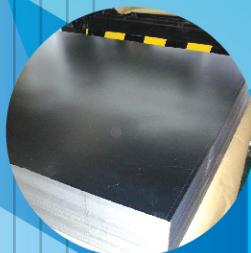
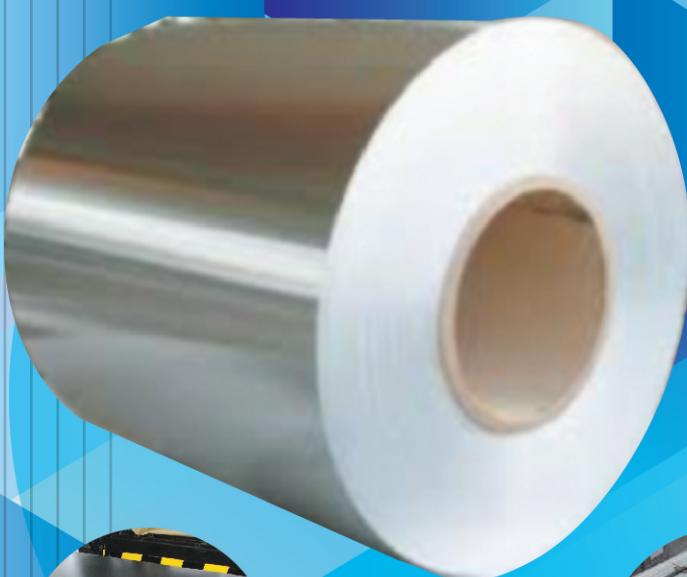


Annual
Report | **2020**

*A Commitment
to Prime Quality!*



Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

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- ❖ 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.

VISION

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 Almighty 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	Non Executive Director
Ms. Alia Sajjad	Non Executive 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. Mahir Abbas	Dir. Commercial
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
M/s. ABS & Co.
Head Office: 9-Fane Road, Lahore - Pakistan.

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
Askari Bank Limited
Samba Bank Limited
Dubai Islamic Bank Pakistan 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.

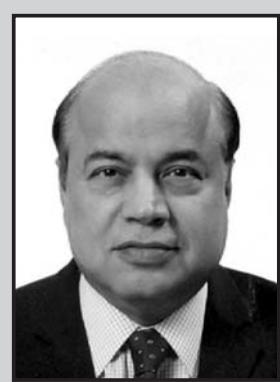
Web Presence

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 Director on the Boards of MCB Bank Limited, Central Depository Company of Pakistan Limited (CDC), Siddiqsons Limited, Siddiqsons Energy 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 Pakistan 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 the CEO of the Company in May, 2018.

MR. IBRAHIM SHAMSI, DIRECTOR

Mr. Ibrahim Shamsi is the Director of the Company, he has a vast experience of modern management and effective control management. He is the Chief Executive of Aladin Water & Amusement Park, Karachi & Joyland, Lahore and the Chairman 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 joined the Board of STPL on June 26, 2018 as a non-executive director. 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 Illestors 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.

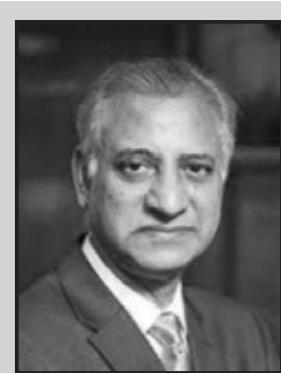
**MR. ABDUL WAHAB, DIRECTOR**

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 has represented Pakistan in several international forums. He was appointed as the Governor, State Bank of Pakistan 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 25th Annual General Meeting of M/s. Siddiqsons Tin Plate Limited will be held on Tuesday, **October 27, 2020** at 06:00 p.m. at Ocean Mall & Tower, 4th Floor, G-3, Block-9, Scheme-5, Clifton, Karachi, to transact the following business:

A G E N D A

1. To confirm the minutes of the Annual General Meeting held on October 28, 2019.
2. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2020 together with Director's report and Auditor's report thereon.
3. To appoint Auditors of the Company for the year 2020-2021 and fix their remuneration.
4. To transact any other business with the permission of Chair.

By Order of the Board



Muhammad Haris
(Company Secretary)

Karachi

Dated: October 06, 2020

NOTES:

1. The Share Transfer Books of the Company will remain closed from October 21, 2020 to October 27, 2020 (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 20, 2020 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. I 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.siddiqsonsttinplate.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

اجلاس کی اطلاع اور سالانہ اکاؤنٹس کی گردشی تربیل

بحوالہ ایں ایسی پی کے جاری کردہ ایں آراؤ نمبر (2014/1) 787 شیئر ہولڈر زکوسالانہ آڈٹ شدہ مالیاتی حسابات اور اجلاس عام کی اطلاع ای میل کے ذریعہ وصول کرنے کی سہولت حاصل ہے۔ کمپنی کے شیئر ہولڈر سے درخواست ہے کہ وہ اس کیلئے اپنی رضامندی سے ہمارے شیئر جسٹر ایمیسرز ٹی ایچ کے ایسوی ایٹس (پرائیویٹ) لمیڈ، پہلی منزل، C-40 بلاک 6 پی ایسی 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 شیئر ہولڈر زکوسالانہ 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۔

ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کے پروڈیویڈن کی پیروی میں ایک ہی شہر میں رہنے والے شیئر ہولڈر جو کم 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 کانک کی سہولت حاصل کرنے کی درخواست شیئر جسٹر ار کے پاس درج بالا پڑھ پر اجلاس کی تاریخ سے سات (7) دن پہلے پختہ جانی چاہیے جو سالانہ پورٹ میں فراہم کردہ اسٹینڈرڈ فارم پر ہوا اور یہ کمپنی کی ویب سائٹ پر بھی دستیاب ہے۔

اس سہولت کو حاصل کرنے کیلئے براۓ مہربانی تحریری درخواست کمپنی سیکریٹری اور کمپنی کے شیئر جسٹر ایمیٹی ایچ کے ایسوی ایٹس (پرائیویٹ) لمیڈ، C-40، بلاک 6، پی ایسی ایچ ایں، شاہراہ فیصل، کراچی کوان کے متعلقہ ای میل پڑھ secretariat@thk.com.pk ہے اور harisjaffri@siddiqsonsttinplate.com 24 ویں سالانہ اجلاس عام کی تاریخ سے زیادہ 7 دن پہلے ارسال کریں جس میں درج ذیل معلومات شامل ہوں۔

ویڈیو کانفرنس کی سہولت حاصل کرنے کیلئے:

- ۱۔ فویونبر اسی ڈی سی انوٹر کااؤنٹ نیٹ ورک اسپ اکاؤنٹ نمبر
- ۲۔ شیئر ہولڈر کا نام
- ۳۔ تعداد شیئر زبکت کی بندش کے پہلے روز تھی جو اے جی ایم میں شرکت کا حصہ رہتا ہے۔
- ۴۔ شہر کا نام جہاں ویڈیو کی سہولت درکار ہے۔

میر کے دستخط

۴۔ ان شیئر ہولڈر سے، جن کے شیئر زسٹنٹل ڈپاٹری کمپنی آف پاکستان لمبینڈ (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 اسٹریٹ نمبر ساتھ لا کیں۔ پر اسی ہونے کی صورت میں درج بالا بیرونی نمبر 1 کے مطابق پر اسی کے سی این آئی سی یا پاپسپورٹ کی تصدیق شدہ کا پیاس، اکاؤنٹ اسٹریٹ اور شرکاء کے آئی ڈی نمبر پر اسی فارم کے ہمراہ کمپنی کے شیئر جسٹر ار کے پاس جمع کرنا لازمی ہے۔ کارپوریٹ میز کے پر اسی ہونے کی صورت میں، یورڈ آف ڈائریکٹریز کی قرارداد/پاور آف اٹارنی مع نامزد کردہ شخص کے ناموں کے دستخط اجلاس کے وقت فراہم کرنا ہوں گے (اگر پہلے سے شیئر جسٹر ار کو فراہم نہ کئے گئے ہوں) نیشنل شیئر زسٹنٹل مالکان اور پر اسی کے سی این آئی سی کی تصدیق شدہ کا پیاس پر اسی فارم کے ہمراہ جمع کرنا ہوں گی۔ پر اسی کو اجلاس میں شرکت کے وقت اپنا اصل سی این آئی سی پیش کرنا ہوگا۔

سی این آئی سی / آئی بی اے این اور زکوہ

۵۔ ممبرز سے درخواست ہے کہ ہمارے ریکارڈ کو اپ ڈیٹ رکھنے کیلئے وہ اپنا اٹرنسٹیشن بینگ 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 زکوہ سے اتنی کیلئے زکوہ اینڈ عشر آرڈننس 1980 کے مطابق ڈکٹریشن (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 رجسٹر ارکو دیں۔

ای۔ ڈیویڈنڈ

کمپنیز ایکٹ 2017 کے سیکشن 242 کی رو سے پیک لٹڈ کمپنی کیلئے لازم ہے کہ وہ نقد ڈیویڈنڈ کی ادائیگی صرف الیکٹر وک ڈریچ سے براہ راست اہل شیئر ہولڈر ز کے مقر رکرده ہیں کہ اکاؤنٹ میں کرائیں۔ اس لئے، اس نوٹ کے ذریعہ تمام شیئر ہولڈر سے درخواست ہے کہ وہ اپنے بینک اکاؤنٹ کی تفصیلات اپنے متعلقہ شرکاء کے ذریعہ شیئر زسٹنٹل ڈپاٹری سٹم میں اپ ڈیٹ کر دیں۔ جب کہ فریکل شیئر ز کی صورت میں اپنے بینک اکاؤنٹ کی تفصیلات ہمارے شیئر جسٹر ار میسرز ٹی ایچ کے ایسوی ایٹھ (پرائیویٹ) لمبینڈ کو فراہم کریں جس کیلئے ای ڈیویڈنڈ مینڈیٹ فارم منسلک ہے۔

غیر کلیم شدہ ڈیویڈنڈز اور یونس شیئر ز

ان شیئر ہولڈر ز کو جو کسی وجہ سے اپنے ڈیویڈنڈ یا یونس شیئر کلیم نہیں کر سکے یا اپنے فریکل شیئر ز حاصل نہیں کر سکے، ہدایت کی جاتی ہے کہ اپنے غیر کلیم شدہ ڈیویڈنڈ یا زیر التو اشیئر ز کے حصول ا کے بارے میں معلومات کیلئے، اگر کوئی ہے، ہمارے شیئر جسٹر ار میسرز ٹی ایچ کے ایسوی ایٹھ (پرائیویٹ) لمبینڈ سے رابط کریں۔

برائے مہربانی نوٹ فرما لیں کہ کمپنیز ایکٹ 2017 کے سیکشن 244 کی بیروی 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 شیئر ہونے کی صورت میں سیکورٹی اینڈ اکچیٹ کمیشن آف پاکستان کو پہنچاد دیے جائیں گے۔

نوٹس برائے پچیسوائی سالانہ اجلاس عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ میسرز صدیق سنرٹن پلیٹ لمینڈ کا پچیسوائی سالانہ اجلاس عام مورخہ 27 اکتوبر، 2020 بروز مگل 06:00 بجے شام، اوپسین مال اینڈ ٹاور، چوتھی منزل، G-3، بلاک-9، اسکیم-5، ہکفٹن، کراچی میں مندرجہ ذیل امور کی انجام دہی کے لئے منعقد کیا جا رہا ہے۔

اچنڈا

- ۱۔ مورخہ 28 اکتوبر، 2019 کو منعقد ہونے والے سالانہ اجلاس عام کی کارروائی کی توثیق کرنا۔
- ۲۔ 30 جون، 2020 کو ختم ہونے والے سال کیلئے کمپنی کے آٹھ شدہ اکاؤنٹس مع ڈائریکٹر کی رپورٹ اور آڈیٹر کی رپورٹ کی وصولی، ان پر غور و خوض کرنا اور ان کو اختیار کرنا۔
- ۳۔ سال 2021-2020 کیلئے کمپنی کے آڈیٹر کی تقریری اور ان کا مشاہرہ طے کرنا۔
- ۴۔ چیئرمین کی اجازت سے کسی دیگر امور کی انجام دہی۔

یحکم بورڈ
Muhammad Haris
(کمپنی سکریٹری)

کراچی

مورخ: 06 اکتوبر 2020ء

نوٹس:

- ۱۔ کمپنی کی شیئر ٹرانسفر پیس مورخہ 21 اکتوبر تا 27 اکتوبر 2020 (بیشمول دونوں دن) یندریں گی۔ تاہم کمپنی کے شیئر جھٹار میسرز THK ایسوی ایس (پائیوریٹ) لمینڈ، فرست فلور، 40، بلاک 6، پی ایس ایچ ایس، شاہراہ فیصل، کراچی پر 20 اکتوبر 2020 کو کاروباری اوقات کے اختتام تک موصول ہونے والے ٹرانسفر ٹرانسفر یزدی 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 اکسی مقرر کر سکتا / کر سکتی ہے۔ کارپوریشن ممبر ہونے کی صورت میں اپنے کسی آفیشل کویا کسی دوسرے شخص کو، چاہے وہ کمپنی کا ممبر ہو یا نہ ہو، پر اکسی مقرر کر سکتی ہے۔
- ۳۔ پر اکسی 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 تقدیم شدہ کاپی، جو کار آمد ہو، اجلاس کے شروع ہونے سے کم از کم 48 گھنٹے قبل کمپنی کے شیئر جھٹار کے پاس جمع ہونا لازمی ہے۔



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 year ended 30th June 2020

DESCRIPTION	2020	2019	2018	2017	2016	2015
Rupees in "000"						
TRADING RESULTS						
Net Turnover	3,556,448	3,408,744	2,646,261	2,537,686	2,119,459	2,341,355
Gross Profit	181,076	334,807	165,694	309,972	234,413	140,346
Profit / (Loss) before tax	26,947	128,925	(40,646)	159,070	79,961	3,369
(Loss) / Profit after tax	(23,144)	86,891	(67,733)	128,330	58,888	(20,171)
Dividend	-	-	-	30,536	-	-
BALANCE SHEET						
Share Capital	2,292,788	2,292,788	785,201	785,201	785,201	785,201
Unappropriated profit	100,269	123,412	66,780	134,514	36,720	(22,168)
Total Assets	5,232,449	4,557,393	2,358,625	2,023,794	1,650,388	1,822,260
INVESTORS INFORMATION						
Gross Profit in percent of sales	5.09	9.82	6.26	12.02	11	6
(Loss)/Earnings Per Share	(0.10)	0.39	(0.65)	1.63	0.75	(0.26)
(Loss) / Profit before tax in percent of sales	(0.76)	3.78	(1.54)	6.27	4	0.14
(Loss) / Profit after tax in percent of sales	(0.65)	2.55	(2.56)	5	2.78	(0.86)
Inventory Turnover (days)	149	122	100	84	98	82
Debtor turnover (days)	56	61	72	59	63	65
Break-up value Per share (Rs)	11.8	11.9	10.9	11.7	10.46	9.72
Market value Per share (Rs)	9.22	9.69	15.22	27.33	12.5	8.02
Dividend per share (Rs)	-	-	-	0.5	-	-
Dividend yield ratio (%)	-	-	-	1.83	-	-
Dividend Payout Ratio (%)	-	-	-	30.67	-	-
Return on equity (%)	(0.86)	3.20	(7.95)	13.95	7.16	(2.60)
Current Ratio	1.11	1.53	1.17	1.22	1.21	1.01
Interest cover (times)	1.30	1.73	0.69	4.15	2.05	1.04

DIRECTORS' REPORT

Dear shareholders

We hope you remained safe and in good health, amidst this covid-19 and we pray for your safe future.

