتظامیہ سنجیدگی کے ساتھ HSE اقدامات پر توجہ دیتی ہے اور تمام حفاظتی اقدامات کو یقینی بناتی ہے۔ جائزہ سال کے دوران کوئی قابل ذکر حادثہ پیش نہیں آیا۔ انتظامیہ ماحولیاتی تحفظ کی پاسداری کو یقینی بناتی ہے۔

پروڈیٹ فنڈ

صدیق سٹرنٹن پلیٹ لمیٹڈ - اسٹاف پروڈیٹ فنڈ سے کی گئی سرمایہ کاری کی مالیت ان کے اندرونی ریکارڈ کے مطابق 30 جون 2019 کو 47.33 ملین روپے (2018 میں 39.33 ملین روپے) تھی۔

بورڈ آف ڈائریکٹرز میں تبدیلیاں

سال کے دوران ایک اتفاقی آسامی پر بورڈ آف ڈائریکٹرز نے تقرری کی۔ جناب جبین پیرگلنام کی جگہ جناب اشرف محمود واٹھرا بورڈ سے وابستہ ہوئے۔

مستقبل کی پیش بینی

نئے CRC پلانٹ کا قیام کمپنی کی طویل مدتی منافع کاری اور پائیدار نمو کے لئے بنیادی حیثیت رکھتا ہے۔ اس پلانٹ کا بنیادی مقصد موجودہ ETP پلانٹ کی پیداوار میں اضافہ کرنا ہے جس سے مقامی گاہکوں کو عالمی معیار کی ETP کی بروقت ترسیل میں مدد ملے گی۔ مزید برآں کمپنی کی برآمدی مسابقتی صلاحیت میں بھی اضافہ ہوگا۔ پروجیکٹ کا سنگ بنیاد 21 اپریل 2019 کو رکھا گیا۔ تجارتی پیداوار نومبر 2020 تک شروع کرنے کی منصوبہ بندی کی گئی ہے۔



مسابقتی لحاظ سے الیکٹرو لائٹ ٹن پلیٹ (ETP) کی درآمدات پر اینٹی ڈمپنگ ڈیوٹی عائد ہونے کی وجہ سے کچھ اطمینان بخش صورتحال رہی اور انڈرانوائسنگ اور پاکستانی مارکیٹ میں ETP کی بھرمار روکنے میں مدد ملی۔ اس وجہ سے ETP کی مقامی پیداوار کی طلب میں اضافہ ہوا۔

ٹن مل بلیک پلیٹ (TMBP) کی قیمتوں میں بھی ملا جلا رجحان دیکھا گیا۔ موجودہ مالیاتی سال کی پہلی دوسہ ماہیوں میں کمی کا رجحان رہا تاہم آخری دوسہ ماہیوں میں یہ رجحان معکوس ہو گیا۔ لہذا مالیاتی سال کی دوسری ششماہی میں بالواسطہ کاروباری لاگتوں پر بہت زیادہ دباؤ رہا کیونکہ روپے کی قدر میں کمی اور بڑھتے ہوئے رعایتی نرخ نے کاروباری لاگتوں پر منفی اثرات مرتب کئے تھے۔

برآمدی مارکیٹوں میں مسلسل ترقی آپ کی کمپنی کی بنیادی مرکز نگاہ ہے اور طویل مدتی پائیداری اور نمو کے لئے انتہائی بنیادی حیثیت رکھتی ہے۔ تاہم برآمدی مارکیٹ میں دستیاب مواقعوں سے اس وقت تک استفادہ نہیں کیا جاسکتا جب تک کہ ہمارا CRC پلانٹ مکمل پیداوار شروع نہ کر دے۔ اس حقیقت کو تسلیم کرتے ہوئے انتظامیہ پر عزم ہے کہ نیا CRC پلانٹ کو کیلنڈر سال 2020 تک آپریشنل ہو جائے گا۔

فروخت

کمپنی کی فروخت میں 29 فیصد اضافہ ہوا تاہم فروخت شدہ مقدار میں 2.5 فیصد کمی ہوئی۔

پیداوار

موجودہ سال کی پیداوار گزشتہ سال کی بہ نسبت 10 فیصد زیادہ رہی۔ پیداواری مقدار 20,288 میٹرک ٹن رہی جبکہ گزشتہ سال 18,211 میٹرک ٹن تھی۔ پیداواری گنجائش سے استفادہ 17 فیصد رہا۔

کاروباری جائزہ

مالیت فروخت میں 29 فیصد اضافہ ہوا اور EBTIDA (غیر متوازی اخراجات ہٹا کر) 284,310 ملین روپے (8.3 فیصد) رہی جبکہ گزشتہ سال (5 فیصد) تھی۔ EBTIDA منافع میں اضافہ سے کاروباری نتیجہ خیزی اور کارگزاری کی عکاسی ہوتی ہے۔ لاگت فروخت میں گزشتہ سال کی بہ نسبت 24 فیصد اضافہ ہوا۔

تقسیمی اور انتظامی اخراجات میں 8 فیصد کا اعتدالی اضافہ ہوا جس کی بنیادی وجہ تنخواہوں اور اجرتوں میں سالانہ بڑھوتری اور قانونی اور پیشہ ورانہ اخراجات میں اضافہ تھا۔ تاہم مالیاتی لاگت میں گزشتہ سال کی بہ نسبت 33 فیصد کا قابل ذکر اضافہ ہوا جس کی وجہ SBP کے رعایتی نرخ میں اضافہ تھی۔ سال کا خالص بعد از ٹیکس منافع 86.89 ملین روپے رہا جبکہ گزشتہ سال 67.7 ملین روپے کا خسارہ ہوا تھا۔

فی حصص آمدن

فی حصص آمدن 0.39 روپے رہی جبکہ گزشتہ سال فی حصص خسارہ (0.22) روپے رہا۔

قومی خزانے کو ادائیگیاں

کمپنی نے ایکم ٹیکس، سیلز ٹیکس، کسٹم ڈیوٹیوں اور دیگر محصولات کی مد میں 1,056 ملین روپے قومی خزانے میں جمع کرائے۔



ڈائریکٹران کی رپورٹ

معزز حصص یافتگان!

صدیق سزنٹن پلیٹ لمیٹڈ کے ڈائریکٹران آپ کی کمپنی کی سالانہ رپورٹ کے ساتھ آڈٹ شدہ مالیاتی گوشوارے برائے سال ختمہ 30 جون 2019 بمع آڈیٹرز رپورٹ پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

عالمی کاروباری منظر نامہ

بیک شدہ غذاؤں کی فروخت میں اضافہ، مشروبات میں دھاتی پیکیجنگ کی بڑھتی ہوئی طلب، بڑھتی ہوئی شہری آبادی، ایروسول مصنوعات کی بڑھتی ہوئی طلب اور ڈیوں میں ہندسریوں اور غذاؤں کا بڑھتا ہوا استعمال عالمی ٹن پلیٹ پیکیجنگ کی مارکیٹ کو آگے بڑھانے والے بنیادی عناصر ہیں۔ ٹن پلیٹ کے ڈیوں کے علاوہ ٹن پلیٹ برقی مشینری کے پرزوں اور کئی دیگر مصنوعات کو بنانے میں استعمال ہوتی ہے۔ ٹن پلیٹ 100 فیصد دوبارہ قابل استعمال ہے اور ماحول دوست پیکیجنگ مادہ ہے اور عالمی سطح پر ماحولیاتی آگاہی کی حالیہ مہم نے دھاتی پیکیجنگ کو صارفین کے لئے ایک پسندیدہ انتخاب بنادیا ہے۔ عالمی ٹن پلیٹ پیکیجنگ کی مارکیٹ پروپیو مارکیٹ ریسرچ کی شائع کردہ رپورٹ کے مطابق توقع ہے کہ یہ مارکیٹ 2025 تک 9.5 بلین یو ایس ڈالرس تک پہنچ جائے گی، جس کے CAGR میں 2018 کے 8.2 بلین یو ایس ڈالر کے مقابلے میں 2.2 فیصد نمو ہوئی۔ تاہم اس نمو کی بڑی وجہ اسٹیل کے پیداواری شعبے کی قوت محکمہ اور حدود و قیود ہیں جو کہ بذات خود قدرتی طور پر اتار چڑھاؤ کا شکار ہے۔ سال کے دوران اسٹیل کی صنعت میں اعتمادی نمو ہوئی جو کہ (تقریباً) 1.5 فیصد تھی۔

پاکستان کا معاشی منظر نامہ

سال کے دوران پاکستان کا معاشی منظر نامہ بڑے پیمانے پر نازک اور غیر یقینی صورتحال کا شکار رہا۔ شرح سود میں 6 فیصد اضافہ اور پاکستان روپے کی قدر میں 35 فیصد کمی کے نتیجے میں کاروباری لاگتیں بلند ہو گئیں اور جاری سرمائے کی ضروریات میں اضافہ ہوا۔

کاروباری کارکردگی کا سرسری جائزہ اور مالیاتی جھلکیاں

پاکستانی روپے

2017	2018	2019	
2,537,686,396	2,646,260,757	3,408,743,813	خالص فروخت
309,972,014	165,694,478	334,806,834	خام منافع
309,972,014	164,694,478	128,924,764	منافع/(خسارہ) قبل از ٹیکس
128,329,628	(67,733,341)	86,890,505	منافع/(خسارہ) بعد از ٹیکس
1.63	(0.86)	0.39	(خسارہ)/آمدن فی حصص

زیر جائزہ سال کے دوران صورتحال بہت زیادہ غیر یقینی اور انتہائی غیر معمولی اتار چڑھاؤ کا شکار رہی۔ منافع پر سب سے زیادہ اثرات مالیاتی لاگت کی وجہ سے پڑے جس میں گزشتہ سال کی بنسبت 33 فیصد اضافہ ہوا۔ جبکہ دوسری جانب مقامی اسٹیل کی صنعت کے تحفظ کے لئے کئے گئے اقدامات کے نتیجے میں کمپنی کی سپلائی چین متاثر ہوئی۔ تاہم آپ کی کمپنی خام مال کے دیگر ذرائع تلاش کرنے میں کامیاب رہی۔



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

Name of the Company: Siddiqsons Tin Plate Limited

Year ended : June 30, 2019

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 as per the following:

- a. Male: 6
- b. Female: 1

2. The composition of Board is as follows:

Category	Names
a) Independent Directors	Mr. Abdul Wahab Mr. Ashraf Mahmood Wathra
b) Other Non-executive Directors	Mr. Tariq Rafi Mr. Ibrahim Shamsi Ms. Alia Sajjad
c) Executive Directors	Mr. Munir Qureshi Mr. Naeem-ul Hasnain Mirza

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board remained fully compliant with the provision with regard to their directors' training program. Except for one non-executive Director, all the Directors of the Company have minimum of 14 years of education and 15 years of experience on the Board of a listed company and therefore are exempt from director's training program. Further, the Company is in process to arrange the orientation course in due course.
10. There were no appointment of Chief Financial Officer and Company Secretary. However, Head of Internal Audit has been appointed during the year whose remuneration and terms and conditions of employment are complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

Committee	Name of members and Chairman
a) Audit Committee	Chairman: Mr. Ashraf Mahmood Wathra (Independent Director) Member : Mr. Ibrahim Shamsi Member : Mrs. Aliya Sajjad
b) HR and Remuneration Committee	Chairperson : Mrs. Aliya Sajjad Member : Mr. Abdul Wahab (Independent Director) Member : Mr. Munir Qureshi

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:

Committee	Frequency of meetings
a) Audit Committee	Four quarterly meetings during the financial year ended June 30, 2019
b) HR and Remuneration Committee	One meeting during the financial year ended June 30, 2019



15. The Board has set up an effective internal audit function and its members are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with except for:
 - a) Regulation 10(4) of the Code where the Company has not maintained a complete record of significant policies along with their date of approval or updates.
 - b) Regulation 15 sub section (1) and (2) of the Code where the Company has not placed before the audit committee the related party transaction for their recommendations and approval.