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, 2020, together with the auditor's report thereon.

Global business scenario

Global economic growth for 2020 is projected to be 4.9% as per recent World Economic Outlook forecast. With the spread of COVID-19, recessionary pressures have started soaring in the global economy and the global GDP is forecast to shrink by 4- 5% in the current fiscal year. The measures to cope with COVID-19 including lockdowns and closure of businesses, had significantly reduced consumption and disrupting manufacturing & supply chain linkages. As the second wave of COVID-19 is just around the corner, these impacts are likely to hamper the global economic growth for at least H1 of FY 2020-21 with slight recovery expected in H2 of FY 2020-21 with gradual resumption of economic activities across the globe.

Amidst above, the overall global demand for tinplate has shown some micro trends indicating its improvement. Since, the food and beverages industry together accounts more than 80% of demand for cans, increase in demand from these sectors is expected to supplement growth of the segment in tinplate packaging market. Cans segment is expected to be the fastest growing in tinplate packaging market, especially in the current COVID-19 scenario, being the most hygienic form of packaging. Another factor contributing to the growth of tinplate packaging is its "BPA free" labelling which is gaining popularity among hygiene conscious consumers base. Some of the other factors contributing in the demand for tinplate are the rise in disposable income, expanding retail chains, shifting focus towards ready to eat food products. In addition to this, superior moisture & corrosion resistance, good mechanical strength and excellent solderability are expanding its usage across the cosmetic and pharmaceutical industries.

Pakistan's Economic Scenario

The FY 2020 has largely proved not to be a fair year for Pakistan, H1 being effected with increasing interest rates and higher inflation, suppressed economic activity coupled with spread of COVID-19 pandemic, further aggravated in H2. The complete countrywide lockdown has brought the whole economy at a standstill and the business activity has reduced to an unprecedented low level. The SBP however, rightly acted in giving relief and taking various measures including but not limited to lowering interest rates, relaxing margin requirements, salary financing and deferment of principal repayments.

The demand for tinplate also effected due to tariff anomalies on import of Palm Oil, transporters strike and certain Customs' procedural issues during H1 while during H2 the major factor impacting the business activity was the closure of restaurants, ban on marriage ceremonies and other large gatherings reducing the consumption of food items on commercial basis and having a direct impact on sale of tinplate.

Impact of COVID-19

The Company fully complied with the SOPs prescribed by Federal and Provincial Governments and declared themselves as an essential business with Government by obtaining exemption from non-operation during lockdown period. Sales and import activities were marginally affected during lockdowns and the shipments were received as per schedule with minor disruptions. The Company has provided plenty of PPEs i.e hand gloves and face masks, to its employees and measures related to social distancing and use of sanitizers were observed throughout this period.

Business Overview & Financial Highlights

	2020	2019	2018
Net Sales	3,556,448,459	3,408,743,813	2,646,260,757
Gross Margin	181,075,688	334,806,834	165,694,478
Profit/(Loss) before taxation	26,947,323	128,924,764	(40,645,514)
(Loss)/Profit after taxation	(23,143,568)	86,890,505	(67,733,341)
(Losses)/Earnings per share	(0.10)	0.39	(0.65)

The overall net sales of PKR 3,556 million for the year under review was 4% higher than the preceding period. The major contribution for the increased in sales is due to exponential growth in export sales, while the local sales was 11% lower than the previous year. In volumetric terms, the overall quantity sold is 5% lower than the last year, while the local sales is down by 22%. The main reason for decline in business activity was the economic slowdown and uncertain business conditions induced by COVID-19 pandemic and consequential country wide lockdown in the later part of the year, while in earlier part of the year, the main reasons were the tariff anomalies with respect to import of palm oil and transporters strikes having negative impact on sales.

The price trend of Tin Mill Black Plate (TMBP) also witnessed a mix trend. The prices of raw material increased in the first half of the year showing a declining trend in the later part of the year. On an overall basis, the cost of sales increased by 10%, however due to unfavorable business conditions as narrated above, the impact could not pass on and the sales revenue recorded an increase of 4% only.

The exponential growth in export sales is a new ray of hope for the company and development of export market is a result of continuous efforts. The repeat orders received from our foreign customers are a show of confidence on the quality of our ETP. We aim at continuously exploring and expanding our exports to other regional markets. However, the company is completely abreast of the fact that the installation of CRM plant is a critical factor in becoming a preferred supplier of ETP in the region.

Sales

The sales revenue of the company increased by 4%, however the quantity sold is reduced by 5%.

Production

Current year's production was 24% higher than last year. The quantity produced was 24,061 metric tons as compared to 19,478 metric tons in the previous year. The capacity utilization during the year was 20% (2019: 17%).

Operational overview

The EBITDA (excluding non-recurring items) stood at Rs.87.83 million (2.5%) as compared to Rs.284.31 million (8.3%).

The administrative expenses has shown a moderate increase of 8%, while the increase in distribution cost is due to increase in freight charges which is directly related to export sales.

The net loss after taxation for the year stood at Rs.22.88 million as compared to profit of Rs.86.8 million in the last year.

Earnings per share

The losses per share have been recorded at Re. (0.10), as compared to earnings per share of Re. 0.39 in the previous year.

Payments to National Exchequer

The Company has made payments of Rs.1,029 million to the National Exchequer on account of income tax, sales tax, custom duties and other levies.

Credit Rating

After due evaluation, PACRA has maintained the credit rating of your Company as A- (Single A minus) for long term and A2 (Single A two) for short term with "stable" outlook.

Risk Management

The mechanism of risk management of 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, hiring and terminations are dealt through them.

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, 2020 was Rs.71.142 million (2019: Rs.47.33 million).

Future Outlook

Moving forward, the uncertainties relating to COVID-19 are still prevalent with a slight hope of recovery during H2 of FY21. The export performance has rose exponentially and we continue to strive to raise it further and target crossing Rs. 1 billion mark during FY21. It is further expected that the local sales will also increase as soon as the commercial activities will fully resume after COVID-19 situation.

The construction work at CRC plant is in continuation, however delays in COD are expected due to default in commitments from our supplier. This has been more fully explained in Note: 25.3 of the financial statements. We are in process of negotiating the procurement of CRM plant from other international suppliers and expecting a favorable outcome to this situation, soon.

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, 2021, 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, 2020 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.

Composition of the Board

In line with the requirements of the CCG, the Company encourages representation of Independent and Non-Executive Directors, as well as gender diversity on its Board.

The current composition of the Board is as follows:

Total number of Directors:

(a) Male:	6
(b) Female:	1

Composition:

(i) Independent Directors:	2
(ii) Non-executive Directors:	3
(iii) Executive Directors:	2

The composition of the Board of Directors is as follows:

Category	Names
i. Independent Directors	Mr. Abdul Wahab Mr. Ashraf Mahmood Wathra
ii. Non-Executive Directors	Mr. Tariq Rafi Mr. Ibrahim Shamsi Ms. Alia Sajjad
iii. Executive Directors	Mr. Munir Qureshi Mr. Naeem-ul Husnain Mirza
iv. Female Director	Ms. Alia Sajjad

Committees of the Board

Audit Committee Composition

Mr. Ashraf Wathra (Chairman)
 Mr. Ibrahim Shamsi (Member)
 Mrs. Alia Sajjad (Member)
 Mr. Muhammad Haris (Secretary)

HR Committee Composition

Mrs. Alia Sajjad (Chairman)
 Mr. Munir Qureshi (Member)
 Mr. Abdul Wahab (Member)
 Mr. Muhammad Haris (Secretary)

Technical Committee Composition

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

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	3
Mr. Ibrahim Shamsi	3
Ms. Aliya Sajjad	4
Mr. Ashraf Mahmood Wathra	0
Mr. Munir Qureshi	4
Mr. Naeem ul Hasnain Mirza	4
Mr. Abdul Wahab	3

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 has established a sound system of internal control within the Company which is effectively implemented at all levels.

The Audit Committee comprises of three (3) members, 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 to support the society in the areas of education, clean water and health care in Winder- Baluchistan.

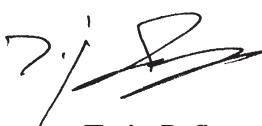
Pattern of shareholding

The total number of Company's shareholders as at June 30, 2020 were 5301. The pattern of shareholding as at June 30, 2020 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 06, 2020

اعتراف

آپ کی کمپنی کے ڈائریکٹر ان اس موقع پر سکیورٹیز اینڈ کمیشن آف پاکستان، حصہ یافتگان، شرکت داروں، گاہوں، سرکاری اداروں، خودکار اجمنتوں اور مالیاتی اداروں کے مسلسل تعاون اور مدد پر ان کے مشکلور ہیں۔ ڈائریکٹر ان کمپنی کے ملازمین کی قابل قدر اور انتہک مختت خدمات پر انہیں ستائش پیش کرتے ہیں۔



منیر قریشی
چیف ایگزیکیوٹو آفیسر



طارق ریح
چیئرمین

کراچی، 06 اکتوبر 2020

بورڈ آف ڈائریکٹرز کے اجلاس

جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس ہوئے۔ سال کے دوران ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے:

ڈائریکٹر کا نام	حاضر اجلاسوں کی تعداد
جتاب طارق رفیع	3
جتاب ابراہیم شمسی	3
محترم عالیہ سجاد	4
جتاب نسیر قریشی	4
جتاب عبدالوہاب	3
جتاب فیض احسانی مرزا	4
جتاب اشرف محمود و تھرا	0

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

آڈٹ کمیٹی

آپ کی کمپنی کی انتظامیہ اتحادی ادارتی نظم و ضبط کے نفاذ پر یقین رکھتی ہے، اس مقصد کے لئے چیک اینڈ بیلنس کا کا واضح اور مستعد نظام موجود ہے جس کے تحت شفاف، درست اور بروقت مالیاتی معلومات فراہم کی جاتی ہیں۔ بورڈ آف ڈائریکٹرز نے اندر وی فریڈم گرفت کا ایک مضبوط نظام قائم کیا ہے جو کہ کمپنی میں ہر سطح پر نافذ ہے۔

آڈٹ کمیٹی تین (3) ممبر ان پر مشتمل ہے جس میں ایک آزاد اور دوناں ایگزیکٹو ڈائریکٹر ان میں کمیٹی کا چیئرمین بھی شامل ہے۔ کمیٹی کی ذمہ داریوں کا تعین بورڈ آف ڈائریکٹرز نے لسٹنگ ریکارڈیشن میں دیئے گئے رہنماء صولوں کے مطابق کیا ہے۔

ادارتی سماجی ذمہ داری

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

حصص داری کی ساخت

30 جون 2020 کو کمپنی کے حصہ یا فیگان کی کل تعداد 30,355 تھی۔ ادارتی نظم و ضبط کے ضابطے کے تحت 30 جون 2020 کی حصص داری کی ساخت کے ساتھ ضروری مکلفات شامل کئے گئے ہیں۔



بورڈ آف ڈائریکٹرز کی تشکیل بندی درج ذیل ہے:

قسم نام

ا) غیر جانبدار ڈائریکٹران

جناب عبدالوهاب

جناب اشرف محمود وہرا

جناب طارق رفیع

جناب ابراہیم شمسی

مس عالیہ سجاد

جناب منیر قریشی

جناب نعیم احسانیں مرزا

مس عالیہ سجاد

iii) نان ایگزیکٹو ڈائریکٹران

ا) ایگزیکٹو ڈائریکٹران

iv) خاتون ڈائریکٹر

ا)

iii)

iv)

بورڈ کی تشکیل بندی

آڈٹ کمیٹی کی تشکیل بندی

جناب اشرف وہرا (چیئرمین)

جناب ابراہیم شمسی (ممبر)

مسر عالیہ سجاد (ممبر)

جناب محمد حارث (سیکریٹری)

HRC کمیٹی کی تشکیل بندی

مسر عالیہ سجاد (چیئرمین)

جناب منیر قریشی (میر)

جناب عبدالوهاب (میر)

جناب محمد حارث (سیکریٹری)

ٹیکنیکل کمیٹی کی تشکیل بندی

جناب طارق رفیع (چیئرمین)

جناب منیر قریشی (میر)

جناب نعیم احسانیں مرزا (میر)

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 گاہ کوں، سپلائرز اور گمراں 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 آرڈر نیشن 1984 کے تحت تیار کئے گئے ہیں۔ یہ گوشارے کمپنی کے معاملات، اس کے کارباری نتائج، نقدی کے بہاؤ اور ایکوئیٹی میں تبدیلیوں کو شفافیت کے ساتھ پیش کرتے ہیں۔
- ☆ کمپنی میں حسابات کی کتابیں میں مناسب انداز میں تیار کی گئی ہیں۔
- ☆ درست حساباتی پالسیوں کو تسلسل کے ساتھ مالیاتی گوشواروں کی تیاری کے دوران ملحوظ خاطر رکھا گیا ہے اور حساباتی تجھیں کی بنیاد معمول اور مضبوط فیصلوں پر ہے۔
- ☆ مالیاتی گوشواروں کی تیاری کے دوران ملحوظ خاطر رکھا گیا ہے اور حساباتی رپورٹنگ معیارات / عالمی اکاؤنٹنگ معیارات، جو پاکستان میں لاگو ہیں کو ملحوظ خاطر رکھا گیا ہے اندر وہی گرفت کے نظام کی شکل مضبوط ہے اور موثر انداز میں نافذ اعمال ہے اور اس کی گمراہی کی جاتی ہے۔
- ☆ کمپنی کی چلتے ہوئے ادارے کی صلاحیت میں کوئی قابل ذکر شک و شنبہ نہیں ہے۔
- ☆ پاکستان اسٹاک ایچیجنگ 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 کوڈ ایکٹر پورٹ میں منصف کیا گیا ہے۔

بورڈ کی تشکیل بندی

CCG کے تقاضوں کے تحت کمپنی اپنے بورڈ میں آزاد اور نان ان گیز کیٹوڈ ایکٹر کے ساتھ صنفی توع کی حوصلہ افزائی کرتی ہے۔

بورڈ کی موجودہ تشکیل بندی درج ذیل ہے:

کل ڈائریکٹر ان کی تعداد

(a)	6	مرد
(b)	1	خاتون

تشکیل بندی

(i)	غیر جانبدار ڈائریکٹر ان
(ii)	نان ان گیز کیٹوڈ ایکٹر کے
(iii)	ان گیز کیٹوڈ ایکٹر کے

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 طرف کردار کلیدی سمتوں کے مطابق کام کرتا ہے۔ یہ شعبہ ملازمین سے متعلق ملحوظہ معاملات جیسے کہ معاوضہ، الاؤنسز، چھٹیاں، کارکردگی کی تشخیص اور بھرتی اور برخاستگی کے فرائض انجام دیتا ہے۔ بورڈ کے شعبہ انسانی وسائل کا سربراہ بورڈ کی HR کمیٹی کے سکریٹری کے طور پر کام کرتا ہے۔

صحت، تحفظ اور ماحول (HSE)

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

پروڈینٹ فنڈ

صدیق سنرٹن پلیٹ لیمیٹڈ۔ اسٹاف پروڈینٹ فنڈ سے کی گئی سرمایہ کاری کی مالیت ان کے اندر ورنی ریکارڈ کے مطابق 30 جون 2020 کو 14.14 ملین روپے (2019 میں 47.33 ملین روپے) تھی۔

مستقبل کی پیش بینی

مستقبل قریب میں COVID-19 سے متعلق خدشات ابھی تک موجود ہیں جس میں FY21 کی دوسرا ششماہی کے دوران بھالی کی خفیف امید بھی ہے۔ کمپنی کی برآمدی کا کردار میں نمایاں اضافہ ہوا ہے اور ہم تسلسل کے ساتھ اس میں اضافے اور FY21 میں 1 ملین روپے کا برآمدی ہدف حاصل کرنے کے لئے کوشش ہیں۔ مزید توقع کی جاتی ہے کہ COVID-19 کی صورت حال ختم ہونے کے بعد کمکمل تجارتی سرگرمیوں شروع ہونے کے ساتھ ہی مقامی فروخت میں بھی اضافہ ہو گا۔

CRC پلانت کی تغیری جاری ہے تاہم پلانت کی COD میں تاخیر متوقع ہے کیونکہ ہمارا سپلائر وقت پر اپنے وعدہ پورا نہ کر سکا۔ اس کی مکمل وضاحت مالیاتی گوشواروں کے نوٹ نمبر 3.25 میں پیش کی گئی ہے۔ ہم دیگر انٹرنسیشنل سپلائرز کے ساتھ CRM پلانت کی خریداری پر گفت و شنید کر رہے ہیں اور توقع ہے کہ جلد ہی اس کے سازگار نتائج سامنے آئیں گے۔

آڈیٹر

موجودہ آڈیٹر میسر زاہم یوسف عادل سلیم اینڈ چارٹرڈ اکاؤنٹنٹس سیکرڈوٹ ہو چکے ہیں اور امیت کے باعث انہوں نے اپنی دوبارہ تقری کی پیشکش کی ہے۔ آڈٹ کمیٹی کی توہین پر بورڈ آف ڈائریکٹرز نے سال 30 جون 2021 کے لئے باہمی طے شدہ معاوضہ پر کمپنی کے آڈیٹر کی ٹھیکیت سے ان کی دوبارہ تقری کی سفارش کی ہے۔

ادارتی نظم و ضبط کے ضابطے کی پاسداری

سال مختتمہ 30 جون 2020 میں پاکستان اسٹاک ایچیجنگ کے متعلقہ لسٹنگ ریگولیشنز میں دینے 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 فائر نے دھنکتے ہیں اور اسے رپورٹ میں شامل کیا گیا ہے۔

فروخت

کمپی کی فروخت میں 4 فیصد اضافہ ہوتا ہم فروخت شدہ مقدار میں 5 فیصد کی ہوئی۔

پیداوار

موجودہ سال کی پیداوار گزشتہ سال کی نسبت 24 فیصد زیادہ رہی۔ پیداواری مقدار 1,06,24 میٹر کٹن رہی چیلکے گزشتہ سال 19,478 میٹر کٹن تھی۔ پیداواری گنجائش سے استفادہ 20 فیصد رہا۔

کاروباری حائزہ

EBTIDA (غیر متوافق اخراجات پنا کر 87.83 ملین روپے (5.2 فیصد) رہی جبکہ گزشتہ سال 284.31 ملین روپے (8.3 فیصد) تھی۔

انتحلاني اخراجات میں 8 فیصد کا اعتدالی اضافہ ہوا جبکہ تیکی اخراجات میں اضافہ کی بنادی وہی ہے جو آمدات کے نتیجے میں ہونے والے تسلی اخراجات ہیں۔

سال کا خالص یعداً لیکس خسارہ 8.86 ملین روپے رہا جبکہ گزشتہ سال 8.68 ملین روپے کا منافع ہوا تھا۔

فی حصر آلمان

فی حصص خسارہ (0.10) رو یے رہی چیکے گز شستہ سال فی حصص منافع 0.39 رو یے رہا۔

قومی خزانے کو ادا نیگیاں

کمپنی نے آنکھیں، سیلزیں، کشمکشیوں اور دیگر مخصوصات کی مدیں 1,029 میں رویے تو می خزانے میں جمع کرائے۔

PACRA کی قرضہ حاصل ریٹنگ

ریٹنگ پر نظر ثانی کے بعد PACRA نے کمپنی کی ادارتی ریٹنگ برقرار رکھتے ہوئے طویل مدتی کے لئے-AS (سنگل A میں) اور قلیل مدتی کے لئے AS (سنگل A ٹو) کے "مستحکم" مظہر نامہ سے نوازا۔

خطرات کا انتظام

کمپنی کے خطرات کے انتظام کا نظام سرگرمیوں جیسے کہ کلیدی فیصلہ سازی، آپریشنز، پاسداری اور مالیاتی روپرینگ وغیرہ میں خطرات کی نشاندہی اور ان کے ازالہ پر مشتمل ہے۔ یورڈ بذات خود ان خطرات کا موثر انداز میں جائزہ لیتا ہے اور گرانی کرتا ہے۔

مناسب گرفتوں کو تشکیل دیا گیا ہے اور SOPs اور دیگر پالیسی رہنمای اصولوں کے ذریعے انہیں ادارے میں ہر سطح پر نافذ ہیں۔

پلیٹ کی فروخت میں کمی کے باواسطہ اثرات شامل ہیں۔

COVID-19 سے نیر آزمہ ہونے کے لئے کمپنی نے مکمل طور پر وفاقی اور صوبائی حکومتوں کے طے کردہ SOPs پر کمکتی عمل درآمد کیا اور لاک ڈاؤن کے دوران استثنائی حاصل کر کے حکومت سے خود کو بنیادی ضرورت کا کاروبار قرار دیا۔ اس دوران فروخت اور درآمد کی سرگرمیاں جزوی طور پر متاثر ہوئیں اور شپنٹ معمولی رکاوٹوں کے ساتھ موصول ہوئیں۔ اس دوران کمپنی نے اپنے ملازمین کو PPEs یعنی دست انہیں اور فیس ماسک فراہم کئے اور سماجی فاصلے سے متعلق اقدامات کئے اور سینی ٹائز رکا استعمال جاری رہا۔

کاروباری جائزہ اور مالیاتی جھلکیاں

		---PKR---	
2018	2019	2020	
2,646,260,757	3,408,743,813	3,556,448,459	خاص فروخت
165,694,478	334,806,834	181,075,688	خام منافع
(40,645,514)	128,924,764	26,947,323	منافع / (خسارہ) قبل از ٹکس
(67,733,341)	86,890,505	(23,143,568)	(خسارہ) / منافع بعد از ٹکس
(0.65)	0.39	(0.10)	فی حصہ آمدن

زیر جائزہ سال کے دوران مجموعی خالص فروخت 3,556 ملین روپے رہی جو کہ گزشتہ مدت کی نسبت 4 فیصد زیادہ ہے۔ فروخت میں اضافہ میں بنیادی حصہ برآمدی فروخت میں اضافہ تھا جبکہ مقامی فروخت 11 فیصد کم رہی۔ جنم کے لحاظ سے مجموعی فروخت شدہ مقدار گزشتہ سال کی نسبت 5 فیصد کم رہی، جبکہ مقامی فروخت 22 فیصد کم رہی۔ کاروباری سرگرمی میں تنزل کی بنیادی وجہ معاشری ست روی اور غیر یقینی کاروباری حالات تھے جو COVID-19 کی وبا اور نتیجتاً ملک بھر میں لاک ڈاؤن کے نتیجے میں ظہور پذیر ہوئے، جبکہ سال کے ابتدائی حصے میں بنیادی وجوہات میں پام آئکل کی درآمدات میں ٹیف کی بے قاعدگیاں اور رانسپورٹوں کی ہڑتال کے ساتھ فروخت پر تاثر اثرات شامل ہیں۔

ٹن مل بیک پلیٹ (TMBP) میں قیتوں میں ملا جلا رہا جان دیکھا گیا۔ سال کی پہلی ششماہی میں خام مال کی قیتوں میں اضافہ کے رہا جان دیکھا گیا جو کہ سال کی دوسرا ششماہی میں کم ہو گئیں۔ مجموعی طور پر لگت فروخت میں 10 فیصد اضافہ ہوا تھا اور پیان کردہ ناسازگار کاروباری حالات کے نتیجے میں قیتوں میں اضافے کے اثرات صارفین تک منتقل نہ کئے جاسکے اور اس ترجیح فروخت کی آمدن میں صرف 4 فیصد اضافہ ممکن ہو سکا۔

برآمدی فروخت میں نمایاں اضافہ کمپنی کے لئے امید کی ایک نئی کرن ہے اور برآمدی مارکیٹ کی ترقی مسلسل کو شتوں کا نتیجہ ہے۔ ہمارے غیر ملکی گاہکوں سے ہمیں متواتر آرڈر ڈزم موصول ہونا ہمارے ETP کے معیار پر اعتماد کی عکاسی ہے۔ ہمارا عزم ہے کہ تسلسل کے ساتھ اپنی فروخت کے لئے نئی مارکیٹ میں تلاش کریں گے اور دیگر علاقائی مارکیٹوں میں وسعت دیں گے۔ تاہم کمپنی کمپلٹ طور پر CRM پلائٹ کی تفصیل کی اہمیت سے آگاہ ہے جو کہ خطے میں ETP کا ترجیحی سپلائر بننے کے لئے ایک بنیادی میثیت رکھتا ہے۔

ڈائریکٹر ان کی رپورٹ

معزز حصہ یافتگان!