**TARIQ RAFI**

Chairman

Karachi: October 4, 2019



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SIDDIQSONS TIN PLATE LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of **SIDDIQSONS TIN PLATE LIMITED** for the year ended June 30, 2019 in accordance with the requirements of Regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2019.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

Sr #	Paragraph reference	Description
I	18 (a)	The Board of Directors has not maintained a complete record of significant policies along with their date of approval or updates as required by regulation 10 (4) of the Listed Companies (Code of Corporate Governance) Regulations, 2017.

Chartered Accountants

Date: October 4, 2019

Place: Karachi

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIDDIQSONS TIN PLATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **SIDDIQSONS TIN PLATE LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss account and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the profit, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S.No	Key audit matter	How our audit addressed the key audit matter
I.	Revenue from Contracts with Customers Effective July 1, 2018, the Company changed its accounting policy due to the mandatory application of IFRS 15 which supersedes the requirements of IAS 18 "Revenue".	Our audit procedures to assess the recognition of revenue, included the following: <ul style="list-style-type: none"> Considered the appropriateness of revenue recognition policy and compared it with the applicable accounting standards.

S.No	Key audit matter	How our audit addressed the key audit matter
	<p>IFRS 15 introduces a new five step model for recognition of revenue which is primarily based on the transfer of control to the customers, which was analysed by Management to identify the changes required to be made to existing accounting policies and to determine if any changes are required particularly in connection with the separation of different performance obligations that may exist.</p> <p>Management also assessed the additional disclosures required to be made by the new accounting standard in the financial statements.</p> <p>Due to the adoption of policies of revenue recognition as a result of the new accounting standard and revenue being one of the key performance indicator of the Company we have identified this as a key audit matter.</p> <p>Refer notes 4.1, 4.12 and note 23 to the financial statements.</p>	<ul style="list-style-type: none"> ● Obtained an understanding of and assessed the design, implementation and operating effectiveness of controls around recognition of revenue; ● Checked on sample basis relevant underlying supporting documents for ensuring that management has complied with the revenue recognition criteria as introduced by IFRS 15; ● Tested timeliness of revenue recognition by comparing individual sales transactions before and after the year end to underlying documents and by checking significant credit notes issued after year-end; and ● Evaluated the adequacy and appropriateness of disclosures made in the financial statements in relation to adoption of the new accounting standard.
2.	<p>Valuation of Stock-in-trade</p> <p>Stock-in-trade has been valued following an accounting policy as stated in note 4.5 and the related value of stock-in-trade are disclosed in note 8 to the financial statements. Stock-in-trade forms material part of the Company's assets comprising of 27% of total assets.</p> <p>The valuation of finished goods within stock-in-trade at cost has different components, which includes judgment in relation to the allocation of overhead costs, which are incurred in bringing the finished goods to its present location and condition. Judgments are also involved in determining the net realizable value (estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale) of stock-in-trade items in line with accounting policy.</p> <p>Due to the above factors, we have considered the valuation of stock-in-trade as key audit matter.</p>	<p>Our audit procedures to address the valuation of stock-in-trade, included the following:</p> <ul style="list-style-type: none"> ● obtained an understanding of mechanism of recording purchases and valuation of stock-in-trade; ● tested on a sample basis purchases with underlying supporting documents; ● verified the calculations of the actual overhead costs and checked allocation of labor and overhead costs to the finished goods; ● obtained an understanding of management's process for determining the net realizable value and checked: ● future selling prices by performing a review of sales close to and subsequent to the year-end; and ● determination of cost necessary to make the sale. ● checked the calculations of net realizable value of itemized list of stock-in-trade, on a sample basis and compared the net realizable value with the cost to ensure that valuation of stock-in-trade is in line with the accounting policy.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980)

The engagement partner on the audit resulting in this independent auditors' report is Nadeem Yousuf Adil.

Chartered Accountants

Place: Karachi
Date: October 4, 2019

STATEMENT OF FINANCIAL POSITION

As at June 30, 2019

	Note	2019 Rupees	2018 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	858,948,669	589,679,088
Long term deposit		7,179,250	7,179,250
Long term advance	6	880,774,647	-
		<u>1,746,902,566</u>	<u>596,858,338</u>
CURRENT ASSETS			
Stores, spares and loose tools	7	18,825,945	18,281,794
Stock-in-trade	8	1,223,387,627	830,796,437
Trade debts	9	614,193,549	523,859,123
Advance income tax	10	134,814,728	155,755,763
Loans and advances	11	70,716,166	74,302,615
Trade deposits and prepayments	12	43,080,680	31,105,730
Term deposit certificates	13	620,650,000	20,650,000
Other receivables	14	-	4,110,181
Other financial assets	15	287,822	405,877
Sales tax refundable		57,354,330	79,947,561
Cash and bank balances	16	27,179,356	22,551,605
		<u>2,810,490,203</u>	<u>1,761,766,686</u>
Total Assets		<u>4,557,392,769</u>	<u>2,358,625,024</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	17	2,292,787,700	785,201,270
Share premium		301,517,286	-
Accumulated profit		123,412,379	66,780,479
		<u>2,717,717,365</u>	<u>851,981,749</u>
NON-CURRENT LIABILITY			
Deferred taxation	18	-	-
CURRENT LIABILITIES			
Trade and other payables	19	216,903,205	151,049,830
Due to director	20	200,000,000	-
Interest / mark-up accrued on borrowings		33,380,473	24,799,494
Short-term borrowings	21	1,383,740,332	1,325,142,557
Unpaid dividend		2,918,918	2,918,918
Unclaimed dividend		2,732,476	2,732,476
		<u>1,839,675,404</u>	<u>1,506,643,275</u>
Total Equity and Liabilities		<u>4,557,392,769</u>	<u>2,358,625,024</u>
CONTINGENCIES AND COMMITMENTS			
	22		

The annexed notes from 1 to 42 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



STATEMENT OF PROFIT OR LOSS ACCOUNT AND OTHER COMPEHENSIVE INCOME

For the year ended June 30, 2019

	Note	2019 Rupees	2018 Rupees
Sales - net	23	3,408,743,813	2,646,260,757
Cost of goods sold	24	(3,073,936,979)	(2,480,566,279)
Gross profit		334,806,834	165,694,478
Distribution cost	25	(21,101,029)	(22,054,062)
Administrative expenses	26	(72,508,592)	(64,486,417)
Other expenses	27	(6,903,569)	(3,544,541)
Finance cost	28	(176,890,087)	(132,779,132)
Other income	29	71,521,207	16,524,160
Profit / (loss) before taxation		128,924,764	(40,645,514)
Taxation	30	(42,034,259)	(27,087,827)
Profit / (loss) after taxation		86,890,505	(67,733,341)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		86,890,505	(67,733,341)
Earnings / (Loss) per share - Basic and diluted	31	0.39	Restated (0.65)

The annexed notes from 1 to 42 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

STATEMENT OF CASH FLOWS

For the year ended June 30, 2019

A. CASH FLOWS FROM OPERATING ACTIVITIES

	2019 Rupees	2018 Rupees
Profit / (loss) before taxation	128,924,764	(40,645,514)

Adjustments for non cash and other items:

Depreciation on property, plant and equipment	31,251,979	29,227,968
Finance cost	176,890,087	132,779,132
Provision for doubtful debts and other receivables	4,110,181	11,288,850
Provision / (Reversal) for slow moving stores	3,446,379	(1,898,821)
Gain on disposal of property, plant and equipment	(395,907)	(289,580)
Capital work in progress written off	-	3,443,847
Loss on remeasurement of investment at market value	118,055	100,694
Provision for chromite stock	14,535,745	14,535,745
Provision for anti-dumping duty	-	18,237,900

Operating cash flows before movement in working capital	358,881,283	166,780,221
Changes in working capital		

(Increase) / decrease in current assets

Stores, spares and loose tools	(3,990,530)	(2,449,609)
Stock-in-trade	(407,126,935)	(318,800,817)
Trade debts	(90,334,426)	(11,799,807)
Loans and advances	3,586,449	(63,766,001)
Trade deposits and prepayments	(11,974,950)	(24,921,557)
Other receivables	-	7,759,066
Sales tax refundable	22,593,231	(22,531,977)

Increase in current liabilities

Trade and other payables	65,853,375	1,844,152
Due to director	200,000,000	-
	(221,393,786)	(434,666,550)
Cash flow generated from / (used in) operations	137,487,497	(267,886,329)

Income tax paid	(21,093,224)	(60,480,385)
Interest / markup paid	(168,309,108)	(119,036,520)
Net cash flows used in operating activities	(51,914,835)	(447,403,234)

B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(194,923,754)	(20,284,131)
Addition to Capital work in progress	(105,701,899)	-
Proceed from disposal of property, plant and equipment	500,000	508,000
Recovery of advance against land	-	68,040,000
Advance paid against letter of credit	(880,774,647)	-
Term deposit certificates	(600,000,000)	-
Net cash flows (used in) / generated from investing activities	(1,780,900,300)	48,263,869


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



STATEMENT OF CASH FLOWS

For the year ended June 30, 2019

C. CASH FLOWS FROM FINANCING ACTIVITIES

	2019 Rupees	2018 Rupees
Short-term borrowings -	(4,565)	216,398,354
Proceeds from issuance of right shares net of transaction cost	1,778,845,111	-
Net cash generated from financing activities	1,778,840,546	216,398,354
Net decrease in cash and cash equivalents (A+B+C)	(53,974,589)	(182,741,011)
Cash and cash equivalents at beginning of the year	(290,621,350)	(107,880,339)
Cash and cash equivalents at end of the year	(344,595,939)	(290,621,350)
Cash and cash equivalents		
Cash and bank balances	27,179,356	22,551,605
Short term running finance	(371,775,295)	(313,172,955)
	(344,595,939)	(290,621,350)

The annexed notes from 1 to 42 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



For the year ended June 30, 2019

The annexed notes from 1 to 42 form an integral part of these financial statements.


CHIEF FINANCIAL OFFICER



NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2019

I. THE COMPANY AND ITS OPERATIONS

- I.1** Siddiqsons Tin Plate Limited (the Company) was incorporated in Pakistan on January 29, 1996 as public company limited by shares under the repealed Companies Ordinance, 1984 now Companies Act 2017 (the Act). The shares of the Company are quoted on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of tin plates, cans and other steel products.

Following are the geographical locations and addresses of all business units of the Company:

Registered Office

Ocean Tower, 27th Floor, Plot # G-3, Block # 9, Near II Talwar, Clifton, Karachi, Province of Sindh, Pakistan.

Manufacturing Facility:

Tinplate plant is located at:

- Plot No. 5, Special Industrial Zone, Winder, Distt, Lasbella, L.I.E.D.A, Province of Balochistan, Pakistan.

Canning plant is located at:

- Plot # 221-222, Near Jamia Millia College, Jamia Millia Road, Malir City, Karachi, Province of Sindh, Pakistan.

2. SIGNIFICANT TRANSACTIONS AND EVENTS THAT AFFECTED THE COMPANY'S FINANCIAL POSITION AND FINANCIAL PERFORMANCE

- During the year, the Company has issued right shares at a premium of Rs. 2 per share to finance the project of Cold Rolling Mill as disclosed in note 5.2.1
- During the year, Company has paid advance against plant and machinery through letter of credit that pertains to Cold Rolling Mill project which is finance through debt and equity as disclosed in note 10.

3. BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these financial statements are set out below:

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and recording standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act. 2017 have been followed.



3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except that certain financial instruments are stated at fair value.

3.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

3.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

- Useful lives and impairment of property, plant and equipment (note 4.3) ;
- Provision against slow moving stores, spares and loose tools (note 4.4) ;
- Provision against slow moving stock in trade (note 4.4) ;
- Provision against doubtful debts and receivables (note 4.6) and
- Provision for taxation and deferred tax (note 4.13)

3.5 Changes in accounting standards and interpretations

3.5.1 New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2019

The following standards, amendments and interpretations are effective for the year ended June 30, 2019. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures, except for as disclosed in note 4.1 & 4.2 to these financial statements.

Effective from accounting period beginning on or after:

Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions

January 01, 2018



Effective from accounting period beginning on or after:

IFRS 4 'Insurance Contracts' - Amendments regarding the interaction of IFRS 4 and IFRS 9."	January 01, 2018
IFRS 9 'Financial Instruments' - This standard will supersede IAS 39 Financial Instruments: Recognition and Measurement upon its effective date.	July 01, 2018
IFRS 15 'Revenue from Contracts with Customers' - This standard will supersede IAS 18, IAS 11, IFRIC 13, 15 and 18 and SIC 31 upon its effective date.	July 01, 2018
Amendments to IAS 40 'Investment Property' - Clarification on transfers of property to or from investment property	January 01, 2018
IFRIC 22 'Foreign Currency Transactions and Advance Consideration' - Provides guidance on transactions where consideration against non-monetary prepaid asset / deferred income is denominated in foreign currency.	January 01, 2018

Certain annual improvements have also been made to a number of IFRSs.

3.5.2 New accounting standards / amendments and IFRS interpretations that are not yet effective:

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Effective from accounting period beginning on or after:

Amendments to IFRS 3 'Business Combinations' - Amendments regarding the definition of business	January 01, 2020
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities.	January 01, 2019
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - Sale or contribution of assets between an investor and its associate or joint venture.	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.



Effective from accounting period beginning on or after:

IFRS 16 'Leases' - This standard will supersede IAS 17 'Leases' upon its effective date.

January 01, 2019

Amendments to IAS 28 'Investments in Associates and Joint Ventures' - Amendments regarding long term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

January 01, 2019

Amendments to IAS 19 'Employee Benefits' - Amendments regarding plan amendments, curtailments or settlements.

January 01, 2019

IFRIC 23 'Uncertainty over Income Tax Treatments' - Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'.

January 01, 2019

Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Amendments regarding the definition of material.

January 01, 2020

Amendments to References to the Conceptual Framework in IFRS Standards

January 01, 2020

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

- IFRS 1 'First Time Adoption of International Financial Reporting Standards'
- IFRS 14 'Regulatory Deferral Accounts'
- IFRS 17 'Insurance Contracts'

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2018 except for the change in the policy for revenue recognition as disclosed in note 4.5 and financial assets' recognition and measurement as disclosed in note 4.10 due to adoption of IFRS 15 "Revenue from Contracts with Customers" and IFRS 9 "Financial Instruments" respectively.



4.1 IFRS 15 "Revenue from Contracts with Customers"

On 28 May 2014, the International Accounting Standards Board ("IASB") issued International Financial Reporting Standards ("IFRS") 15 "Revenue From Contracts with Customers" which provides a unified five-step model for determining the timing, measurement and recognition of revenue. The focus of the new standard is to recognize revenue as performance obligations are made rather than solely based on the transfer of risk and rewards. IFRS 15 includes a comprehensive set of disclosure requirements including qualitative and quantitative information about contracts with customers to understand the nature, amount, timing and uncertainty of revenue. The standard supersedes IAS 18 Revenue, IAS 11 "Construction Contracts" and the number of revenue related interpretations. The changes laid down by this standard do not have any significant impact on these financial statements of the Company.

The Company manufactures and contracts with customers for the sale of Tin Plates and canning which generally include single performance obligation. The management has concluded that revenue from sale of goods be recognised at the point in time when control of the asset is transferred to the customer, which is when the goods are dispatched to the customer. Invoices are generated and revenue is recognised at that point in time, as the control has been transferred to the customers. The above is generally consistent with the timing and amounts of revenue the Company recognised in accordance with the previous standard, IAS 18. Therefore, adoption of IFRS 15 at 01 July 2018, did not have an effect on the financial statements of the Company.

4.2 IFRS 9 'Financial Instruments'

IFRS 9 - Financial Instruments (IFRS 9) replaced the majority of IAS 39 - Financial Instruments: Recognition and Measurement (IAS 39) and covers the classification, measurement and de-recognition of financial assets and financial liabilities and requires all fair value movements on equity investments to be recognised either in the profit or loss or in other comprehensive income, on a case-by-case basis, and also introduced a new impairment model for financial assets based on expected losses rather than incurred losses and provides a new hedge accounting model.

The Company has adopted IFRS 9 by applying the modified retrospective approach according to which the Company is not required to restate the prior year results. There is no impact of adoption of IFRS 9 on opening equity of the Company.

The impact of the adoption of IFRS 9 has been in the following areas:

(i) Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it replaces the previous IAS 39 categories for financial assets i.e. loans and receivables, fair value through profit or loss (FVTPL), available for sale and held to maturity with the categories such as amortised cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVTOCI).

There is no significant impact of IFRS 9 on the classification and measurement of financial assets for the year ended June 30, 2019 other than as follows:

- loans and receivables and held to maturity are classified under the category of amortised cost and equity investments which were classified as available for sale are now classified as FVTOCI. Under IFRS 9, the classification of financial assets is based on the objective of the entity's business model.



Equity investments in listed equity securities which were classified as held for trading are now classified as FVTPL.

Disclosures in relation to the initial application of IFRS 9

The table below shows impact of change in accounting policies due to adoption of IFRS 9:

Financial assets and financial liabilities	Original classification as per IAS 39	New classification as per IFRS 9	Carrying amount as per IAS 39 as on June 30, 2018	Carrying amount on initial adoption of IFRS 9 on July 01, 2018	Effect on July 01, 2018 on Retained Earnings
-----Rupees-----					
Financial assets					
Long term deposit	LR	AC	7,179,250	7,179,250	-
Trade debts	LR	AC	523,859,123	523,859,123	-
Loans and advances	LR	AC	843,960	843,960	-
Trade deposit	LR	AC	30,575,370	30,575,370	-
Term deposit certificates	HTM	AC	20,650,000	20,650,000	-
Other receivables	LR	AC	4,110,181	4,110,181	-
Other financial assets	HFT	FVTPL	405,877	405,877	-
Cash and bank balances	LR	AC	22,551,605	22,551,605	-
Financial liabilities					
Trade and other payables	OFL	AC	32,019,260	32,019,260	-
Interest / mark-up accrued on borrowings	OFL	AC	24,799,494	24,799,494	-
Short-term borrowings	OFL	AC	1,325,142,557	1,325,142,557	-
Unclaimed dividend	OFL	AC	2,732,476	2,732,476	-

- "LR" is loans and receivables

- "AC" is amortised cost

- "HTM" is held to maturity

- "OFL" is other financial liabilities

- "AFS" is available for sale

- "FVTOCI" is fair value through other comprehensive income

(ii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. IFRS 9 introduces a forward 'looking expected credit losses model, rather than the current incurred loss model, when assessing the impairment of financial assets in the scope of IFRS 9. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVTOCI, but not to investments in equity instruments.



The Company has trade debts, loans and advances, other receivables, term deposit certificates, bank balances on which the Company had to revise its impairment methodology.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. Impairment losses related to trade receivables, are presented separately in the statement of profit or loss. Trade receivables are written off when there is no reasonable expectation of recovery. Given the Company's experience of collection history and historical loss rates and normal receivable aging, the move from an incurred loss model to an expected loss model has not had a material impact on the financial position and / or financial performance of the Company.

(iii) Accounting policies applied until June 30, 2018

Investments and other financial assets

Regular way purchase or sale of investments

All purchases and sales of investments are recognised using trade date accounting. Trade date is the date on which the Company commits to purchase or sell the investment.

Investment at fair value through profit or loss

These are investments designated at fair value through profit or loss at inception or held for trading. These are initially measured at fair value and changes on re-measurement are taken to statement of profit or loss and other comprehensive income.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss and other comprehensive income upon initial recognition if:

- * such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- * the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's risk management; or
- * it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at fair value through statement of profit or loss and other comprehensive income.

Available-for-sale financial assets

Investments intended to be held for an indefinite period of time, which may be sold in response to need for liquidity, or changes to interest rates or equity prices are classified as available for sale. After initial recognition, investments which are classified as available for sale are measured at fair value. Gains or losses on available for sale investment are recognized directly in other comprehensive income until the investment is sold, derecognized or is determined to be impaired, then the cumulative gain or loss previously reported in other comprehensive income is included in statement of profit or loss and other comprehensive income. These are sub-categorized as follows:



Quoted

For investments that are actively traded in organized capital markets, fair value is determined by reference to stock exchange quoted market at the close of business on the reporting date.

Un-quoted

Investments in unquoted equity instruments are stated at cost less any identified impairment losses.

Held-to-maturity

Held-to-maturity Investments are initially recognized at acquisition cost, which includes transaction cost associated with the investment. Subsequently these are measured at amortized cost using the effective interest rate method, less any impairment loss recognized to reflect irrecoverable amounts.

Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. Loans and receivables comprise trade receivables, loans, advances, deposits, other receivables and cash and bank balances in the statement of financial position.

Derecognition

All investments are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

4.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any.

Assets residual values, if significant and their useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Depreciation is charged using reducing balance method over its estimated useful life at the rates specified in note 5.1. Depreciation is charged from the month in which asset is available for use and up to the month preceding the month of disposal.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised.

Gains or losses on disposal of property, plant and equipment, if any, are recognised as and when incurred, to statement of profit or loss account.

Capital work in progress (CWIP) is stated at cost less impairment loss (if any).

All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when these assets are available for use.



4.4 Stores, spares and loose tools

These are stated at cost. Cost is determined using moving average basis less allowance for obsolete and slow moving items, if any. Stores and spares in transit are stated at invoice value plus other charges incurred thereon until the reporting date.

4.5 Stock-in-trade

Stock-in-trade are valued at the lower of cost or net realisable value on the following basis: -

Raw material	At weighted average cost
Finished goods	At average manufacturing cost
Waste	At net realisable value

Cost in relation to items in transit represent invoice value and other charges incurred upto reporting date.

Average cost signifies, in relation to finished goods, the average manufacturing cost including related direct overheads.

Net realisable value signifies the estimated selling prices in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale.

4.6 Trade debts and other receivables

Trade debts and other receivables are recognised initially at fair value and subsequently measured at amortised cost less loss allowance, if any. The Company always measures the loss allowance for trade debts at an amount equal to lifetime expected credit losses (ECL). The expected credit losses on trade debts are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Trade debts and other receivables considered irrecoverable are written off."

4.7 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes comprises of cash in hand, current and deposit accounts held with banks. Short term borrowings (except export re-finance) availed by the Company which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of the statement of cash flows.

4.8 Employee benefit cost

Defined Contribution Plan

The Company operates an approved funded contributory provident fund scheme for all its employees eligible for benefit. Equal monthly contributions are made both by the Company and its employees at the rate of 10% per annum of the basic salary. The Company's contribution to the fund is charged to statement of profit or loss for the year.



4.9 Trade and other payables

Liabilities for trade and other amounts payable are recognised initially at fair value and are subsequently measured at amortised cost.