ہم covid-19 میں آپ کے تحفظ اور اچھی صحت کی امید کرتے ہیں اور آپ کے محفوظ مستقبل کیلئے دعا کو ہیں۔

صدیق سنزٹ پلیٹ لمیٹڈ کے ڈائریکٹر ان آپ کی کمپنی کی سالانہ رپورٹ کے ساتھ آٹھ شدہ مالیاتی گوشوارے برائے سال نتیجہ 30 جون 2020 بیع آڈیٹر رپورٹ پیش کرتے ہوئے اظہار سرست کرتے ہیں۔

عالیٰ معاشی منظر نامہ

ورلڈ اکنامک آٹھ لکھ نو میں 4.9 فیصد متوقع کی کی پیشگوئی کی ہے COVID-19 کے پھیلاؤ کے ساتھ عالمی معیشت پر کساد بازاری کا دباؤ بڑھنا شروع ہو گیا اور موجودہ مالیاتی سال میں عالمی GDP کے 4 سے 5 فیصد تک سکڑنے کی پیشگوئی کی گئی ہے COVID-19 پر تابوپانے کے اقدامات بشمول لاک ڈاؤن اور کاروباری بندش نے اشیائے صرف کی طلب میں قابل ذکر کی کردی اور پیداوار اور سپلائی کے ارتباط میں رکاوٹ پیدا کر دی COVID-19 کی دوسری لہر قریب ہی ہے، جس سے FY2020-21 کی پہلی شماہی میں عالمی معاشی نمو پر ممکن اثرات پڑنے کے امکانات ہیں جبکہ FY2020-21 کی دوسری شماہی میں معمولی بجائی کے ساتھ دنیا بھر میں پتاریع معاشی سرگرمیاں بحال ہونے کا امکان ہے۔

مندرجہ بالا صورتحال کے باوجود ٹن پلیٹ کی مجموعی عالمی طلب کے رجحان میں کچھ معمولی بہتری آئی۔ چونکہ ٹن پلیٹ کی 80 فیصد زیادہ طلب مذکوی و مشروبات کی صنعت میں ہے، لہذا ان شعبوں کی طلب میں اضافہ سے ٹن پلیٹ پیکینگ کی مارکیٹ کی نمو میں اضافہ ہو گا۔ خاص طور پر موجودہ COVID-19 کے منظر نامہ میں ٹن پیکینگ ایک صحت بخش شکل ہے۔ دوسرے عوامل میں ٹن پلیٹ پیکینگ کی نمو میں اضافہ "BPA فری" لینگ ہے جو کہ حفاظان صحت کے اصولوں سے آگاہ صارفین میں بہت مقبول ہو رہی ہے۔ اس کے علاوہ ٹن پلیٹ کے خلاف مزاحم، اچھامیکائی کی استحکام اور بہترین سولڈ رائیلیٹ کی وجہ سے سیمیکس اور دو اسازی کی صنعت میں اس کا استعمال بڑھ رہا ہے۔

پاکستان کا معاشی منظر نامہ

FY20 پاکستان کے لئے بہتر سال نہیں رہا، پہلی شماہی میں بڑھتی ہوئی شرح سود اور بلند افراط ازدیاد کے اثرات نے معاشی سرگرمیوں کو دباؤ جاری رکھا چکا۔ دوسری شماہی میں اضافہ سے ٹن پلیٹ پیکینگ کی مارکیٹ کی نمو میں اضافہ ہو گا۔ خاص طور پر موجودہ COVID-19 کے منظر نامہ میں ٹن پیکینگ ایک صحت بخش شکل ہے۔ دوسرے عوامل میں ٹن پلیٹ پیکینگ کی نمو میں اضافہ "BPA فری" لینگ ہے جو کہ حفاظان صحت کے اصولوں سے آگاہ صارفین میں بہت مقبول ہو رہی ہے۔ اس کے علاوہ ٹن پلیٹ کے خلاف مزاحم، اچھامیکائی کی استحکام اور بہترین سولڈ رائیلیٹ کی وجہ سے سیمیکس اور دو اسازی کی صنعت میں اس کا استعمال بڑھ رہا ہے۔

پہلی شماہی میں ٹن پلیٹ کی طلب پر اثر انداز ہونے والے عوامل میں پام آئکل کی درآمدات پر ٹیکر میں بے تا عدگیاں، ٹرانسپورٹر کی ہڑتا لیں اور کمپنی متعلق مسائل میں جگہ دوسری شماہی میں کاروباری سرگرمیوں میں کمی، ریسٹورنٹس کی بندش، شادیوں کی تقریبات اور دیگر بڑے اجتماعات پر پابندی سے غذائی اشیاء کے استعمال میں کمی اور اس کے نتیجے میں ٹن



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: Siddiqsons Tin Plate Limited

Year ended: June 30, 2020

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

- I. The total number of directors are seven as per the following:

a) Male: Six
b) Female: One

2. The composition of the Board of Directors is as follows:

Category	Names
i. Independent Directors	Mr. Abdul Wahab Mr. Ashraf Mahmood Wathra
ii. Non-Executive Directors	Mr. Tariq Rafi Mr. Ibrahim Shamsi Ms. Alia Sajjad
iii. Executive Directors	Mr. Munir Qureshi Mr. Naeem-ul Husnain Mirza
iv. Female Director	Ms. Alia Sajjad

3. The Directors have confirmed that none of them is serving as a director on more than seven 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.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 ("the Act") and Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the 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 the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board 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 regards to their Directors' Training Program (DTP). Out of total seven directors, two directors have obtained certification under DTP while the remaining 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.
10. There was no appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit during the year.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:-
 - a. **Audit Committee**

Mr. Ashraf Mahmood Wathra, Chairman
 Mr. Ibrahim Shamsi, Member
 Ms. Alia Sajjad, Member
 - b. **Human Resource and Remuneration (HR & R) Committee**

Ms. Alia Sajjad, Chairman
 Mr. Munir Qureshi, Member
 Mr. Abdul Wahab, Member
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 aforesaid committees were as per following:
 - a) Audit Committee: Four quarterly meetings were held during the financial year ended June 30, 2020.
 - b) HR and Remuneration Committee: One meeting was held during the financial year ended June 30, 2020.
15. The Board has set up an effective internal audit function which is 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 Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
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 3, 6, 7, 8, 27, 32, 33 and 36 have been complied with except as mentioned in para 18.1 below:
- 18.1 As per regulation 6, it is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors and currently, there are two independent directors in a board of seven directors. With regard to compliance with Regulation 6 pertaining to fraction contained in one-third number and not rounded up as one, Management believes that two Independent Directors are sufficient to represent minority shareholders. As per Regulation 6 rounding up was not mandatory and the Regulators had placed Regulation 6 rounding up under the 'comply or explain' approach which enabled the Board to explain its reasoning.
19. Explanations for non-compliance with the requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:
- 19.1 As per regulation 10(4) of Listed Companies (Code of Corporate Governance) Regulations 2019, the Board shall ensure that complete records of particulars of the significant policies along with their date of approval or updating is maintained by the company. Significant policies are being updated regularly by the Company but due to pandemic they have not been approved. Management is in the process of updating the policies as per the regulations.
- 19.2 As required by Regulation 19 of Listed Companies (Code of Corporate Governance) Regulations 2019, the Company is required to make appropriate arrangements to carry out orientation course for their directors to acquaint them with new Regulations, applicable laws, their duties and responsibilities to enable them to effectively govern the affairs. Directors' orientation was not conducted during the year however subsequent to the year end management has conducted the course as prescribed by the regulations.

- 19.3 In addition to the mandatory and non-mandatory clauses / regulations stipulated in the Regulations, there are certain regulations / clauses in the Regulations in which word 'may' or 'encouraged' have been used. We understand that these clauses remain recommendatory in nature and therefore, neither fall under mandatory regulations / clauses nor fall into 'comply or explain' approach. However, the Company may voluntarily comply with such regulations / clauses as at June 30, 2020, the Company has complied with certain recommendatory regulations / clauses and the Company may consider compliance with remainder of these in future.



TARIQ RAFI

Chairman

Karachi: October 06, 2020

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, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **SIDDIQSONS TIN PLATE LIMITED** (the Company) for the year ended June 30, 2020 in accordance with the requirements of Regulation 36 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. 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.

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, 2020.

Further, we highlight below instances of non-compliance with the requirement of the Regulations as reflected in the note reference where they are stated in the Statement of Compliance:

Note Reference	Description
19.1	As per regulation 10(4) of Listed Companies (Code of Corporate Governance) Regulations 2019, the Board shall ensure that complete records of particulars of the significant policies along with their date of approval or updating is maintained by the company. Significant policies are being updated regularly by the Company but due to pandemic they have not been approved. Management is in the process of updating the policies as per the regulations.

Note Reference	Description
19.2	As required by Regulation 19 of Listed Companies (Code of Corporate Governance) Regulations 2019, the Company is required to make appropriate arrangements to carry out orientation course for their directors to acquaint them with new Regulations, applicable laws, their duties and responsibilities to enable them to effectively govern the affairs. Directors' orientation was not conducted during the year however subsequent to the year end management has conducted the course as prescribed by the regulations.

Chartered Accountants

Date: October 14, 2020

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, 2020, and the statement of profit or loss 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, 2020 and of the loss, 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 The Company is engaged in manufacturing and sale of tin plates, cans and other steel products. Revenue recognition policy has been explained in notes 4.13, and the related amounts of revenue recognised during the year are disclosed in note 26 to the financial statements.	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>The Company generates revenue from the sale of goods to domestic and export customers.</p> <p>We identified revenue recognition as the key audit matter since it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not have been recognised on point in time basis i.e, when control of goods is transferred to the customer, in line with the accounting policy adopted and may not have been recognised in the appropriate period.</p>	<ul style="list-style-type: none"> Obtained an understanding of and assessed the relevant 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 22% 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:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- 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 14, 2020

Member of
Deloitte Touche Tohmatsu Limited

STATEMENT OF FINANCIAL POSITION

As at June 30, 2020

ASSETS	Note	2020 Rupees	2019 Rupees
NON-CURRENT ASSETS			
Property, plant and equipment	5	2,015,982,881	858,948,669
Long term deposit		7,179,250	7,179,250
Long term advance	6	408,440,343	880,774,647
		2,431,602,474	1,746,902,566
CURRENT ASSETS			
Stores, spares and loose tools	7	18,448,870	18,825,945
Stock-in-trade	8	1,535,131,890	1,223,387,627
Trade debts	9	472,090,319	614,193,549
Advance income tax	10	104,843,690	134,814,728
Loans and advances	11	76,351,668	70,716,166
Trade deposits and prepayments	12	29,262,107	43,080,680
Term deposit certificates	13	165,564,407	620,650,000
Other receivables	14	-	-
Other financial assets	15	-	287,822
Sales tax refundable		243,314,331	57,354,330
Cash and bank balances	16	155,839,449	27,179,356
		2,800,846,731	2,810,490,203
Total Assets		<u>5,232,449,205</u>	<u>4,557,392,769</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	17	2,292,787,700	2,292,787,700
Share premium		301,517,286	301,517,286
Accumulated profit		100,268,811	123,412,379
		2,694,573,797	2,717,717,365
NON-CURRENT LIABILITIES			
Long term finance	18	16,509,114	-
Deferred government grant	19	909,746	-
Deferred taxation	20	-	-
		17,418,860	-
CURRENT LIABILITIES			
Trade and other payables	21	303,182,130	204,139,740
Contract liabilities		113,796,576	12,763,465
Due to director	22	360,000,000	200,000,000
Interest / mark-up accrued on borrowings	23	20,123,145	33,380,473
Short-term borrowings	24	1,705,988,090	1,383,740,332
Current portion of long term finances	18	10,983,226	-
Current portion of deferred government grant	19	1,505,762	-
Unpaid dividend		2,918,918	2,918,918
Unclaimed dividend		1,958,701	2,732,476
		2,520,456,548	1,839,675,404
Total Equity and Liabilities		<u>5,232,449,205</u>	<u>4,557,392,769</u>
CONTINGENCIES AND COMMITMENTS	25		

The annexed notes from 1 to 45 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
Revenue from contract with customers - net	26	3,556,448,459	3,408,743,813
Cost of goods sold	27	(3,375,372,771)	(3,073,936,979)
Gross profit		<u>181,075,688</u>	<u>334,806,834</u>
 Distribution cost	28	(45,785,948)	(21,101,029)
Administrative expenses	29	(77,364,350)	(72,508,592)
Other expenses	30	(2,804,670)	(6,903,569)
Finance cost	31	(89,491,301)	(176,890,087)
Other income	32	61,317,904	71,521,207
 Profit before taxation		<u>26,947,323</u>	<u>128,924,764</u>
Taxation	33	(50,090,891)	(42,034,259)
(Loss) / Profit after taxation		<u>(23,143,568)</u>	<u>86,890,505</u>
 Other comprehensive income		-	-
 Total comprehensive (loss) / income for the year		<u>(23,143,568)</u>	<u>86,890,505</u>
 (Loss) / Earnings per share - Basic and diluted	34	<u>(0.10)</u>	<u>0.39</u>

The annexed notes from I to 45 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, 2020

	2020 Rupees	2019 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	26,947,323	128,924,764
Adjustments for non cash and other items:		
Depreciation on property, plant and equipment	31,188,683	31,251,979
Finance cost	89,491,301	176,890,087
Provision for doubtful debts and other receivables	-	4,110,181
Provision for slow moving stores	2,082,869	3,446,379
Gain on disposal of property, plant and equipment	-	(395,907)
Loss on sale of investment carried at fair value through profit or loss	46,680	118,055
Loss on remeasurement of short term borrowing	2,879,627	-
Provision for chromite stock	-	14,535,745
Operating cash flows before movement in working capital	<u>152,636,483</u>	<u>358,881,283</u>
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(1,705,794)	(3,990,530)
Stock-in-trade	(311,744,263)	(407,126,935)
Trade debts	142,103,230	(90,334,426)
Loans and advances	(5,635,502)	3,586,449
Trade deposits and prepayments	13,818,573	(11,974,950)
Sales tax refundable	(185,960,001)	22,593,231
Increase in current liabilities		
Trade and other payables	200,075,501	65,853,375
Due to director	160,000,000	200,000,000
	<u>10,951,744</u>	<u>(221,393,786)</u>
Cash flow generated from operations	<u>163,588,227</u>	<u>137,487,497</u>
Income tax paid	(20,119,853)	(21,093,224)
Interest / markup paid	(102,840,781)	(168,309,108)
Net cash flows generated / (used in) operating activities	<u>40,627,593</u>	<u>(51,914,835)</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(8,781,905)	(194,923,754)
Addition to Capital work in progress	(1,179,440,990)	(105,701,899)
Proceed from disposal of investment in fair value thorough profit or loss	241,141	-
Proceed from disposal of property, plant and equipment	-	500,000
Recovery / (advance) against letter of credit	472,334,304	(880,774,647)
Term deposit certificates - net	455,085,593	(600,000,000)
Net cash flows used in investing activities	<u>(260,561,857)</u>	<u>(1,780,900,300)</u>