4.10 Provisions

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.11 Borrowings and their costs

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently at amortised cost. Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

4.12 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from operations of the Company are recognised when the goods are provided, and thereby the performance obligations are satisfied. Revenue consists of tin plates and canning. The Company's contract performance obligations are fulfilled at the point in time when the goods are dispatched to the customer. Invoices are generated and revenue is recognised at that point of time, as the control has been transferred to the customers. The Company assesses its revenue arrangements against specific criteria that must be met before revenue is recognised:

4.13 Taxation

Current

The charge for current taxation is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax asset is recognised for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit or taxable temporary differences will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.



4.14 Foreign currencies

Foreign currency transactions are translated into Pak. Rupees using the rates of exchange prevailing on the dates of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date except where forward exchange contracts have been entered into for repayment of liabilities, in that case, the rates contracted for are used.

Gains and losses arising on retranslation are included in net profit or loss for the year.

4.15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.16 Financial Assets

Classification

From July 1, 2018 the Company classifies its financial assets in to following three categories:

- Financial assets measured at amortised cost

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in the statement of profit or loss and other comprehensive income.

- Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in the statement of profit or loss and other comprehensive income in the period in which it arises.

The classification depend on entity's business model and contractual terms of the cash flows.



Recognition and Derecognition

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on the irrevocable option made by the Company at initial recognition to account for equity instruments at FVTOCI.

All purchases and sales of securities that require delivery within the time frame established by regulation or market conventions are recognised at trade receivables, which is the date, company counts the purchase or sell.

Financial assets are derognised when rights to receive contractual cashflows have expired or have been transferred and company has transferred substantially all risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus in case of an asset not at FVTPL, transaction costs that are directly attributable to the acquisition of a financial asset. Transaction cost on FVTPL financial asset are expensed in the statement of profit or loss and other comprehensive income.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company's classifies its debt instruments:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains / (losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income.

FVTOCI:

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains / (losses) and impairment expenses are presented as separate line item in the statement of profit or loss and other comprehensive income.



FVTPL:

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and other comprehensive income and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains / (losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Other financial assets measured at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss and other comprehensive income.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with a financial asset measured at amortised cost or a debt instrument measured at FVTOCI. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of trade receivables. The Company recognises in profit or loss the amount of expected losses (or reversed) that is required to adjust the loss allowances at the reporting date.

The Gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each reporting date to determine whether there is an objective evidence that an asset or group of assets may be impaired. If any such evidence exists, the asset's or group of assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of value in use and fair value less cost to sell. Impairment losses are recognized in the statement of profit or loss.



4.17 Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss and other comprehensive income.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss and other comprehensive income. Any gain or loss on de-recognition is also recognized in the statement of profit or loss and other comprehensive income.

Financial liabilities are derecognised when obligation under the liability is discharged, cancelled or expired.

4.18 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously.

4.19 Dividend and other appropriations

The dividend is recognised as liability in the year in which it is approved. Appropriations of profit are reflected in the statement of changes in equity in the year in which such appropriations are made.

4.20 Share Capital

Share capital Ordinary shares are classified as equity and recognised at their face value. Discount on issue of shares is separately reported in statement of changes in equity. Transaction costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

4.21 Segment Reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker (CODM). The Company considers Chief Executive as its CODM who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment; however, certain information about the Company's products, as required by the approved accounting standards, is presented in note 35 to these financial statements.

5.	PROPERTY, PLANT AND EQUIPMENT	Note	2019 Rupees	2018 Rupees
	Operating fixed assets	5.1	733,369,405	569,801,723
	Capital work in progress	5.2	125,579,264	19,877,365
			<u>858,948,669</u>	<u>589,679,088</u>



5.1 Operating fixed assets

Particulars	Cost at July 01, 2018	Additions / Transfer / (disposals)	Cost at June 30, 2019	Accumulated depreciation at July 01, 2018	Depreciation for the year / on (disposal)	Accumulated depreciation at June 30, 2019	Carrying value at June 30, 2019	Depreciation Rate %
Freehold land	-	167,401,427	167,401,427	-	-	-	167,401,427	-
Leasehold land	7,533,750	-	7,533,750	-	-	-	7,533,750	-
Buildings on leasehold land	142,200,670	-	142,200,670	117,965,740	2,423,493	120,389,233	21,811,437	10
Plant and machinery	1,044,285,732	-	1,044,285,732	547,035,065	19,890,027	566,925,092	477,360,640	4
Power and other installations	87,828,425	-	87,828,425	70,582,111	1,724,631	72,306,742	15,521,683	10
Factory equipment	16,231,484	84,300	16,315,784	12,705,217	356,139	13,061,356	3,254,428	10
Generators	13,576,327	-	13,576,327	10,448,809	312,752	10,761,561	2,814,766	10
Office equipment	11,525,756	2,262,066	13,787,822	6,809,904	572,229	7,382,133	6,405,689	10
Data processing equipment	7,170,344	557,416	7,727,760	5,900,716	513,079	6,413,795	1,313,965	33
Furniture and fixtures	4,611,396	307,100	4,918,496	3,378,322	137,365	3,515,687	1,402,809	10
Vehicles - 5.1.1 & 5.1.2	36,254,927	24,311,445 (1,535,000)	59,031,372	26,591,204	5,322,264 (1,430,907)	30,482,561	28,548,811	20
	1,371,218,811	194,923,754 (1,535,000)	1,564,607,565	801,417,088	31,251,979 (1,430,907)	831,238,160	733,369,405	

5.1.1 Addition include transfer from Capital work in progress amounting to Rs. 2.049 million.

5.1.2 This includes an amount of Rs 13.629 million held in the name of Siddiqsons Dairies (Private) Limited and it is in the process of being transferred.

5.1.1 Allocation of depreciation

5.1.3 Allocation of depreciation

	Note	2019 Rupees	2018 Rupees
Cost of goods sold	24.1	24,707,042	26,061,645
Administrative expenses	26	6,544,937	3,166,323
		31,251,979	29,227,968



For comparative period

Particulars	Cost at July 01, 2017	Additions / (disposals)	Cost at June 30, 2018	Accumulated depreciation at July 01, 2017	Depreciation for the year / on (disposal)	Accumulated depreciation at June 30, 2018	Carrying value at June 30, 2018	Depreciation Rate %
	-----Rupees-----							
Leasehold land	7,533,750	-	7,533,750	-	-	-	7,533,750	-
Buildings on leasehold land	142,200,670	-	142,200,670	115,272,970	2,692,770	117,965,740	24,234,930	10
Plant and machinery	1,043,760,732	525,000	1,044,285,732	526,321,756	20,713,309	547,035,065	497,250,667	4
Power and other installations	87,828,425	-	87,828,425	68,665,854	1,916,257	70,582,111	17,246,314	10
Factory equipment	16,231,484	-	16,231,484	12,313,410	391,807	12,705,217	3,526,267	10
Generators	13,576,327	-	13,576,327	10,101,307	347,502	10,448,809	3,127,518	10
Office equipment	11,387,559	138,197	11,525,756	6,297,004	512,900	6,809,904	4,715,852	10
Data processing equipment	6,641,741	528,603	7,170,344	5,389,603	511,113	5,900,716	1,269,628	33
Furniture and fixtures	4,482,963	128,433	4,611,396	3,246,176	132,146	3,378,322	1,233,074	10
Vehicles	31,039,784	6,646,533 (1,431,390)	36,254,927	25,794,010	2,010,164 (1,212,970)	26,591,204	9,663,723	20
	1,364,683,435	7,966,766 (1,431,390)	1,371,218,811	773,402,090	29,227,968 (1,212,970)	801,417,088	569,801,723	



5.1.4 Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

Location	Total Area (in acres)	Usage of immovable property
(i) Plot No. 5, Special Industrial Zone, Winder, Distt., Lasbella, L.I.E.D.A, Balochistan.	21	Manufacturing facility
(ii) Plot No. 272 & 273 Hub City, Mouza Beroot Peerkas Road, District Lasbella, Hub Balochistan.	72	Manufacturing facility under construction

5.2 Capital work in progress

	Note	2019 Rupees	2018 Rupees
Civil work		125,579,264	17,827,369
Vehicle		-	2,049,996
	5.2.1	<u>125,579,264</u>	<u>19,877,365</u>

5.2.1 The Company is establishing Cold Rolling Mill (CRM) project for manufacturing of Tin Mill Black Plates / CRC which are currently being imported. The CRM project aims to start commercial production during 2nd Quarter of calendar year 2020 with an annual production capacity of 200,000 mtn per annum. The budgeted capital expenditure for the project is Rs. 6.5 billion. The project would be financed through equity and debt in the ratio of 35:65.

	Note	2019 Rupees	2018 Rupees
6. LONG TERM ADVANCE			
Advance against letter of credit		880,774,647	-
		<u>880,774,647</u>	<u>-</u>

6.1 This represents advance paid for import of plant and machinery to supplier through Letter of Credit (LC), project details of which disclosed in note 5.2.1.



	Note	2019 Rupees	2018 Rupees
7. STORES, SPARES AND LOOSE TOOLS			
Stores, spares and loose tools		27,723,457	23,732,927
Less: Provision for slow-moving and obsolete items	7.1	(8,897,512)	(5,451,133)
		<u>18,825,945</u>	<u>18,281,794</u>
7.1 Provision for slow moving and obsolete items			
Opening balance		5,451,133	7,349,954
Provision / (Reversal) made during the year		3,446,379	(1,898,821)
Closing balance		<u>8,897,512</u>	<u>5,451,133</u>
8. STOCK-IN-TRADE			
Raw material - Tinplate in hand		631,649,823	286,733,209
Finished goods - Tinplate tin		587,898,880	519,113,709
cans		1,180,913	1,117,758
scrap		2,658,011	9,296,016
		<u>591,737,804</u>	<u>529,527,483</u>
Chromite			
Raw material		16,389,080	16,389,080
Finished goods		12,682,410	12,682,410
Provision for obsolete stock of chromite		(29,071,490)	(14,535,745)
		<u>1,223,387,627</u>	<u>830,796,437</u>
9. TRADE DEBTS			
- Considered good			
Local - unsecured		530,477,154	468,569,363
Foreign		83,716,395	55,289,760
- Considered doubtful			
Local - unsecured		8,753,502	8,753,502
Less: Provision for doubtful debts	9.3	(8,753,502)	(8,753,502)
		<u>614,193,549</u>	<u>523,859,123</u>

9.1 Trade debts are non-interest bearing and are generally on 30 to 60 days terms.

9.2 As disclosed in note 4.2 (ii) the adoption of IFRS 9 using ECL has no material impact on the financial position and / or financial performance of the Company.



	Note	2019 Rupees	2018 Rupees
9.3 Movement in provision for doubtful debts			
Opening balance		8,753,502	5,024,652
Charge during the year		-	4,243,150
Reversal of provision		-	(514,300)
Net charge / (reversal)	26	-	3,728,850
Closing balance		<u>8,753,502</u>	<u>8,753,502</u>

9.3.1 Provision for doubtful debts represents individually impaired trade debts with a total balance of Rs.4,935,695 (2018: Rs. 4,935,695). The Company does not hold any collateral against these balances.

	Note	2019 Rupees	2018 Rupees
9.4 Ageing of past due			
91-180 days		63,333	573,429
181-365 days		19,045	88,670
Above 365 days *		<u>10,101,145</u>	<u>1,541,434</u>
		<u>10,183,523</u>	<u>2,203,533</u>

* This includes impaired debtors amounting to Rs. 8.753 million.

9.5 Following are the details of debtors in relation to export sales:

Name of Foreign Jurisdiction	Type of transaction		
Asia	Letter of Credit	82,321,650	53,895,015
Europe	Letter of Credit	<u>1,394,745</u>	<u>1,394,745</u>
		<u>83,716,395</u>	<u>55,289,760</u>

10. ADVANCE INCOME TAX

Advance tax		176,848,987	182,843,590
Provision for taxation	30	<u>(42,034,259)</u>	<u>(27,087,827)</u>
		<u>134,814,728</u>	<u>155,755,763</u>



	Note	2019 Rupees	2018 Rupees
11. LOANS AND ADVANCES			
Considered good			
Loan to employees		654,260	843,960
Advances			
To suppliers		4,092,347	4,044,897
Against expenses		9,913,181	4,025,157
Letters of credit fee and expenses	11.1 & 6.1	56,056,378	65,388,601
		<u>70,061,906</u>	<u>73,458,655</u>
		<u>70,716,166</u>	<u>74,302,615</u>

- 11.1** This includes an amount of Rs. 31 million, paid as advance for import of raw material to Centurion Tetra SL (Supplier) through Letter of Credit (LC). The supplier has forfeited the amount of advance and did not supply raw material due to delay in providing advance as per the terms of the contract. Company filed a case in International Court of Arbitration (ICA) due to cross border trade for refund of the said Rs. 31 million. The supplier has claimed an amount of \$ 346,000 in lieu of loss incurred due to revocation of contract by the Company. Subsequent to the year end, the Company has won the case and the recovery proceedings are being initiated. The management in consultation with it's legal advisor is of the view that the amount will be recovered.

12. TRADE DEPOSITS AND PREPAYMENTS

Deposit for bank guarantee margin	12.1 & 12.2	38,375,800	25,725,800
Prepayments		749,253	530,360
Security deposits for			
Containers		623,594	3,791,787
Tenders		853,262	569,512
Gas connections		488,271	488,271
PSO fleet cards		1,980,000	-
Others		10,500	-
		<u>43,080,680</u>	<u>31,105,730</u>

- 12.1** An application was filed in the National Tariff Commission of Pakistan (NTC), by Cold Rolled Coils (CRC) manufacturers in Pakistan, to impose anti-dumping duty on import of CRC from selected countries, which happened to be the raw material of the Company. The NTC imposed an anti-dumping duty at the rate of 19.5% on such imports from selected countries. The Company challenged the decision of the Commission in the Appellate Tribunal of the Commission (Tribunal) as well as in the High Court of Sindh. The court had granted stay order against decision of the Commission and directed the Company to issue 100% cash margin guarantee for the anti-dumping duty. Subsequent to the year end, the High Court of Sindh has passed an order and directed the Company to deposit 50% of the amount of duty till such time final decision of the court is made. Considering this recent development and on a prudent basis the company has recognised 50% of the provision in respect of accumulated amount of import duty. The Tribunal later on, has upheld the imposition of Anti-dumping Duty. The Company than challenged the decision of the Tribunal in the Islamabad High Court.



- 12.2** These includes margin against bank guarantees issued in favour of excise and taxation department for infrastructure cess and antidumping duty.

	Note	2019 Rupees	2018 Rupees
13. TERM DEPOSIT CERTIFICATE			
Financial asset - at amortised cost	13.1 & 13.2	<u>620,650,000</u>	<u>20,650,000</u>

13.1 This represents investment in term deposit certificates amounting to Rs. 600 million which carries markup at the rate of 6.25% to 12.25% per annum for the period of three months and one month and carried as a lien against CRC project as disclosed in note 5.2.

13.2 Remaining term deposit certificates are held for a maturity period of six months on roll over basis and carries interest rate 10.35% (2018: 5.25%). These are lien marked for the purpose of anti-dumping duty and infrastructures cess (Refer note 12).

	Note	2019 Rupees	2018 Rupees
14. OTHER RECEIVABLES			
Receivable against quality and quantity claims		48,051,691	48,051,691
Receivable against breach of contracts		1,567,500	1,567,500
Other receivable		<u>7,560,000</u>	<u>7,560,000</u>
		<u>57,179,191</u>	<u>57,179,191</u>
Considered good		4,110,181	11,670,181
Considered doubtful	14.1 & 14.2	<u>53,069,010</u>	<u>45,509,010</u>
		<u>57,179,191</u>	<u>57,179,191</u>
Less: Provision for doubtful receivables		<u>(57,179,191)</u>	<u>(53,069,010)</u>
		<u>-</u>	<u>4,110,181</u>

14.1 This amount relates to an advance paid to a foreign supplier against which the Company has filed a suit in a Court in Malaysia. In 2013, the Court passed a decree in favour of the Company. However, based on assessment of irrecoverability of the amount, the Company has made full provision against this amount.

14.2 An amount of Rs.75.6 million was given by the Company as advance for purchase of land to National Industrial Park (NIP). Due to delay in handing over the land to the Company, the agreement was cancelled and as per terms of the contract, 10% amount of the total amount was forfeited by NIP amounting to Rs. 7.56 million. Management is of view that it was due to fault of NIP therefore forfeit amount should be refunded to the entity underwhich negotiations are in process. However, a provision for this amount has been recorded.



15. OTHER FINANCIAL ASSETS**- Investments in equity securities at fair value through profit or loss**

In quoted companies			Note	2019 Rupees	2018 Rupees
2019	2018				
-----No. of shares-----					
8,538	8,538	National Bank of Pakistan		287,389	404,445
666	666	Summit Bank Limited		433	1,432
<u>9,204</u>	<u>9,204</u>			<u>287,822</u>	<u>405,877</u>

16. CASH AND BANK BALANCES

Cash in hand			490,228	503,534
Balances with banks:				
- Current account- local currency		16.1	11,565,465	15,500,047
- Saving accounts			13,895,303	5,627,215
			25,460,768	21,127,262
			1,228,360	920,809
- Foreign currency			<u>27,179,356</u>	<u>22,551,605</u>

16.1 Effective mark-up rate in respect of saving accounts range from 4.5% to 10.5% (2018 : 3.75% to 4.5%) per annum.

17. SHARE CAPITAL

2019	2018		Note	2019 Rupees	2018 Rupees
Number of Shares					
<u>300,000,000</u>	<u>300,000,000</u>	Authorized Ordinary shares of Rs. 10/- each		<u>3,000,000,000</u>	<u>3,000,000,000</u>
47,351,200	47,351,200	Issued, subscribed and paid up capital Ordinary shares of Rs. 10/-each fully paid in cash		473,512,000	473,512,000
31,168,927	31,168,927	Issued as fully paid bonus shares		311,689,270	311,689,270
<u>150,758,643</u>	<u>-</u>	Issued as right shares	17.2	<u>1,507,586,430</u>	<u>-</u>
<u>229,278,770</u>	<u>78,520,127</u>			<u>2,292,787,700</u>	<u>785,201,270</u>

17.1 Movement of share Capital

Opening	785,201,270	785,201,270
Issued during the year	1,507,586,430	-
Closing	<u>2,292,787,700</u>	<u>785,201,270</u>



- 17.2** During the year the Company has allotted 150,758,643 ordinary shares through right issue in a ratio of 1:1.92 shares in the Company, as approved by the Board of Directors of the Company. The shares were issued at an exercise price of Rs. 12 per share inclusive of a premium of Rs. 2 per share. The amount raised through right issue is Rs. 1,778,845,111 net of transaction cost of Rs. 30,258,605.
- 17.3** An associated undertaking, Siddiqsons Limited holds 35,034,101 (2018: 11,997,981) ordinary shares at the year end.
- 17.4** The Company has one class of ordinary shares which carry no right to fixed income. The shareholders are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.
- 17.5** The Company has not reserved shares under options and sales contracts.

	Note	2019 Rupees	2018 Rupees
18. DEFERRED TAXATION			
Deferred taxation	18.1	-	-
18.1 Deferred taxation			
This comprises the following: -			
Deferred tax liabilities on taxable temporary differences arising in respect of :			
Accelerated rate of depreciation		129,439,496	134,076,636
Deferred tax assets on deductible temporary difference arising in respect of :			
Unabsorbed tax losses		(41,639,873)	(104,614,623)
Unabsorbed tax depreciation		(44,405,496)	(59,169,864)
Minimum tax		(72,660,176)	(32,843,187)
Provision for doubtful debts		(2,538,516)	(2,538,516)
Provision for doubtful other receivables		(16,581,965)	(15,390,013)
Provision for slow moving stores		(2,580,278)	(1,580,829)
Provision for chromite stock		(8,430,732)	(4,215,366)
Other financial assets		(17,708)	(26,090)
Deferred tax assets due to change in tax rate		-	(376,699)
		(188,854,745)	(220,755,187)
		(59,415,249)	(86,678,550)
Net deferred tax asset is not recognised in view of non availability of sufficient taxable profits		59,415,249	86,678,550
		-	-



19. TRADE AND OTHER PAYABLES	Note	2019 Rupees	2018 Rupees
Creditors	19.1	61,147,079	22,149,024
Infrastructure cess	19.2	103,486,115	87,408,806
Accrued liabilities		8,613,690	5,550,460
Staff provident fund		3,770,895	1,256,546
Advance from customers and others		12,763,465	12,174,104
Workers Profit Participation Fund	19.3	6,785,514	-
Anti-dumping duty payable	12.1	18,237,900	18,237,900
Withholding tax		2,098,547	4,272,990
		<u>216,903,205</u>	<u>151,049,830</u>

19.1 Trade payables are non-interest bearing and are normally settled on 30 days terms.

19.2 This represents provision for Sindh Development and Infrastructure Fee and Duty which was levied by the Excise and Tax Department on goods entering or leaving the province through air or sea at prescribed rate under Sindh Finance Ordinance, 2001. The levy was initially challenged by the Company along with other companies in the High Court of Sindh after which several proceedings were held. Through the interim order passed on May 31, 2011 the High Court of Sindh has ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed. The management is confident for a favourable outcome however, as a matter of prudence Company has paid 50% of the value of infrastructure fee in cash and recorded liability for the remaining amount which is supported by a bank guarantee.

19.3 Workers Profit Participation Fund	Note	2019 Rupees	2018 Rupees
Balance at July 01		-	8,575,968
Allocation for the year		6,785,514	-
Interest on funds utilised in the Company's business	19.3.1	-	775,690
Paid to the fund		-	(9,351,658)
Balance at June 30		<u>6,785,514</u>	<u>-</u>

19.3.1 Interest has been charged @ Nil (2018 : 8.99 %) per annum.

20. DUE TO DIRECTOR

This represents loan from director which is interest free and payable on demand.

	1-Jul-18	Obtained	Repaid	30-Jun-19
Finance against working capital requirement	-	200,000,000	-	200,000,000
	-	<u>200,000,000</u>	-	<u>200,000,000</u>



	Note	2019 Rupees	2018 Rupees
21. SHORT-TERM BORROWINGS			
Secured			
From banking companies			
Finance against imports	21.2	1,011,965,037	1,011,969,602
Running finances under markup arrangements	21.3	371,775,295	313,172,955
		<u>1,383,740,332</u>	<u>1,325,142,557</u>

21.1 Reconciliation of liabilities arising from short term financing activities

The table below details changes in the Company's liabilities arising from the financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

	1-Jul-18	Obtained	Repaid	30-Jun-19
	----- Rupees -----			
Finance against imports	1,011,969,602	3,383,953,420	(3,383,957,986)	1,011,965,037
	<u>1,011,969,602</u>	<u>3,383,953,420</u>	<u>(3,383,957,986)</u>	<u>1,011,965,037</u>

21.2 These are secured against hypothecation on fixed assets, stock-in-trade, stores and spares, trade debts, promissory notes and charge on present and future current assets of the Company and lien on import documents. This includes local currency loan. Local currency loan are subject to mark-up based on KIBOR ranging between 8.92% to 14.80% (2018: 7.15% to 8.92%) per annum.