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

STATEMENT OF CASH FLOWS

For the year ended June 30, 2020

	2020 Rupees	2019 Rupees
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	30,000,000	-
Unclaimed dividend paid	(773,775)	-
Short-term borrowings - net	640,460,452	(4,565)
Proceeds from issuance of right shares net of transaction cost	-	1,778,845,111
Net cash generated from financing activities	<u>669,686,677</u>	<u>1,778,840,546</u>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	449,752,413	(53,974,589)
Cash and cash equivalents at beginning of the year	(344,595,939)	(290,621,350)
Cash and cash equivalents at end of the year	<u>105,156,474</u>	<u>(344,595,939)</u>
Cash and cash equivalents		
Cash and bank balances	155,839,449	27,179,356
Short term running finance	<u>(50,682,975)</u>	<u>(371,775,295)</u>
	<u>105,156,474</u>	<u>(344,595,939)</u>

The annexed notes from 1 to 45 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2020

	RESERVES			Total
	Issued, subscribed & paid up capital	Capital	REVENUE	
	Share premium	Unappropriated profit	-----Rupees-----	
Balance as at July 1, 2018	785,201,270	-	66,780,479	851,981,749
Transaction with owners:				
Issuance of right shares (Rs. 12 per share)	1,507,586,430	301,517,286	-	1,809,103,716
Transaction cost of right issue	-	-	(30,258,605)	(30,258,605)
	1,507,586,430	301,517,286	(30,258,605)	1,778,845,111
Total Comprehensive income				
Profit for the year ended June 30, 2019	-	-	86,890,505	86,890,505
Other comprehensive income - net of tax	-	-	-	-
Total comprehensive income for the year	-	-	86,890,505	86,890,505
Balance as at June 30, 2019	2,292,787,700	301,517,286	123,412,379	2,717,717,365
Total Comprehensive income				
Loss for the year ended June 30, 2020	-	-	(23,143,568)	(23,143,568)
Other comprehensive income - net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(23,143,568)	(23,143,568)
Balance as at June 30, 2020	2,292,787,700	301,517,286	100,268,811	2,694,573,797

The annexed notes from 1 to 45 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2020

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:

Tin Plate 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, Company has paid advance against plant and machinery through letter of credit that pertains to Cold Rolled Mill project which is finance through debt and equity as disclosed in note 6.
- As in the rest of the world, COVID-19 adversely affected lifestyles and business operations in Pakistan. The Company complied with the SOPs prescribed by Federal and Provincial Governments and declared themselves as an essential business with Government by obtaining exemption from non operation during lockdown period. Sales and import activities were marginally affected during lockdowns and the shipments were received as per schedule with minor disruptions. The Company remained up to date in all its financial commitments. The Management believes that the going concern assumption of the Company remains valid.

3. BASIS OF PREPARATION

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



Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

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 4.1) ;
- Provision against slow moving stores, spares and loose tools (note 4.4) ;
- Provision against slow moving stock in trade (note 4.5) ;
- Provision against doubtful debts and receivables (note 4.6) and
- Provision for taxation and deferred tax (note 4.14)

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, 2020

The following standards, amendments and interpretations are effective for the year ended June 30, 2020. 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 IFRS-16 as explained in note 3.5.3.

Amendments / Interpretation	Effective from accounting period beginning on or after:
IFRS 16 Leases, this standard will supersede IAS 17 'Leases', IFRIC 4, SIC 15 and SIC 27 upon its effective date.	January 01, 2019
IFRS 14 – Regulatory Deferral Accounts - IFRS 14 was originally issued in January 2014 and applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016. However, SECP has adopted from July 01, 2019.	July 01, 2019
Amendments to IFRS 9 'Financial Instruments' - prepayment features with negative compensation and modifications of financial liabilities.	January 01, 2019
Amendments to IAS 28 'Investments in Associates and Joint Ventures' -Amendments regarding long-term interests in associates and joint ventures 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 amendment, curtailment 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
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.



Amendments / Interpretation**Effective from accounting period beginning on or after:**

Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS January 01, 2020

Amendments to IFRS 3 'Business Combinations' - Amendments regarding definition of a business January 01, 2020

Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - Interest rate benchmark reform January 01, 2020

Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework January 01, 2020

Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions January 01, 2020

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' and align the definition used in the Conceptual Framework and the Standards January 01, 2020

Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current January 01, 2023

Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use January 01, 2022

Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract January 01, 2022

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 17 'Insurance Contracts'

3.5.3 First time adoption of IFRS 16-Leases

During the year, IFRS 16-Leases became applicable to the Company. IFRS 16 replaces IAS 17 "Leases" and related interpretations and set out the principles for recognition, measurement, presentation and disclosure of leases. The standard introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of Low-value items.

Lessor accounting remains similar to the current standard i.e lessors continue to classify lease as either finance or operating lease.

The Company has adopted IFRS 16 from July 01, 2019 and its adoption does not have any impact on these financial statements as the lease is short term lease.

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, 2019 except changes applied due to the adoption of new standard as disclosed in note 3.5.3 of these financial statements.

4.1 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.

4.2 Leases

The company is the lessee.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

From July 1, 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss and other comprehensive income if the carrying amount of right-of-use asset has been reduced to zero. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit or loss and other comprehensive income. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

4.3 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss and other comprehensive income.

4.3.1 Financial assets

Classification

The Company classifies its financial assets in to following three categories:

IFRS 9 contains three principal classification categories for financial assets:

- i) Measured at amortized cost ("AC"),
- ii) Fair value through other comprehensive income ("FVTOCI") and
- iii) Fair value through profit or loss ("FVTPL").

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

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

A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL:

- the asset is 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.

On initial recognition, for an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in Other Comprehensive Income (OCI).

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

All other financial assets are classified as FVTPL (for example: equity held for trading and debt securities not classified either as amortized cost or FVTOCI).

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

4.3.2 Derecognition of financial assets

"The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in statement of profit or loss and other comprehensive income.

4.3.3 Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured at amortized cost. Amortized cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at FVTOCI

All financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in Other Comprehensive Income (OCI).

For debt instruments classified as financial assets at FVTOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVTOCI, where there is no reclassification on derecognition.

Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the statement of profit or loss and other comprehensive income.

4.3.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation

- Equity securities are initially recognise at cost excluding any transaction costs which are charged to profit or loss and other comprehensive income and subsequently measured at fair value through profit or loss. The fair value of investments is determined by using closing rate of securities at day end available on the PSX website.
- Appreciation and diminution arising from changes in fair value of financial assets classified as fair value through profit or loss are recognised in statement of profit or loss and other comprehensive income.

4.3.5 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

A. Bank borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added in the carrying amount of the borrowing.

B. SBP - Refinance scheme for salary payments

Loan obtained under the State Bank of Pakistan (SBP) Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees was initially recognised at its fair value, which is the present value of future cash outflows discounted using the prevailing market interest rate of a similar instrument. The differential between the loan proceeds and fair value is recorded as government grant under IAS 20 "Government Grant" as disclosed in note 4.12.



In subsequent periods, the loan amount would be accreted using the effective interest method. The accretiation would increase the carrying value of the loan with a corresponding effect on the interest expense for the period.

4.3.6 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

4.3.7 Impairment

Financial assets

The Company recognizes a loss allowance for expected credit loss "ECL" on trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The Company always recognizes lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Given the Company's experience of collection history and historical loss rates and normal receivable ageing, expected credit loss model has not had a material impact on the financial position and / or financial performance of the Company.

Non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of profit or loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is determined through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.3.8 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

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.¹¹

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 Deferred grant

The benefit of interest rate lower than market rate on borrowings obtained under State Bank of Pakistan (SBP) under Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the entity, is accounted for as a government grant which is the difference between loan received and the fair value of the loan. The differential amount is recognised and presented in statement of financial position as deferred government grant.

In subsequent periods, the grant shall be amortised over the period of loan and amortisation shall be recognised and presented as reduction of related interest expense.

4.13 Revenue from contracts with customers

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

4.14 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.

4.15 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.

4.16 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.

4.17 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.

4.18 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.

4.19 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 39 to these financial statements.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	2020 Rupees	2019 Rupees
Operating fixed assets	5.1	710,962,627	733,369,405
Capital work in progress	5.2	1,305,020,254	125,579,264
		<u>2,015,982,881</u>	<u>858,948,669</u>

5.1 Operating fixed assets

Particulars	Cost at July 01, 2019	Additions / Transfer / (disposals)	Cost at June 30, 2020	Accumulated depreciation at July 01, 2019	Depreciation for the year / on (disposal)	Accumulated depreciation at June 30, 2020	Carrying value at June 30, 2020	Depreciation Rate %
Rupees -----								
Leasehold land	7,533,750	-	7,533,750	-	-	-	7,533,750	-
Freehold land	167,401,427	-	167,401,427	-	-	-	167,401,427	-
Buildings on leasehold land	142,200,670	-	142,200,670	120,389,233	2,181,143	122,570,376	19,630,294	10
Plant and machinery	1,044,285,732	320,361	1,044,606,093	566,925,092	19,102,890	586,027,982	458,578,111	4
Power and other installations	87,828,425	-	87,828,425	72,306,742	1,552,168	73,858,910	13,969,515	10
Factory equipment	6,315,784	4,258,523	20,574,307	13,061,356	429,192	13,490,548	7,083,759	10
Generators	13,576,327	-	13,576,327	10,761,561	28,177	11,043,038	2,533,289	10
Office equipment	13,787,822	43,100	13,830,922	7,388,133	642,721	8,024,854	5,806,068	10
Data processing equipment	7,727,760	820,636	8,548,396	6,413,795	593,840	7,007,635	1,540,761	33
Furniture and fixtures	4,918,496	72,000	4,990,496	3,515,687	144,481	3,660,168	1,330,328	10
Vehicles - 5.1.1	59,031,372	3,267,285	62,298,657	30,482,561	6,260,771	36,743,332	25,555,325	20
	1,564,607,565	8,781,905	1,573,389,470	831,238,160	31,188,683	862,426,843	710,962,627	

	2020 Rupees	2019 Rupees
Cost of goods sold	23,546,870	24,707,042
Administrative expenses	7,641,813	6,544,937

- 5.1.1 Allocation of depreciation**
- This includes an amount of Rs 13.699 million (2019: 13.699 million) held in the name of Siddiqsons Dairies (Private) Limited and it is in the process of being transferred.

Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

For comparative period

Particulars	Cost at July 01, 2018	Additions / (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 %
Rupees -----								
Leasehold land	7,533,750	-	7,533,750	-	-	-	7,533,750	-
Freehold land	-	167,401,427	167,401,427	-	-	-	167,401,427	-
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	36,254,927	24,311,445	59,031,372	26,591,204	5,322,264	30,482,561	28,548,811	20
		(1,535,000)			(1,430,907)			
	1,371,218,811	27,522,327	1,564,607,565	801,417,088	31,251,979	83,238,160	733,369,405	
		(1,535,000)			(1,430,907)			

5.1.3 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
Plot No. 5, Special Industrial Zone, Winder, Distt, Lasbella, L.I.E.D.A, Balochistan.	21	Manufacturing facility
Plot No. 272 & 273 Hub City, Mouza Beroot Peerkas Road, Districe Lasbella, Hub Balochistan	72	Manufacturing facility under construction

5.2 Capital work in progress

	Note	2020 Rupees	2019 Rupees
Civil work	5.2.1	1,025,512,981	48,442,294
Machinery, electrical installations, furniture and equipments	5.2.2	37,788,865	25,012,162
Others	5.2.3	241,718,408	52,124,808
	5.2.4	<u>1,305,020,254</u>	<u>125,579,264</u>

5.2.1 Civil Work

Opening	48,442,294	-
Additions	<u>977,070,687</u>	<u>48,442,294</u>
	<u>1,025,512,981</u>	<u>48,442,294</u>
Transfer to operating fixed Assets	-	-
Closing Balance	<u>1,025,512,981</u>	<u>48,442,294</u>

5.2.2 Machinery, mechanical and electrical installations, furniture and equipment

Opening	25,012,162	-
Additions	<u>12,776,703</u>	<u>25,012,162</u>
	<u>37,788,865</u>	<u>25,012,162</u>
Transfer to operating fixed Assets	-	-
Closing Balance	<u>37,788,865</u>	<u>25,012,162</u>

5.2.3 Others

	2020 Rupees	2019 Rupees
Opening	52,124,808	-
Additions:		
Utilities	12,471,382	10,746,720
Salaries, wages and other benefits	55,167,288	30,582,374
Mobilisation advance	14,107,502	-
Travelling charges	3,456,886	8,300,877
Transportation, lodging and boarding	12,202,951	333,710
Stores and spares	5,711,424	829,752
Legal & professional	5,033,000	1,331,375
Finance cost	78,082,192	-
Repair and maintenance	3,360,975	-
	189,593,600	52,124,808
Transfer to operating fixed Assets	-	-
Closing Balance	241,718,408	52,124,808

5.2.4 The Company is establishing Cold Rolling Mill (CRM) project for manufacturing of Tin Mill Black Plates / CRC 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.

6. LONG TERM ADVANCE

	2020 Rupees	2019 Rupees
Advance against letter of credit	408,440,343	880,774,647

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 5.2.4.