21.3 These are secured against charge on fixed assets, stock-in-trade, stores and spares, trade debts and present and future current assets of the Company and are subject to the mark-up ranging between 8.92% to 14.80% (2018: 7.15% to 8.92%) per annum.

21.4 The aggregate unavailed-short term borrowing facilities amounts to Rs. 1,767 million (2018 : Rs. 1,068 million) as of the reporting date.



22. CONTINGENCIES AND COMMITMENTS

Contingencies

22.1 Tax assessments of the Company has been amended for the tax years 2003, 2005, 2006 and 2008 under Section 122 of the Ordinance by the tax department. The Company contested the levy of tax by department on the ground that the Company was enjoying exemption under Clause 126 of Part I of Second Schedule to the Ordinance as levy of minimum tax is not applicable on the Company. Appeals are pending before Sindh High Court, Income Tax Appellate Tribunal (ITAT) and CIT (Appeals) respectively. The Company is confident that outcome will be in its favour. However, as a matter of prudence, tax provision of Rs. 7,791,094, Rs. 17,654,223, Rs. 15,710,252 and Rs. 18,472,182 for the respective tax years has been made in the financial statements under Section 113 of the Ordinance.

22.2 Commitments

Letters of credit for import of raw material
Bank guarantee in favour of Excise and
Taxation department relating to anti-dumping and
infrastructure cess.
Letter of credit for import of plant and machinery

	2019 Rupees	2018 Rupees
Letters of credit for import of raw material	890,623,178	344,727,908
Bank guarantee in favour of Excise and Taxation department relating to anti-dumping and infrastructure cess.	138,250,000	118,100,000
Letter of credit for import of plant and machinery	1,943,683,712	-
23. SALES - NET		
Sales		
Local		
Tinplate	3,520,916,127	2,838,958,270
Cans	282,135,275	172,444,005
	<u>3,803,051,402</u>	<u>3,011,402,275</u>
Export		
Tinplate	146,549,199	95,641,323
	<u>3,949,600,601</u>	<u>3,107,043,598</u>
Total Sales		
Less : Commission and discounts	(6,136,131)	(5,518,635)
Sales return	(17,892,845)	(29,480,070)
Sales tax	(516,827,812)	(425,784,136)
	<u>(540,856,788)</u>	<u>(460,782,841)</u>
	<u><u>3,408,743,813</u></u>	<u><u>2,646,260,757</u></u>



	Note	2019 Rupees	2018 Rupees
24. COST OF GOODS SOLD			
Cost of goods manufactured - Tinplate	24.1	2,850,221,325	2,036,891,452
Finished goods			
Opening stock		529,527,483	329,450,536
Purchase of finished goods		271,390,230	629,216,029
		3,651,139,038	2,995,558,017
Closing Stock		(591,737,804)	(529,527,483)
		3,059,401,234	2,466,030,534
Cost of goods manufactured - Chromite		-	-
Finished stocks			
Opening stock		12,682,410	33,055,479
Purchase return of finished goods		-	(20,373,069)
		12,682,410	12,682,410
Closing Stock		(12,682,410)	(12,682,410)
		-	-
Provision for obsolete stock of chromite		14,535,745	14,535,745
		3,073,936,979	2,480,566,279
24.1 Cost of goods manufactured - Tinplate			
Raw material - Tinplate	24.1.1	2,589,951,252	1,796,135,042
Salaries, wages and benefits	24.1.2	136,663,435	125,999,983
Fuel and power		59,307,180	55,048,012
Packing materials		4,055,405	4,711,680
Stores and spares		7,471,453	6,575,623
Sorting, slitting and cutting		4,117,430	4,509,391
Rent, rates and taxes		1,756,920	1,718,200
Repairs and maintenance		3,261,173	1,874,856
Insurance		2,955,743	3,824,771
Transportation		3,614,600	2,928,860
Traveling and conveyance		4,441,233	4,149,686
Printing and stationery		387,016	262,842
Fees and subscription		6,000	163,000
Communication		940,004	529,045
Entertainment		339,987	247,019
Security expenses		1,120,399	1,720,735
Depreciation	5.1.3	24,707,042	26,061,645
Provision / (Reversal) for slow moving stores and spares		3,446,379	(1,898,821)
Other manufacturing cost		1,678,674	2,329,883
		2,850,221,325	2,036,891,452



24.1.1 Raw material consumed - Tinplate

	Note	2019 Rupees	2018 Rupees
Opening stock		286,733,209	147,636,270
Net purchases and related expenses		2,934,867,866	1,935,231,981
		3,221,601,075	2,082,868,251
Closing stock		(631,649,823)	(286,733,209)
		<u>2,589,951,252</u>	<u>1,796,135,042</u>

24.1.2 This includes employees' retirement benefits of Rs. 4,038,487 (2018: Rs. 3,749,551).

25. DISTRIBUTION COST

Salaries and benefits	25.1	8,382,556	8,395,932
Traveling		2,948,825	1,115,111
Transportation		4,992,075	8,009,286
Advertisement		474,590	555,493
Sales promotion		210,000	196,104
Export expenses		3,038,912	3,388,270
Others		1,054,071	393,866
		<u>21,101,029</u>	<u>22,054,062</u>

25.1 This includes employees' retirement benefits amounting to Rs. 300,223 (2018: Rs. 275,060).

26. ADMINISTRATIVE EXPENSES

Salaries and benefits	26.1	36,572,177	26,966,206
Traveling and conveyance		2,302,987	2,985,617
Vehicles running and maintenance		3,620,954	3,352,620
Depreciation	5.1.3	6,544,939	3,166,323
Communication		1,244,772	731,233
Printing and stationery		770,245	1,068,108
Repairs and maintenance		393,308	389,780
Entertainment		360,373	738,033
Auditors' remuneration	26.2	1,255,000	1,255,000
Insurance		916,395	458,321
Fees and subscription		1,837,583	4,010,253
Rent, rates and taxes		106,300	116,300
Legal and professional		6,620,500	3,100,440
Charity and donation	26.3	100,000	150,000
Service charges		2,677,270	2,626,404
Provision against doubtful debts and other receivables	14	4,110,181	11,803,150
Others		3,075,608	1,568,629
		<u>72,508,592</u>	<u>64,486,417</u>

26.1 This includes employees' retirement benefits of Rs. 1,605,477 (2018 : Rs. 1,721,419).



26.2 Auditors' remuneration

	2019 Rupees	2018 Rupees
Annual audit	800,000	800,000
Half yearly review	200,000	200,000
Review of compliance of Code of Corporate Governance	30,000	30,000
CDC certification	45,000	45,000
Tax and other services	100,000	100,000
Out of pocket expenses	80,000	80,000
	<u>1,255,000</u>	<u>1,255,000</u>

26.3 Donations were not made to any donee in which a director or his spouse had any interest at any time during the year.

27. OTHER EXPENSES

	2019 Rupees	2018 Rupees
Capital work in progress written off	-	3,443,847
Workers' profit participation fund	6,785,514	-
Loss on remeasurement of investment at fair value through profit or loss	118,055	100,694
	<u>6,903,569</u>	<u>3,544,541</u>

28. FINANCE COST

Interest / mark-up on:

Short-term borrowings	161,908,997	82,437,039
Workers profit participation fund	-	775,690
Exchange loss on borrowings - net	8,087,326	43,480,348
Bank charges and commission	6,893,764	6,086,055
	<u>176,890,087</u>	<u>132,779,132</u>

29. OTHER INCOME

Profit on bank deposits	64,172,659	1,177,044
Exchange gain on foreign customers	6,606,804	-
Reversal of Worker's Welfare Fund	345,837	15,057,536
Gain on disposal of property, plant and equipment	395,907	289,580
	<u>71,521,207</u>	<u>16,524,160</u>



30. TAXATION

	2019 Rupees	2018 Rupees
Current charge	42,242,925	32,843,187
Prior year reversal	(208,666)	(5,755,360)
	<u>42,034,259</u>	<u>27,087,827</u>

30.2 Relationship between tax expense and accounting profit:

Profit / (Loss) before taxation	128,924,764	(40,645,514)
Tax rate %	29%	30%
Tax on accounting profit	37,388,182	(12,193,654)
Effect of income subject to final tax regime	(227,978)	4,867,660
Effect of income subject to minimum tax	5,082,721	34,413,821
Effect of prior year tax	(208,666)	-
Tax charge for the year	<u>42,034,259</u>	<u>27,087,827</u>

30.3 The return of income for the tax year 2017, has been filed as per the provision of section 120 of the Income Tax Ordinance, 2001. Under this section when a complete return of income is filed with the Commissioner, it results in deemed assessment of taxable income / loss and tax payable / refundable on the date return is filed.

31. 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:

	2019	2018 Restated
Profit / (loss) for the year (Rupees)	<u>86,890,505</u>	<u>(67,733,341)</u>
Basic earnings per share		
Weighted average number of ordinary shares outstanding during the year	<u>220,007,919</u>	<u>78,520,127</u>
Basic earnings per share (Rupee)	<u>0.39</u>	<u>(0.65)</u>



32. 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 Company in the normal course of business carries out transactions with various related parties at agreed terms. Amounts due from and to related parties and key management personnel, if any, are shown under receivables and payables. Remuneration of Directors and key management personnel is disclosed in note 33. Other transactions with related parties are as follows:

Relationship with the Company	Nature of Transactions	2019 Rupees	2018 Rupees
An associated company	Expenses paid	2,915,182	-
Siddiqsons Limited -Common directorship	Loan obtained	23,000,000	-
	Loan repaid	(23,000,000)	-
Siddiqsons Dairies (Private) Limited - common directorship	Purchase of Vehicles	13,629,659	-
Due to Director	Loan obtained	200,000,000	-

33. REMUNERATION OF DIRECTORS AND EXECUTIVES

	2019			2018		
	Chief Executive	Director	Executives	Chief Executive	Director	Executives
Rupees					
Remuneration	2,160,000	3,310,560	23,581,945	2,482,758	3,475,862	17,384,429
House rent	1,440,000	2,207,040	15,721,297	1,117,242	1,564,138	7,822,993
Retirement benefits	-	367,842	1,466,073	-	336,002	1,184,159
Vehicles running	431,096	313,486	5,007,715	497,032	325,999	3,201,884
Utilities	-	60,000	546,833	-	59,479	390,000
	4,031,096	6,258,928	46,323,863	4,097,032	5,761,480	29,983,465
Number of persons	1	1	18	1	1	10

33.1 The chief executive officer, directors and few executives are also provided free use of Company maintained cars.



34. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES**34.1 Financial instruments by category****Financial assets****At fair value through profit or loss**

	2019 Rupees	2018 Rupees
Other financial assets	287,822	405,877

At amortised cost

Trade debts	614,193,549	-
Loans and advances	654,260	-
Trade deposits	42,331,427	-
Other receivables	-	-
Bank balances	26,689,128	-
Term deposit certificates	620,650,000	-
	<u>1,304,518,364</u>	<u>-</u>

Loans and receivables

Trade debts	-	523,859,123
Loans and advances	-	843,960
Trade deposits	-	30,575,370
Other receivables	-	4,110,181
Bank balances	-	22,048,071
Term deposit certificates	-	20,650,000
	<u>-</u>	<u>602,086,705</u>

Financial liabilities**At amortised cost**

Trade and other payables	69,760,769	-
Interest / mark-up accrued on borrowings	33,380,473	-
Short-term borrowings	1,383,740,332	-
Unclaimed dividend	2,732,476	-
Due to director	200,000,000	-
	<u>1,689,614,050</u>	<u>-</u>

Other financial liability

Trade and other payables	-	27,699,484
Interest / mark-up accrued on borrowings	-	24,799,494
Short-term borrowings	-	1,325,142,557
Unclaimed dividend	-	2,732,476
	<u>-</u>	<u>1,380,374,011</u>



34.2 Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarised as follows:

34.2.1 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to customers from any single country or single customer.

Credit risk of the Company arises principally from trade debts, trade deposits, term deposit certificates and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	2019 Rupees	2018 Rupees
Trade debts	614,193,549	523,859,123
Loans and advances	654,260	843,960
Trade deposits	42,331,427	30,575,370
Other receivables	-	4,110,181
Bank balances	26,689,128	22,048,071
Term deposit certificates	620,650,000	20,650,000
Other financial assets	287,822	405,877
	<u>1,304,806,186</u>	<u>602,492,582</u>

Trade debts are due from local and foreign customers for sales. Management assesses the credit quality of local customers, taking into account their financial position, past experience and other factors. As at the reporting date, there are past due trade debt balances which in management view are recoverable as disclosed in the notes. For bank balances and significant trade deposits, financial institutions with strong credit ratings are accepted, credit risk on bank balances and term deposit certificates are limited as these are placed with banks having good credit ratings.

34.2.2 Credit risk related to receivables

Customers' credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. The management monitors and limits the Company's exposure of credit risk by limiting transactions with specific counter parties and continually assessing their credit worthiness. Outstanding customer receivables are regularly monitored and any shipments to major export customers are generally covered by letters of credit.



In determining the recoverability of a trade debts, the Company considers any change in the credit quality of the trade debt from the date credit was initially granted up to the reporting date. The customer base is large and unrelated and does not have credit risk concentration.

The average age of receivables is 61 days (2018: 72 days).

The Company is not exposed to major concentration on credit risk. At June 30, 2019, the Company has approximately customers 17 (2018: 18 customers) that owed more than Rs. 10 million each and accounted for approximately 74% (2018: 65%) of all trade debts.

The Company does not hold collateral as security.

34.2.3 Credit risk related to financial instruments and cash deposits

The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings i.e. A1 + to A1 in short term and AAA to A for long term.

34.3 Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining sufficient cash and bank balances and availability of financing through banking arrangements, which includes short-term borrowings. The following are the contractual maturities of financial liabilities, including interest payments, excluding the impact of netting agreements.

Financial liabilities in accordance with their contractual maturities are presented below:

	Interest/markup Bearing			Non-Interest/markup Bearing			Total
	Maturity within one year	Maturity after one year	Sub-total	Maturity within one year	Maturity after one year	Sub-total	
June 30, 2019							
----- Rupees -----							
Financial Liabilities							
Trade and other payables	-	-	-	69,760,769	-	69,760,769	69,760,769
Interest / mark-up accrued	-	-	-	33,380,473	-	33,380,473	33,380,473
Short-term borrowings	1,383,740,332	-	1,383,740,332	-	-	-	1,383,740,332
Due to director	-	-	-	200,000,000	-	200,000,000	200,000,000
	1,383,740,332	-	1,383,740,332	303,141,242	-	303,141,242	1,686,881,574



	Interest/markup Bearing			Non-Interest/markup Bearing			Total
	Maturity within one year	Maturity after one year	Sub-total	Maturity within one year	Maturity after one year	Sub-total	
	June 30, 2018						
	----- Rupees -----						
Financial Liabilities							
Trade and other payables	-	-	-	27,699,484	-	27,699,484	27,699,484
Interest / mark-up accrued	-	-	-	24,799,494	-	24,799,494	24,799,494
Short-term borrowings	1,325,142,557	-	1,325,142,557	-	-	-	1,325,142,557
	1,325,142,557	-	1,325,142,557	52,498,978	-	52,498,978	1,377,641,535

34.4 Market risk management

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk, and other price risk.

34.4.1 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is exposed to equity price risks arising from equity investments. Equity investment are held for trading purpose. At the year end Company's equity investment balance is of insignificant amount.

Yield / Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate risk arises from long and short term borrowings from financial institutions. At the reporting date the interest rate risk profile of the Company's interest-bearing financial instruments is:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate risk arises from long and short term borrowings from financial institutions. At the reporting date the interest rate risk profile of the Company's interest-bearing financial instruments is:



	2019 Rupees	2018 Rupees
Variable rate instruments		
Financial assets		
- Term deposit certificates	<u>620,650,000</u>	<u>20,650,000</u>
Financial liabilities		
- KIBOR / SBP base rate	<u>1,383,740,332</u>	<u>1,325,142,557</u>

Sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect statement of profit or loss account.

Sensitivity analysis for variable rate instruments - Financial Liabilities

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's profit before taxation for the year ended would increase / decrease by Rs. 6,918,702 (2018: Rs. 6,625,713). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Sensitivity analysis for variable rate instruments - Financial Assets

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's profit before taxation for the year ended would increase / decrease by Rs. 3,103,250 (2018: Rs. 103,250). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings. As at June 30, 2019, Rs. 83,716,395 (2018: 55,289,760) were receivable in respect of foreign debtors.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term balances.



	2019	2018	2019	2018
	USD		PKR	
Trade debts	83,716,395	55,289,760	530,477,154	468,569,363
Foreign currency bank balances	1,228,360	920,809	25,460,768	21,127,262

The following significant exchange rates applied during the year:

	Average rates		Reporting date rates	
	2019	2018	2019	2018
US Dollars to PKR	136.40	109.91	163.50 / 163.00	121.60 / 121.40

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Foreign currency sensitivity analysis

At June 30, 2019, if the Rupee had strengthen / weakened by 5% against the US dollar with all other variables held constant, profit before taxation (2018: loss before taxation) for the year would have been decrease/increase by Rs. 18,849,713 (2018: Rs. 18,849,713). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as in previous year.

35. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying value of all the financial instruments reported in the financial statements approximates their fair value as the items are short term in nature.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2019, the Company has no financial instruments that falls into any of the above category.



There were no transfers between Level 1 and 2 in the year.

Other financial assets are classified as fair value through profit or loss and are classified as level 1 securities.

36. OPERATING SEGMENTS

Chief Executive considers the business as a single operating segment as the Company's assets allocation decisions are based on a single, integrated business strategy, and the Company's performance is evaluated on an overall basis.

Out of total sales of the Company 96.29% (2018: 96.92%) relates to customers in Pakistan.

All non-current assets of the Company as at June 30, 2019 are located in Pakistan.

37. PROVIDENT FUND RELATED DISCLOSURE

The investments out of provident fund have been made in accordance with the provisions of section 218 of Companies Act, 2017 and the rules formulated for the purpose.

38. CAPITAL RISK MANAGEMENT

The Company's objectives, policies and processes for managing capital are as follows:

- The Company is not subject to any externally imposed capital requirements.
- The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.
- Consistently with others in the industry, the Company monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt (as shown in the balance sheet) less cash and bank balances. Adjusted capital comprises of net debts and all components of equity (i.e. share capital and unappropriated profit).
- The Company's strategy is to maintain its debt-to-adjusted capital ratio between 50% to 60%. The debt-to-adjusted capital ratios at June 30, 2019 and June 30, 2018 were as follows:

	2019 Rupees	2018 Rupees
Total debts	1,383,740,332	1,325,142,557
Less: Cash and bank balances	(27,179,356)	(22,551,605)
Net debt	1,356,560,976	1,302,590,952
Total equity	2,717,717,365	846,151,648
Adjusted capital	4,074,278,341	2,148,742,600
Debt-to-adjusted capital ratio	0.33	0.61



39. PLANT CAPACITY AND ACTUAL PRODUCTION**Tin Plate**

	2019	2018
	(Metric tons)	
Installed capacity	120,000	120,000
Actual production	19,478	18,221

(Number per annum)**Cans**

Installed capacity of various sizes	4,015,000	4,015,000
Actual production of various sizes	2,188,657	2,845,038

39.1 Under utilisation of available capacity was due to lack of demand.

40. NUMBER OF PERSONS EMPLOYED**(No of employees)**

Number of employees at June 30	234	217
Average number of employees during the year	223	210

41. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been approved and authorised for issue by the Board of Directors of the Company on October 4, 2019.

42. GENERAL

Figures have been rounded off to the nearest Rupee.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER



PATTERN OF HOLDING OF SHAREHELD BY THE SHAREHOLDERS

as at June 30, 2019

No. of Shareholders	Share Holding		Total Shares Held	Percentage %
	From	To		
646	1	100	23928	0.0104
478	101	500	203358	0.0887
936	501	1000	679486	0.2964
1041	1001	5000	2716439	1.1848
262	5001	10000	2062225	0.8994
75	10001	15000	955890	0.4169
49	15001	20000	886626	0.3867
34	20001	25000	776471	0.3387
27	25001	30000	759506	0.3313
10	30001	35000	331861	0.1447
7	35001	40000	262297	0.1144
6	40001	45000	261430	0.1140
17	45001	50000	831983	0.3629
6	50001	55000	316398	0.1380
10	55001	60000	589246	0.2570
3	60001	65000	194499	0.0848
6	65001	70000	416389	0.1816
2	70001	75000	146879	0.0641
2	75001	80000	154238	0.0673
6	80001	85000	500478	0.2183
2	85001	90000	176000	0.0768
5	95001	100000	500000	0.2181
2	100001	105000	205199	0.0895
3	105001	110000	324500	0.1415
1	110001	115000	110086	0.0480
1	120001	125000	125000	0.0545
1	125001	130000	130000	0.0567
2	145001	150000	297000	0.1295
1	170001	175000	170999	0.0746
1	185001	190000	189000	0.0824
3	190001	195000	579000	0.2525
1	200001	205000	204000	0.0890
1	215001	220000	215351	0.0939
1	255001	260000	256970	0.1121
1	265001	270000	267970	0.1169
1	280001	285000	284799	0.1242
1	290001	295000	294000	0.1282
2	295001	300000	600000	0.2617
1	355001	360000	359648	0.1569
1	370001	375000	372695	0.1626
1	415001	420000	420000	0.1832
1	425001	430000	428518	0.1869
1	475001	480000	480000	0.2094
3	495001	500000	1500000	0.6542



No. of Shareholders	Share Holding		Total Shares Held	Percentage %
	From	To		
2	625001	630000	1254580	0.5472
1	635001	640000	639500	0.2789
1	725001	730000	725420	0.3164
1	950001	955000	955000	0.4165
1	995001	1000000	1000000	0.4362
1	1030001	1035000	1033385	0.4507
1	1040001	1045000	1040379	0.4538
1	1255001	1260000	1260000	0.5495
1	1360001	1365000	1362813	0.5944
1	1515001	1520000	1520000	0.6629
1	2175001	2180000	2178458	0.9501
1	2560001	2565000	2563868	1.1182
1	3330001	3335000	3330055	1.4524
1	3885001	3890000	3889438	1.6964
1	5530001	5535000	5533729	2.4135
1	6565001	6570000	6567500	2.8644
1	9060001	9065000	9060429	3.9517
1	9175001	9180000	9177232	4.0027
1	9415001	9420000	9416041	4.1068
1	10735001	10740000	10735359	4.6822
1	11760001	11765000	11763000	5.1304
1	21195001	21200000	21200000	9.2464
1	21305001	21310000	21308101	9.2935
1	34980001	34985000	34981302	15.2571
1	45220001	45225000	45222819	19.7239
3687	Company	Total	229278770	100.0000