6.2 Movement in long term advances

	Note	
Opening		880,774,647
Advances during the year		134,545,268
Encashed during the year		(606,879,572)
Closing		408,440,343

7. STORES, SPARES AND LOOSE TOOLS

	7.1	
Stores, spares and loose tools		29,429,251
Less: Provision for slow-moving and obsolete items		(10,980,381)
		18,448,870

	2020 Rupees	2019 Rupees
7.1 Provision for slow moving and obsolete items		
Opening balance	8,897,512	5,451,133
Provision made during the year	2,082,869	3,446,379
Closing balance	10,980,381	8,897,512
8. STOCK-IN-TRADE		
Raw material - Tinplate		
in hand	179,588,076	631,649,823
in bond	25,214,269	-
in transit	371,043,929	-
Finished goods - Tinplate		
tin	934,425,844	587,898,880
cans	2,267,454	1,180,913
scrap	22,592,318	2,658,011
	959,285,616	591,737,804
Chromite	1,535,131,890	1,223,387,627
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	29,071,490
	(29,071,490)	(29,071,490)
	-	-
	1,535,131,890	1,223,387,627
9. TRADE DEBTS		
- Considered good		
Local - unsecured	336,692,340	530,477,154
Foreign	135,397,979	83,716,395
- Considered doubtful		
Local - unsecured	8,753,502	8,753,502
Less: Provision for doubtful debts	(8,753,502)	(8,753,502)
	-	-
	472,090,319	614,193,549

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



	Note	2020 Rupees	2019 Rupees
9.2 Ageing of undue and past due			
Current - Not due		298,188,900	469,812,883
31 - 60 days		37,642,819	59,408,567
61 - 90 days		660,621	1,040,844
Above 90 days		8,953,502	8,968,362
	9.3	<u>345,445,842</u>	<u>539,230,656</u>
9.3			
This includes impaired debtors amounting to Rs. 8.753 million (2019: Rs. 8.753 million).			
9.4			
Following are the details of debtors in relation to export sales:			
		Name of Foreign Jurisdiction	Type of transaction
Asia		Letter of Credit	134,003,234
Europe		Letter of Credit	1,394,745
			<u>135,397,979</u>
10. ADVANCE INCOME TAX			
Advance tax		154,934,581	176,848,987
Provision for taxation	33	(50,090,891)	(42,034,259)
		<u>104,843,690</u>	<u>134,814,728</u>
11. LOANS AND ADVANCES			
		Considered good	
Loan to employees		1,645,117	654,260
		Advances	
To suppliers		13,121,406	4,092,347
Against expenses		4,031,628	9,913,181
Letters of credit fee and expenses	11.1	57,553,517	56,056,378
		74,706,551	70,061,906
		<u>76,351,668</u>	<u>70,716,166</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. During the year, Company has won the case and recovery proceedings are being initiated in the Spain court (supplier country court) where Centurion Tetra SL (Supplier) does not present before court. The management in consultation with its legal advisor is of the view that the amount will be recovered. Next proceeding hearing were upheld due to COVID - 19 pandemic. Subsequent to the year end, as per the consultation with the legal advisor of the Company next proceeding hearing will be held on 27th October 2020.

12. TRADE DEPOSITS AND PREPAYMENTS

	Note	2020 Rupees	2019 Rupees
Deposit for bank guarantee margin	12.1 & 12.2	20,334,044	38,375,800
Prepayments		749,253	749,253
Security deposits for			
Containers		4,846,777	623,594
Tenders		853,262	853,262
Gas connections		488,271	488,271
PSO fleet cards		1,980,000	1,980,000
Others		10,500	10,500
		29,262,107	43,080,680

- 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 then challenged the decision of the Tribunal in the Islamabad High Court. The case is pending adjudication.
- 12.2** This includes margin against bank guarantees issued in favour of excise and taxation department for infrastructure cess and antidumping duty.

	Note	2020 Rupees	2019 Rupees
13. TERM DEPOSIT CERTIFICATES			

Financial asset - at amortised cost 13.1 & 13.2 165,564,407 620,650,000

13.1 This represents investment in term deposit certificates amounting to Rs. 50 million which carries markup at the rate of 6.25% to 7.00% (2019: 6.25% to 12.25%) per annum for the period of six months 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 two months and six months on roll over basis and carries interest rate 5.5% to 7.5% (2019: 10.35%). These are lien marked for the purpose of anti-dumping duty and infrastructures cess (Refer note 12).

14. OTHER RECEIVABLES

	Note	2020 Rupees	2019 Rupees
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
Considered doubtful	14.1 & 14.2	<u>57,179,191</u>	<u>53,069,010</u>
		<u>57,179,191</u>	<u>57,179,191</u>
Less: Provision for doubtful receivables		<u>(57,179,191)</u>	<u>(57,179,191)</u>
		<u>-</u>	<u>-</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 forfeited amount should be refunded to the entity under which negotiations are in process. However, a provision for this amount has been recorded. No litigation is filed by the Company over this matter.

15. OTHER FINANCIAL ASSETS

- Investments in equity securities at fair value through profit or loss

In quoted companies

2020	2019		Note	2020 Rupees	2019 Rupees
-----No. of shares-----					
-	8,538	National Bank of Pakistan		-	287,389
-	666	Summit Bank Limited		-	433
<u>-</u>	<u>9,204</u>			<u>-</u>	<u>287,822</u>

16. CASH AND BANK BALANCES

Cash in hand		503,500	490,228
Balances with banks:			
- Current account- local currency		142,965,282	11,565,465
- Saving accounts	16.1	11,110,474	13,895,303
		154,075,756	25,460,768
- Foreign currency		1,260,193	1,228,360
		<u>155,839,449</u>	<u>27,179,356</u>

16.1 Effective mark-up rate in respect of saving accounts range from 4.5% to 7.5% (2019 : 4.5% to 10.5%) per annum.

17. SHARE CAPITAL

2020	2019		Note	2020 Rupees	2019 Rupees
Number of Shares					
<u>300,000,000</u>	<u>300,000,000</u>	Authorised Ordinary shares of Rs. 10/- each		<u>3,000,000,000</u>	<u>3,000,000,000</u>
198,109,843	47,351,200	Issued, subscribed and paid up capital Ordinary shares of Rs. 10/-each fully paid in cash	16.1	1,981,098,430	473,512,000
31,168,927	31,168,927	Issued as fully paid bonus shares		311,689,270	311,689,270
<u>-</u>	<u>150,758,643</u>	Issued as right shares	17.2	<u>-</u>	<u>1,507,586,430</u>
<u>229,278,770</u>	<u>229,278,770</u>			<u>2,292,787,700</u>	<u>2,292,787,700</u>

17.1 Movement of share Capital

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

- 17.2** During the year 2019 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 34,816,601 (2019: 35,034,101) 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.

18. LONG-TERM FINANCE

From banking companies (Secured) - At amortised cost

	2020 Rupees	2019 Rupees
SBP Payroll Financing	27,492,340	-
Less: Current portion shown in current liabilities		
SBP Payroll Financing	(10,983,226)	-
	<u>16,509,114</u>	<u>-</u>

18.1 Reconciliation of liabilities arising from long 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, if any. 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.

	01-Jul-19	Cash flows		Non-Cash flows	30-Jun-20
		Obtained	Repaid		
SBP Payroll Financing		- 30,000,000	- -	* (2,507,660)	27,492,340

* Rs. 2,507,660 has been transferred to deferred Government grant as per IAS-20.

- 18.2** Facility was obtained under SBP payroll finance scheme via IH&SMEFD Circular No. 06 of 2020. The loan is subject to markup at the rate of 2.5% (2019: nil) repayable in 8 equal quarterly installments commencing from January 2021.

19. DEFERRED GOVERNMENT GRANT

	Note	2020 Rupees	2019 Rupees
Deferred grant against salary loans	19.1	2,415,508	-
Less: Current portion of deferred grant		(1,505,762)	-
		<u>909,746</u>	<u>-</u>
		<u><u>909,746</u></u>	<u><u>-</u></u>
19.1 Movement for the year			
As at the beginning of the year		-	
Add : Deferred grant recognised during the year		2,507,660	
		<u>2,507,660</u>	<u>-</u>
Less : Amortisation for the year		(92,152)	-
As at the end of the year		<u>2,415,508</u>	<u>-</u>
		<u><u>2,415,508</u></u>	<u><u>-</u></u>

19.2 Discount rate used to determine the fair value of the loan at the inception @ 9.68%.

19.3 Deferred grant relates to the difference between the fair value and actual proceed of salary loan obtained under SBP's Refinance scheme for payment of salaries during the current year. It will be amortised over the period of next two and a half year with an amount equal to the difference between the finance cost charged to statement of profit or loss account and the interest paid at SBP's defined rate as per the scheme. In subsequent periods, the grant will be amortised over the period of loan and amortisation will be recognised and presented as reduction of related interest expense.

20. DEFERRED TAXATION

Movement for the year ended June 30, 2020	Opening Balance	Recognised in Profit or loss	Recognised in Statement of comprehensive income	Closing balance
		Rupees		
Movement for the year ended June 30, 2020				
Deductible temporary differences in respect of:				
Unabsorbed tax losses	(41,639,873)	(49,308,418)	-	(90,948,292)
Unabsorbed tax depreciation	(44,405,496)	-	-	(44,405,496)
Minimum tax	(72,660,176)	29,080,956	-	(43,579,220)
Provision for doubtful debts	(2,538,516)	-	-	(2,538,516)
Provision for doubtful other receivables	(16,581,965)	-	-	(16,581,965)
Provision for slow moving stores	(2,580,278)	(604,032)	-	(3,184,310)
Provision for chromite stock	(8,430,732)	8,430,732	-	-
Other financial assets	(17,708)	(25,465)	-	(43,173)
Deferred tax assets due to change in tax rate	-	-	-	-
	(188,854,745)	(12,426,227)	-	(201,280,973)
Taxable temporary differences in respect of:				
Accelerated rate of depreciation	129,439,496 (59,415,249)	6,497,966 (5,928,262)	-	122,941,530 (78,339,442)
Net deferred tax asset is not recognised in view of non availability of sufficient taxable profits	59,415,249 -	5,928,262 -	-	78,339,442 -
	<u>59,415,249</u> <u>-</u>	<u>5,928,262</u> <u>-</u>	<u>-</u>	<u>78,339,442</u> <u>-</u>



	Opening Balance	Recognised in Profit or loss	Recognised in Statement of comprehensive income	Closing balance				
	-----Rupees-----							
Movement for the year ended June 30, 2019								
Deductible temporary differences in respect of:								
Unabsorbed tax losses	(104,614,623)	62,974,749	-	(41,639,873)				
Unabsorbed tax depreciation	(59,169,864)	14,764,368	-	(44,405,496)				
Minimum tax	(32,843,187)	(39,816,989)	-	(72,660,176)				
Provision for doubtful debts	(2,538,516)	-	-	(2,538,516)				
Provision for doubtful other receivables	(15,390,013)	(1,191,952)	-	(16,581,965)				
Provision for slow moving stores	(1,580,829)	(999,449)	-	(2,580,278)				
Provision for chromite stock	(4,215,366)	(4,215,366)	-	(8,430,732)				
Other financial assets	(26,090)	8,382	-	(17,708)				
Deferred tax assets due to change in tax rate	(376,699)	376,699	-	-				
	(220,755,187)	31,900,441	-	(188,854,745)				
Taxable temporary differences in respect of:								
Accelerated rate of depreciation	134,076,636	4,637,140	-	129,439,496				
	(86,678,550)	36,537,581	-	(59,415,249)				
Net deferred tax asset is not recognised in view of non availability of sufficient taxable profits	86,678,550	(36,537,581)	-	59,415,249				
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>				

21. TRADE AND OTHER PAYABLES

	Note	2020 Rupees	2019 Rupees
Creditors	21.1	118,306,469	61,147,079
Infrastructure cess	21.2	118,383,046	103,486,115
Accrued liabilities		17,476,922	8,613,690
Staff provident fund		3,267,217	3,770,895
Workers Profit Participation Fund	21.3	9,543,504	6,785,514
Anti-dumping duty payable	12.1	18,237,900	18,237,900
Retention money payable		7,521,249	-
Withholding tax		10,445,823	2,098,547
	<u>-----</u>	<u>303,182,130</u>	<u>204,139,740</u>

- 21.1** Trade payables are non-interest bearing and are normally settled on 30 days terms.
- 21.2** 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.

21.3 Workers Profit Participation Fund	Note	2020 Rupees		2019 Rupees	
		21.3.1	2020 Rupees	2019 Rupees	2019 Rupees
Balance at July 01			6,785,514	-	
Allocation for the year			1,960,014	6,785,514	
Interest on funds utilised in the Company's business	21.3.1		797,976	-	
Paid to the fund			-	-	
Balance at June 30			<u>9,543,504</u>	<u>6,785,514</u>	

21.3.1 Interest has been charged @ 11.76% (2019: Nil) per annum.

22. DUE TO DIRECTOR

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

	01-Jul-19	Obtained	Repaid	30-Jun-20
Due to director	200,000,000	630,000,000	(470,000,000)	360,000,000
	<u>200,000,000</u>	<u>630,000,000</u>	<u>(470,000,000)</u>	<u>360,000,000</u>

23. INTEREST / MARK-UP ACCRUED ON BORROWINGS

	2020 Rupees	2019 Rupees
Long-term finances	154,821	-
Short-term borrowings	19,968,324	(33,380,473)
	<u>20,123,145</u>	<u>(33,380,473)</u>

24. SHORT-TERM BORROWINGS	Note	2020		2019 Rupees		
		Rupees				
Secured						
From banking companies						
Finance against imports	24.2	1,655,305,115		1,011,965,037		
Running finances under markup arrangements	24.3	50,682,975		371,775,295		
		<u>1,705,988,090</u>		<u>1,383,740,332</u>		

24.1 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.

	01-Jul-19	Obtained	Repaid	Exchange loss	30-Jun-20
			Rupees		
Finance against imports	1,011,965,037	4,206,575,294	(3,566,114,842)	2,879,627	1,655,305,116
	<u>1,011,965,037</u>	<u>4,206,575,294</u>	<u>(3,566,114,842)</u>	<u>2,879,627</u>	<u>1,655,305,116</u>

- 24.2** These are secured against hypothecation on fixed assets, stock-in-trade, trade debts 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 LIBOR, KIBOR & SBP ERF rates, ranging between 3.00% to 9.26% (2019: 8.92% to 14.80%) per annum.
- 24.3** These are secured against charge on fixed assets, stock-in-trade, trade debts and present and future current assets of the Company and are subject to the mark-up ranging between 9.51% to 13.47% (2019: 8.92% to 14.80%) per annum.
- 24.4** The aggregate unavailed-short term borrowing facilities amounts to Rs. 1,465 million (2019 : Rs. 1,767 million) as of the reporting date.

25. CONTINGENCIES AND COMMITMENTS

Contingencies

- 25.1** The Company imports material i.e. Tin Mill Black Plate / CRC steel sheets / coils from various countries which is used for producing Tin Plate for exportation under manufacturing bond facility and local supply for home consumption on payment of leviable duty and taxes against Goods Declarations. The imported materials are warehoused in the manufacturing bond premises without payment of duty and taxes for in-house consumption in manufacturing of exportable products.

Company is availing the manufacturing bond facility since 2011, huge quantity of finished product manufactured by the company was exported adding considerable forex to the national exchequer. However during process of renewal of the Company's manufacturing bond warehousing license, a team of Regulatory Collectorate MCC-Gawadar, Camp office, Customs House, Gaddani, visited the bonded warehouse for stock taking and reconciliation of imports vis-à-vis exports documentation and records. Based on a faulty reconciliation audit conducted by the regulatory Collectorate, a purported shortage of 1055 MT of the imported materials i.e. CRC / Tin Mill Black Plate was arbitrarily pointed out despite the fact that the aforesaid quantity was fully accounted for.

During the course of quasi-judicial proceedings before the learned Adjudication Authority, all the charges leveled in the Show Cause Notice were duly rebutted through submission of detailed written reply and rejoinder and despite the fact that the purported shortage of 1055 MT was duly accounted for, the learned Adjudicating Authority, based on misreading and non-reading of evidence adduced by the Petitioner before the Adjudication Authority, passed the Order-in-Original No. 334 / 2019 dated 7th November, 2019, on the behest of the department, for recovery of purported evaded amount of duty and taxes amounting to Rs.64,192,547/- on purported removal of 1055 MT of CRC / Tin Mill Black Plate from Manufacturing Bond. While being aggrieved of the aforesaid Order-in-Original No. 334 / 2019, Company preferred an appeal bearing No. K-1298 / 2019, under section 194A of the Customs Act, 1969, before the learned Customs Appellate Tribunal, Karachi. Pending the appeal preferred before the learned Customs Appellate Tribunal, Karachi, the Petitioner also moved to the Hon'ble High Court of Sindh, at Karachi vide Constitutional Petition No. D-7820 / 2019, assailing the demand notice for recovery of purported evaded amount of duty and taxes amounting to Rs 64,192,547/- issued in pursuance of Order-in-Original No. 334 / 2019.

The Hon'ble High Court, vide interim Order dated 5th December, 2019, directed the Respondents not to enforce recovery of impugned Demand Notice which is subject matter of appeal pending before the Customs Appellate Tribunal, Karachi, till next date of hearing. However, after hearing the parties at length, the Hon'ble High Court of Sindh, at Karachi vide order dated 19th December, 2019 disposed of the above petition, with the directions to the Respondents not to enforce recovery of impugned Demand Notice, being the subject matter of appeal, and further directed the Petitioner to file urgent application before the concerned bench of Customs Appellate Tribunal, Karachi.

Since Company was deprived of the reasonable opportunity of being heard and despite Application dated 26th November, 2019 for adjournment of hearing in the case and Application dated 30th November, 2019 requesting the Additional collector custom for issuing date of hearing to the Petitioner, ADC arbitrarily passed the Order-in-Original for cancellation of Manufacturing Bond License of the Petitioner in haste, without informing the Petitioner of the fate of the aforesaid applications.

Company submitted application dated 3rd August, 2019 by the Petitioner for temporary de-blocking of the license to import raw materials and export finished products and been granted license during the year.

Management, based on the legal advice is expecting a favorable decision, therefore no provision is made in these financial statements.

- 25.2** 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. 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 has challenged the decision of the Tribunal in the Islamabad High Court. The case is pending litigation.

- 25.3** In April 2018, the Company signed a contract with M/s. New Metallurgy Hi-Tech Group Co. Ltd. (the Supplier) of about PKR 3,200 million, for setting up a Cold Rolling Mills Complex and Acid Regeneration Plant in Hub, Baluchistan. As per the contract, the shipment of Plant and Machinery was required to be completed by 30th April, 2020 and the Cold Rolled Coil Unit had to start production by December, 2020.

The Company has already invested more than PKR 1,500 million on Land, Building, Infrastructure, Plant & machinery and civil construction of Site including foundations duly completed as per specific drawings given by the Supplier, for laying Machinery. The Company has also paid 33% advance for design, engineering and shipment of the plant, amounting to RMB 40 million. As stipulated under the contract, majority of the component of plant, machinery and equipment had to be shipped in February 2020 and the remaining consignments by 30th April 2020. However, the Supplier failed to ship the plant machinery and equipment within the stipulated timeline. Meanwhile, the Bank Guarantees issued by the Supplier were expiring in April 2020. The Supplier besides delaying shipment did not extend Bank Guarantees beyond its expiry date in April, 2020. These bank guarantees covered the consignments to be shipped by 30th April 2020, since the consignments were not shipped it left no option for the Company but to call for the encashment of Bank Guarantees to secure themselves.

Subsequent to the year end, on 27th August 2020 the supplier has filed a case in Singapore International Arbitration Centre (SIAC) and appointed the arbitrator, contesting the case of encashment of above described Bank Guarantees. The Supplier has claimed the right to retain the payments already made as an advance by the Company amounting to RMB 19.517 million. The Supplier also claimed for the damages and losses of RMB 35.857 million.

The Company has also appointed the arbitrator and a lawyer to defend its position. The Company has counter claimed PKR 2,117 million (USD 12.65 million) with a detailed response on 17th September 2020 against the failure to make the delivery of goods within agreed timeline by the Supplier.

The hearing of the said case will be started after the appointment of an independent arbitrator and currently it is at an initial stage. The management in consultation with its legal advisor is of the view that the outcome of the arbitration will most likely be favorable to the Company.

- 25.4** 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.

		Note	2020 Rupees	2019 Rupees
25.5 Commitments				
Letters of credit for import of raw material			627,968,401	890,623,178
Bank guarantee in favour of Excise and				
Taxation department relating to anti-dumping and			165,052,651	138,250,000
infrastructure cess.				
Letter of credit for import of plant and machinery			2,391,599,653	1,943,683,712
26. REVENUE FROM CONTRACT WITH CUSTOMERS - NET				
Sales				
Local				
Tinplate			3,125,141,860	3,520,916,127
Cans			259,350,728	282,135,275
			<u>3,384,492,588</u>	<u>3,803,051,402</u>
Export				
Tinplate			651,167,130	146,549,199
			<u>4,035,659,718</u>	<u>3,949,600,601</u>
Total Sales				
Less : Commission and discounts			(20,541,960)	(6,136,131)
Sales return			(15,790,771)	(17,892,845)
Sales tax			(442,878,528)	(516,827,812)
			<u>(479,211,259)</u>	<u>(540,856,788)</u>
			<u>3,556,448,459</u>	<u>3,408,743,813</u>
26.1 Following are the details of export sales jurisdiction-wise:				
Middle East Region			609,985,238	31,901,447
Asia			41,181,892	114,647,752
			<u>651,167,130</u>	<u>146,549,199</u>
27. COST OF GOODS SOLD				
Cost of goods manufactured - Tinplate	27.1		3,742,920,583	2,850,221,325
Finished goods				
Opening stock			591,737,804	529,527,483
Purchase of finished goods			-	271,390,230
			<u>4,334,658,387</u>	<u>3,651,139,038</u>
Closing Stock			(959,285,616)	(591,737,804)
			<u>3,375,372,771</u>	<u>3,059,401,234</u>
Provision for obsolete stock of chromite			-	14,535,745
			<u>3,375,372,771</u>	<u>3,073,936,979</u>

	Note	2020 Rupees	2019 Rupees
27.1 Cost of goods manufactured - Tinplate			
Raw material - Tinplate	27.1.1	3,447,264,658	2,589,951,252
Salaries, wages and benefits	27.1.2	137,783,704	136,663,435
Fuel and power		86,331,123	59,307,180
Packing materials		11,075,663	4,055,405
Stores and spares		10,075,806	7,471,453
Sorting, slitting and cutting		3,090,964	4,117,430
Rent, rates and taxes		1,579,050	1,756,920
Repairs and maintenance		2,624,671	3,261,173
Insurance		3,340,755	2,955,743
Transportation		3,933,425	3,614,600
Traveling and conveyance		5,326,645	4,441,233
Printing and stationery		200,475	387,016
Fees and subscription		140,045	6,000
Communication		529,781	940,004
Entertainment		290,818	339,987
Security expenses		1,547,436	1,120,399
Depreciation	5.1.2	23,546,870	24,707,042
Provision / (Reversal) for slow moving stores and spares		2,082,869	3,446,379
Other manufacturing cost		2,155,825	1,678,674
		<u>3,742,920,583</u>	<u>2,850,221,325</u>

27.1.1 Raw material consumed - Tinplate

Opening stock	631,649,823	286,733,209
Net purchases and related expenses	2,995,202,911	2,934,867,866
Closing stock	<u>3,626,852,734</u>	<u>3,221,601,075</u>
	<u>(179,588,076)</u>	<u>(631,649,823)</u>
	<u>3,447,264,658</u>	<u>2,589,951,252</u>

27.1.2 This includes employees' retirement benefits of Rs. 3,809,993 (2019: Rs. 4,038,487).

28. DISTRIBUTION COST

Salaries and benefits	28.1	13,121,041	8,382,556
Traveling		2,019,306	2,948,825
Transportation		5,674,183	4,992,075
Advertisement		896,301	474,590
Sales promotion		361,250	210,000
Export expenses		23,060,125	3,038,912
Others		653,742	1,054,071
		<u>45,785,948</u>	<u>21,101,029</u>

28.1 This includes employees' retirement benefits amounting to Rs. 327,620 (2019: Rs. 300,223).

29. ADMINISTRATIVE EXPENSES

	Note	2020 Rupees	2019 Rupees
Salaries and benefits	29.1	38,529,338	36,572,177
Traveling and conveyance		1,732,030	2,302,987
Vehicles running and maintenance		4,327,971	3,620,954
Depreciation	5.1.2	7,365,220	6,544,939
Communication		454,163	1,244,772
Printing and stationery		1,306,603	770,245
Repairs and maintenance		1,310,957	393,308
Entertainment		577,328	360,373
Auditors' remuneration	29.2	1,520,000	1,255,000
Insurance		575,050	916,395
Fees and subscription		2,908,160	1,837,583
Rent, rates and taxes		121,000	106,300
Legal and professional		8,765,000	6,620,500
Charity and donation	29.3	650,000	100,000
Service charges		4,327,649	2,677,270
Provision against doubtful debts and other receivables	14	-	4,110,181
Others		2,893,881	3,075,608
		<u>77,364,350</u>	<u>72,508,592</u>

29.1 This includes employees' retirement benefits of Rs. 1,598,817 (2019 : Rs. 1,605,477).

29.2 Auditors' remuneration

Annual audit	950,000	800,000
Half yearly review	300,000	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	95,000	80,000
	<u>1,520,000</u>	<u>1,255,000</u>

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

30. OTHER EXPENSES

Workers' profit participation fund	2,757,990	6,785,514
Loss on sale of investment at fair value through profit or loss	46,680	118,055
	<u>2,804,670</u>	<u>6,903,569</u>

	2020 Rupees	2019 Rupees
31. FINANCE COST		
Interest / mark-up on:		
Long term finances	62,669	-
Short-term borrowings	161,144,472	161,908,997
Exchange (gain) / loss on borrowings - net	(90,648,886)	8,087,326
Bank charges and commission	18,933,046	6,893,764
	<u>89,491,301</u>	<u>176,890,087</u>
32. OTHER INCOME		
Profit on bank deposits	55,664,917	64,172,659
Exchange gain on foreign customers	5,652,987	6,606,804
Reversal of Worker's Welfare Fund	-	345,837
Gain on disposal of property, plant and equipment	-	395,907
	<u>61,317,904</u>	<u>71,521,207</u>
33. TAXATION		
Current charge	50,090,891	42,242,925
Prior year charge / (reversal)	-	(208,666)
	<u>50,090,891</u>	<u>42,034,259</u>

33.2 Relationship between tax expense and accounting profit:

Profit before taxation	26,947,323	128,924,764
Tax rate %	29%	29%
Tax on accounting profit	7,814,724	37,388,182
Effect of income subject to final tax regime	4,931,915	(227,978)
Effect of income subject to minimum tax	37,344,252	5,082,721
Effect of prior year tax	-	(208,666)
Tax charge for the year	<u>50,090,891</u>	<u>42,034,259</u>

- 33.3** The return of income for the tax year 2019, 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.

34. 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:

	2020 Rupees	2019 Rupees
(Loss) / Profit for the year	<u><u>(23,143,568)</u></u>	<u><u>86,890,505</u></u>
Basic earnings per share		
Weighted average number of ordinary shares outstanding during the year	<u><u>229,278,770</u></u>	<u><u>220,007,919</u></u>
Basic (loss) / earnings per share	<u><u>(0.10)</u></u>	<u><u>0.39</u></u>

35. 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 36. Other transactions with related parties are as follows:

Relationship with the Company	Nature of Transactions	2020 Rupees	2019 Rupees
An associated company Siddiqsons Limited -Common directorship	Expenses paid Loan obtained Loan repaid	1,372,336 - -	2,915,182 23,000,000 (23,000,000)
Siddiqsons Dairies (Private) Limited - common directorship	Purchase of Vehicles	-	13,629,659
Due to Director	Loan obtained Loan repaid	630,000,000 (470,000,000)	200,000,000 -

36. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2020			2019		
	Chief Executive	Director	Executives	Chief Executive	Director	Executives
Rupees					
Remuneration	3,300,000	5,280,000	40,415,712	3,300,000	5,517,600	39,303,242
House rent	880,011	1,408,018	10,777,658	880,011	1,471,378	10,480,996
Retirement benefits	-	352,002	1,639,399	-	367,842	1,466,073
Vehicles running	563,843	903,781	6,357,877	431,096	313,486	5,321,201
Utilities	-	60,000	523,000	-	60,000	546,833
	<u>4,743,854</u>	<u>8,003,801</u>	<u>59,713,646</u>	<u>4,611,107</u>	<u>7,730,306</u>	<u>57,118,345</u>
Number of persons			18			18

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

37. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

37.1 Financial instruments by category

Financial assets

At fair value through profit or loss

Other financial assets	2020 Rupees	2019 Rupees
	-	287,822

At amortised cost

Trade debts	472,090,319	614,193,549
Loans and advances	1,645,117	654,260
Trade deposits	28,512,854	42,331,427
Bank balances	155,335,949	26,689,128
Term deposit certificates	165,564,407	620,650,000
	<u>823,148,646</u>	<u>1,304,518,364</u>

	2020 Rupees	2019 Rupees
Financial liabilities		
At amortised cost		
Long term finance (inclusive of current portion)	27,492,340	-
Trade and other payables	146,571,857	69,760,769
Contract liabilities	113,796,576	12,763,465
Interest / mark-up accrued on borrowings	20,123,145	33,380,473
Short-term borrowings	1,705,988,090	1,383,740,332
Unclaimed dividend	1,958,701	2,732,476
Unpaid dividend	2,918,918	2,918,918
Due to director	360,000,000	200,000,000
	<u>2,375,930,709</u>	<u>1,702,377,515</u>

37.2 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:

37.2.1 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:

	2020 Rupees	2019 Rupees
Trade debts	472,090,319	614,193,549
Loans and advances	1,645,117	654,260
Trade deposits	28,512,854	42,331,427
Bank balances	155,335,949	26,689,128
Term deposit certificates	165,564,407	620,650,000
Other financial assets	-	287,822
	<u>823,148,646</u>	<u>1,304,806,186</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.