CATEGORIES OF SHAREHOLDERS

as at June 30, 2019

Particulrs	No of Folio	Balance Share	Percentage
Directors, Sponsors, CEO & Children And Senior Management	11	117712159	51.3402
Associated Companies	2	35010501	15.2698
Modarabas & Mutual Funds	5	156139	0.0681
General Public (Local)	3533	72090459	31.4423
General Public (Foreign)	83	1052961	0.4592
Others	43	3055432	1.3326
Employees	8	185000	0.0807
Foreign Companies	2	16119	0.0070
Company Total	3687	229278770	100.0000



INFORMATION AS REQUIRED UNDER THE CODE OF CORPORATE GOVERNANCE

as at June 30, 2019

Shareholder's Category	Number of Shares held	Percentage
Associated Companies, Undertaking and Related Parties		
Siddiqsons Limited	35,034,101	15.28
Siddiqsons Denim Mills Ltd. Staff Providend Fund	29,199	0.01
NIT and ICP	NIL	
Directors, Sponsors, CEO and their spouse and minor children		
Mr. Tariq Rafi (Chairman)	45,222,819	19.72
Mr. Ibrahim Shamsi	3,330,055	1.45
Ms. Alia Sajjad	11,238,887	4.90
Mrs. Nighat Tariq W/o. Mr. Tariq Rafi	14,624,797	6.38
Mrs. Rahma Ibrahim W/o. Mr. Ibrahim Shamsi	9,416,041	4.11
M/s. Arcelor Mittal, France	21,308,101	9.29
Mr. Abdul Wahab	125,000	0.05
Mr. Ashraf Mahmood Wathra	100,000	0.04
Mr. Munir Qureshi	480,000	0.21
Mr. Naeem-ul Hasnain Mirza	56,000	0.02
Mr. Sajjad Ahsan H/o Ms. Alia Sajjad	1,149,000	0.50
Executives	NIL	
Public sector Companies and Corporations	NIL	
Modarabas & Mutual Fund	156,139	0.0681
Shareholders holding ten percent or more		
Mr. Tariq Rafi (Chairman / CEO)	45,222,819	19.72
Siddiqsons Limited	35,034,101	15.28
Trading in share by Directors, CEO, CFO & Company Secretary	Purchase	Sales
Ms. Alia Sajjad (Director)	278,500	255,000
Mr. Sajjad Ahsan H/o Ms. Alia Sajjad	424,000	259,000



PROXY FORM

24th Annual General Meeting

I/We _____ of

being a member of **SIDDIQSONS TIN PLATE LIMITED** (the Company) holding _____ ordinary shares, hereby appoint(s)

Mr. / Mrs. / Miss. _____ of _____ who is

also a member of the Company, to be my/our proxy and to vote for me/us at the 24th Annual General Meeting of M/s. Siddiqsons Tin Plate Limited will be held on Monday, October 28, 2019 at 10.45 a.m. at Ocean Mall & Tower, 4th Floor, Block-9, Scheme-5, Clifton, Karachi or at any adjournment thereof.

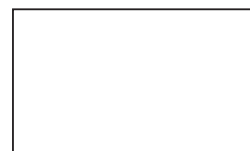
Signed this _____ day of _____ 2019

Folio No. _____

CDC A/c No. _____

Sub A/c. No. _____

No. of Shares held _____



Member's Signature
(Signature should agree
with the specimen signature
registered with the Company)

Witness 1

Signature _____

Name _____

CNIC No/Passport No. _____

Address _____

Witness 2

Signature _____

Name _____

CNIC No/Passport No. _____

Address _____

Notes:

1. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her. A corporation being a member may appoint as its proxy any of its official of any other person whether a member of the Company or otherwise.
2. An instrument of proxy and a Power of Attorney or other authorized (if any) under which it is signed, or notarized copy of such Power of Attorney must be valid and deposited at the Share Registrar of the Company M/s. THK Associates (Private) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Sharah-e-Faisal, Karachi not less than 48 hours before the time of the Meeting.
3. In case of proxy for an individual beneficial owner of CDC, attested copy of beneficial owner's National Identity Card or Passport, Account and Participant's ID numbers must be deposited alongwith the form of proxy with the Share Registrar. The proxy must produce his/her original identity card at the time of Meeting. In case of proxy for corporate members, he/she should bring the usual documents required for such purpose.

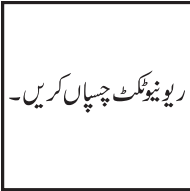


تشکیل نیابت داری

چوبیسواں سالانہ اجلاس عام

میں / ہم _____
 ساکن _____ بحیثیت صدیق سزٹن پلیٹ لمیٹڈ _____ کے
 رکن و حامل _____ عام حصص بمطابق شیئر رجسٹرڈ فوئیو نمبر _____
 اور ایسی ڈی سی کے شراکتی آئی ڈی نمبر _____ اور ذیلی کھاتہ نمبر _____
 محترم / محترمہ _____ ساکن _____
 یا بصورت دیگر محترم / محترمہ _____ ساکن _____
 کو اپنی جگہ بروز پیر مورخہ 28 اکتوبر 2019ء بوقت 10:45 بجے بمقام اوشین مال اینڈ ٹاور، 4th فلور، بلاک -9، اسکیم -5، کلفٹن کراچی
 میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

گواہ:



(دستخط کمپنی میں پہلے سے موجود نمونہ
 کے مطابق ہونے چاہیئے)

دستخط

1 دستخط _____

نام _____

پتہ _____

2 دستخط _____

نام _____

پتہ _____

سی این آئی سی یا پاسپورٹ نمبر _____

نوٹ: پراکسیز کے موثر ہونے کے لئے ضروری ہے کہ ان کی تفصیل اجلاس شروع ہونے سے 48 گھنٹے قبل کمپنی کو موصول ہو جائے۔
 سی ڈی سی شیئر ہولڈرز اور ان کے پراکسیز سے گزارش ہے کہ وہ اپنے قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹو کاپی کمپنی کو
 پیش کرنے سے قبل اس پراکسی کے ساتھ منسلک کریں۔



E-DIVIDEND MANDATE FORM

To:

The Registrar

M/s. THK Associates (Pvt.) Limited,
1st Floor, 40-C, Block-6, P.E.C.H.S.,
Sharah-e-Faisal, Karachi.

Broker's Name

OR

Central Depository Company
(where shares are held in the
Investor Account Services)

- I. I hereby authorize Siddiqsons Tin Plate Limited to directly credit cash dividend declared by it, if any, in the below mentioned bank account.

i)	<i>Shareholder's Detail</i>
	Name of the shareholder
	Folio No. /CDC Participants ID A/c. No.
	CNIC No.*
	Passport No, (in case of foreign shareholder)**
	Land Line Phone Number
	Cell Number
(ii)	<i>Shareholder's Bank Detail</i>
	Title of the Bank Account
	Bank Account Number
	Bank's Name
	Branch Name and Address

2. It is stated that the above-mentioned information is correct, that I will intimate the changes in the above mentioned information to the above addresses as soon as these occur.

Signature of the Shareholder

Note: The shareholder who hold shares in physical form are requested to submit the above-mentioned Dividend Mandate Form after duly filled in to Share Registrar concerned. The Shareholders who hold shares in Central Depository Company are requested to submit the above mentioned Dividend Mandate Form after duly filled in to their Participants/Investor Account Services of the Central Depository Company Limited.

* Please attach attested photocopy of CNIC

** Please attach attested photocopy of the Passport



Dear Shareholder(s)

Therefore, if you wish to receive company's (Audited Annual Financial Statements) along with notice of (AGM) via - email, you are requested to provide this letter duly filled & signed and sent to us or our Share Registrar at their below address:

دستخط کریں اور ذیل ایڈریس پر ہمیں یا ہمارے رجسٹرار کو بھیج دیں۔

FOLIO / CDS # _____

Yours faithfully,
FOR SIDDIQSONS TIN PLATE LTD.
MUHAMMAD HARIS
Company Secretary



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- 📈 Stock trading simulator
(based on live feed from KSE)
- 📖 Knowledge center
- 📊 Risk profiler*
- 📊 Financial calculator
- 📱 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📱 Jamapunji application for mobile device
- 📖 Online Quizzes

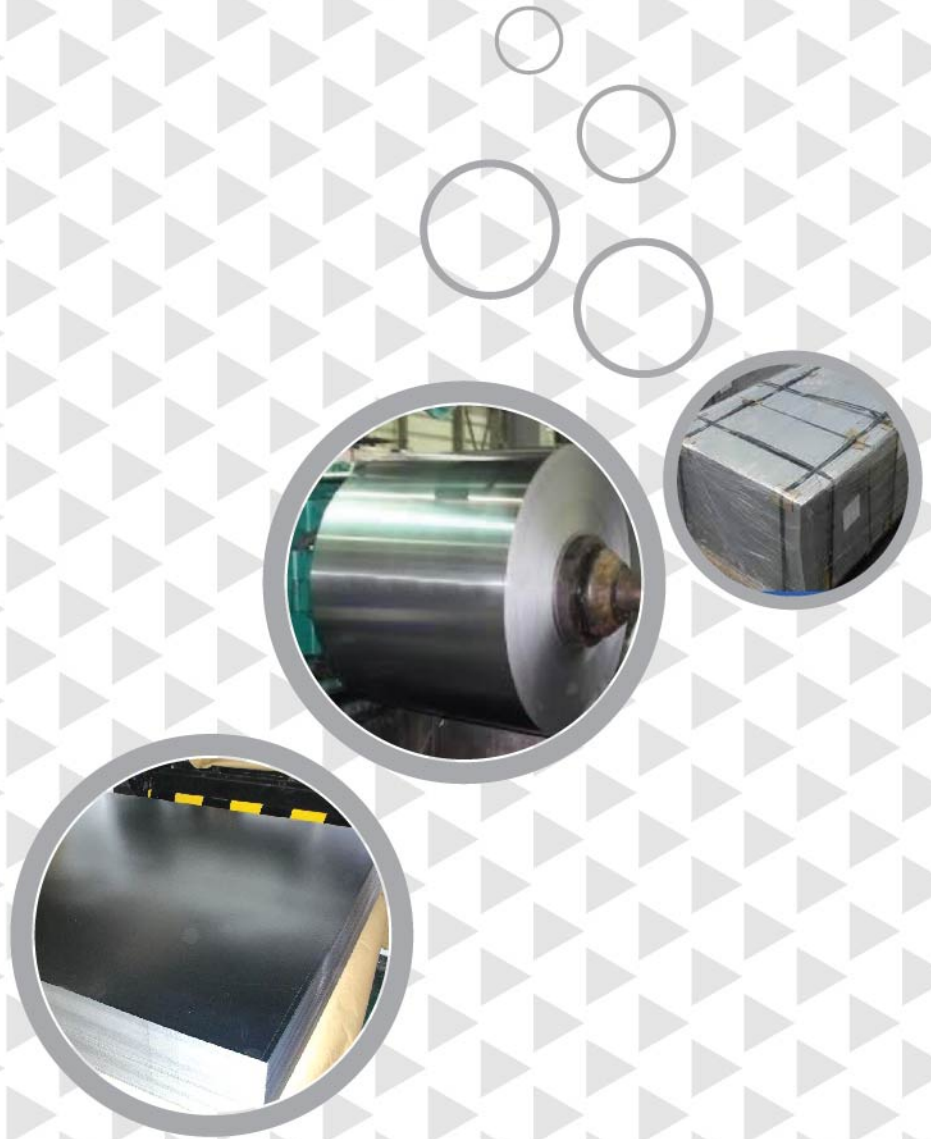


Jama Punji is an Investor
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Securities and Exchange
Commission of Pakistan

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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: Ocean Tower, 27th Floor,
G-3, Block 9, Scheme # 5,
Main Clifton Road, Karachi.
Tel : +9221-35166571-4

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

www.siddiqsonstinplate.com