37.2.2 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 55 days (2019: 61 days).

The Company is not exposed to major concentration on credit risk. At June 30, 2020, the Company has approximately 11 customers (2019: 17 customers) that owed more than Rs. 10 million each and accounted for approximately 69% (2019: 74%) of all trade debts.

The Company does not hold collateral as security.

37.2.3 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 AA- for long term.

37.3 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, 2020								
----- Rupees -----								
Financial Liabilities								
Long term finances	-	27,492,340	27,492,340	-	-	-	27,492,340	
Trade and other payables	-	-	-	146,571,857	-	146,571,857	146,571,857	
Contract liabilities	-	-	-	113,796,576	-	113,796,576	113,796,576	
Interest / mark-up accrued	-	-	-	20,123,145	-	20,123,145	20,123,145	
Short-term borrowings	1,705,988,090	-	1,705,988,090	-	-	-	1,705,988,090	
Due to director	-	-	-	360,000,000	-	360,000,000	360,000,000	
	1,705,988,090	27,492,340	1,733,480,430	640,491,578	-	526,695,002	2,260,175,432	

June 30, 2019

Rupees -----

Financial Liabilities

Trade and other payables	-	-	-	69,760,769	-	69,760,769	69,760,769
Contract liabilities	-	-	-	12,763,465	-	12,763,465	12,763,465
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	315,904,707	-	315,904,707	1,699,645,039

37.4 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.

37.4.1 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:

	2020 Rupees	2019 Rupees
Variable rate instruments		
Financial assets		
- Term deposit certificates	165,564,407	620,650,000
Financial liabilities		
- LIBOR / KIBOR / SBP ERF rate	1,733,480,430	1,383,740,332

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. 8,665,542 (2019: Rs. 6,918,702). 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. 827,822 (2019: Rs. 3,103,250). 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, 2020 Rs. 135,397,979 (2019: 83,716,395) 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.

	2020	2019	2020	2019
	USD / EURO		PKR	
Trade debts	135,397,979	83,716,395	336,692,340	530,477,154
Foreign currency bank balances	1,260,193	1,228,360	154,075,756	25,460,768

The following significant exchange rates applied during the year:

	Average rates		Reporting date rates	
	2020	2019	2020	2019
US Dollars to PKR	140.77	136.40	168.75 / 168.25	163.50 / 163.00

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, 2020, if the Rupee had strengthened / weakened by 5% against the US dollar with all other variables held constant, profit before taxation for the year would have been decrease/increase by Rs. 6,832,909 (2019: Rs. 4,247,238). 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.

38. 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, 2020, 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.

39. 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 83.86% (2019: 96.29%) relates to customers in Pakistan.

All non-current assets of the Company as at June 30, 2020 are located in Pakistan.

40. 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.

41. 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 30% to 40%. The debt-to-adjusted capital ratios at June 30, 2020 and June 30, 2019 were as follows:

	2020 Rupees	2019 Rupees
Total debts	1,705,988,090	1,383,740,332
Less: Cash and bank balances	<u>(155,839,449)</u>	<u>(27,179,356)</u>
Net debt	1,550,148,641	1,356,560,976
Total equity	2,694,573,797	2,717,717,365
Adjusted capital	<u>4,244,722,438</u>	<u>4,074,278,341</u>
Debt-to-adjusted capital ratio	0.37	0.33

42. PLANT CAPACITY AND ACTUAL PRODUCTION

	2020 (Metric tons)	2019 (Metric tons)
Tin Plate		
Installed capacity	120,000	120,000
Actual production	24,061	19,478
(Number per annum)		
Cans		
Installed capacity of various sizes	4,015,000	4,015,000
Actual production of various sizes	2,137,890	2,188,657

42.1 Under utilisation of available capacity was due to lack of demand, inconsistent availability of raw material and inflow of imported Electrolytic tinplate at dumped prices.

43. NUMBER OF PERSONS EMPLOYED

	2020	2019
Number of employees at June 30	231	234
Average number of employees during the year	230	223

44. 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 06, 2020.

45. GENERAL

Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

PATTERN OF HOLDING OF SHARESHOLD BY THE SHAREHOLDERS

as at June 30, 2020

No. of Shareholders	Share Holding From	Share Holding To	Total Shares Held	Percentage %
647	1	100	23858	0.0104
575	101	500	254234	0.1109
1096	501	1000	840447	0.3666
1618	1001	5000	4549038	1.9841
552	5001	10000	4568833	1.9927
184	10001	15000	2437908	1.0633
130	15001	20000	2403731	1.0484
93	20001	25000	2188786	0.9546
57	25001	30000	1621689	0.7073
35	30001	35000	1165490	0.5083
29	35001	40000	1130000	0.4928
30	40001	45000	1283930	0.5600
52	45001	50000	2565384	1.1189
13	50001	55000	686099	0.2992
12	55001	60000	712348	0.3107
4	60001	65000	253898	0.1107
13	65001	70000	894889	0.3903
12	70001	75000	888379	0.3875
6	75001	80000	472238	0.2060
10	80001	85000	838978	0.3659
7	85001	90000	620500	0.2706
4	90001	95000	374000	0.1631
18	95001	100000	1795279	0.7830
3	100001	105000	308199	0.1344
2	105001	110000	220000	0.0960
4	110001	115000	446586	0.1948
2	115001	120000	240000	0.1047
2	120001	125000	249000	0.1086
1	125001	130000	130000	0.0567
2	130001	135000	263000	0.1147
1	135001	140000	140000	0.0611
2	140001	145000	290000	0.1265
3	145001	150000	447000	0.1950
3	150001	155000	459500	0.2004
2	155001	160000	315000	0.1374
2	160001	165000	327000	0.1426
1	165001	170000	167000	0.0728
1	170001	175000	171500	0.0748
2	185001	190000	375299	0.1637
1	190001	195000	194000	0.0846
6	195001	200000	1200000	0.5234
2	200001	205000	405139	0.1767
2	205001	210000	417000	0.1819
4	215001	220000	871351	0.3800
1	230001	235000	232000	0.1012
2	240001	245000	490000	0.2137
4	245001	250000	992500	0.4329
1	250001	255000	252000	0.1099
2	255001	260000	514970	0.2246
1	265001	270000	267970	0.1169



No. of Shareholders	Share Holding From	Share Holding To	Total Shares Held	Percentage %
	275001	280000	280000	0.1221
	280001	285000	284799	0.1242
2	295001	300000	600000	0.2617
	320001	325000	323000	0.1409
	325001	330000	327000	0.1426
2	345001	350000	700000	0.3053
	350001	355000	350500	0.1529
	355001	360000	359648	0.1569
	370001	375000	372695	0.1626
	395001	400000	400000	0.1745
	415001	420000	420000	0.1832
	425001	430000	428518	0.1869
	460001	465000	463500	0.2022
	475001	480000	480000	0.2094
3	495001	500000	1500000	0.6542
	510001	515000	514999	0.2246
	520001	525000	525000	0.2290
	595001	600000	600000	0.2617
2	625001	630000	1254580	0.5472
	640001	645000	643000	0.2804
	670001	675000	675000	0.2944
	725001	730000	725420	0.3164
	960001	965000	963000	0.4200
	995001	1000000	1000000	0.4362
	1030001	1035000	1033385	0.4507
	1040001	1045000	1043500	0.4551
	1360001	1365000	1362813	0.5944
	1515001	1520000	1520000	0.6629
	2175001	2180000	2178458	0.9501
	3020001	3025000	3020055	1.3172
	4075001	4080000	4079938	1.7795
	5530001	5535000	5533729	2.4135
	9060001	9065000	9060429	3.9517
	9175001	9180000	9177232	4.0027
	9415001	9420000	9416041	4.1068
	10735001	10740000	10735359	4.6822
	12805001	12810000	12809000	5.5866
	21305001	21310000	21308101	9.2935
	34630001	34635000	34631302	15.1045
	45220001	45225000	45222819	19.7239
5301	Company	Total	229278770	100.0000

CATEGORIES OF SHAREHOLDERS

as at June 30, 2020

Particulars	No of Folio	Balance Share	Percentage
DIRECTORS, SPONSORS, CEO & CHILDREN AND SENIOR MANAGEMENT	9	106337477	46.3791
ASSOCIATED COMPANIES	2	34660501	15.1172
MODARABAS & MUTUAL FUNDS	2	15139	0.0066
GENERAL PUBLIC (LOCAL)	5042	57050551	24.8826
GENERAL PUBLIC (FOREIGN)	183	2887523	1.2594
OTHERS	53	6831559	2.9796
EMPLOYEES	8	185000	0.0807
FOREIGN COMPANIES	2	21311020	9.2948
Company Total	5301	229278770	100.0000

INFORMATION AS REQUIRED UNDER THE CODE OF CORPORATE GOVERNANCE

as at June 30, 2020

Shareholder's Category	Number of Shares held	Percentage
Associated Companies, Undertaking and Related Parties		
Siddiqsons Limited	34,816,601	15.18
Siddiqsons Denim Mills Ltd. Staff Providend Fund	29,199	0.01
NIT and ICP		
Directors, Sponsors, CEO and their spouse and minor children		
Mr. Tariq Rafi (Chairman)	45,222,819	19.72
Mr. Ibrahim Shamsi	3,020,055	1.32
Ms. Alia Sajjad	11,638,887	5.07
Mrs. Nighat Tariq W/o. Mr. Tariq Rafi	14,815,297	6.46
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	125,500	0.05
Mr. Ashraf Mahmood Wathra	100,000	0.04
Mr. Munir Qureshi	480,000	0.21
Mr. Naeem-ul Hasnain Mirza	75,000	0.03
Mr. Sajjad Ahsan H/o Ms. Alia Sajjad	5,000	-
Executives		
Public sector Companies and Corporations		
Modarabas & Mutual Fund		
Shareholders holding ten percent or more		
Mr. Tariq Rafi (Chairman / CEO)	45,222,819	19.72
Siddiqsons Limited	34,816,601	15.18
Trading in share by Directors, CEO, CFO & Company Secretary		
	Purchase	Sales
Ms. Alia Sajjad (Director)	400,000	-
Mr. Sajjad Ahsan H/o Ms. Alia Sajjad	-	1,144,000
Mr. Ibrahim Shamsi (Director)	-	467,500
Mr. A. Wahab (Director)	500	5,000
Mrs. Nighat Tariq (W/o Mr. Tariq Rafi)	190,500	-
Siddiqsons Limited	-	217,500

PROXY FORM

25th Annual General Meeting

I/We _____ of _____

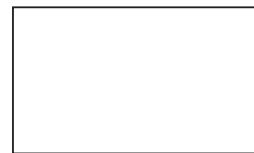
being a member of **SIDDIQSONS TIN PLATE LIMITED** (the Company) holding _____ ordinary shares, hereby appoint(s)

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 25th Annual General Meeting of M/s. Siddiqsons Tin Plate Limited will be held on Monday, October 27, 2020 at 6:00 p.m. at Ocean Mall & Tower, 4th Floor, Block-9, Scheme-5, Clifton, Karachi or at any adjournment thereof.

Signed this _____ day of _____ 2020

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 or 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

پکیجیوں سالانہ اجلاس عام

میں / ہم
 ساکن _____
 کے _____
 بھیتیت صدیق سائز پلیٹ لمبیڈ
 رکن و حامل _____
 عام حصہ بھاطبیق شیر رجسٹر ڈفولو نمبر
 اور ایسی ڈی سی کے شرکتی آئی ڈی نمبر _____
 مختارم / محترمہ
 ساکن _____
 مختارم / محترمہ
 یا بصورت دیگر مختارم / محترمہ
 کو اپنی جگہ بروز میگل مورخہ 27 اکتوبر 2020ء بوقت 06:00 بجے شام بمقام اوشین مال اینڈ ٹاور، 4th فلور، بلاک-9، اسکیم-5، کلستان کراچی
 میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کے لئے اپنا نامہ نہدہ مقرر کرتا / کرتی ہوں۔

گواہ:

1
دستخط _____

نام _____

پتہ _____

ریونیون ٹکٹ چپاں کریں۔

دستخط _____

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

2
دستخط _____

نام _____

پتہ _____

سی این آئی سی یا پاسپورٹ نمبر _____

نوت: پر اکسیز 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 شیر ہولڈر ز اور ان کے پر اکسیز سے گزارش ہے کہ وہ اپنے قومی شناختی کارڈ یا پاسپورٹ کی تقدیریق شدہ فوٹو کاپی کمپنی کو
 پیش کرنے سے قبل اس پر اکسی کے ساتھ مسلک 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	
<i>(ii) 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

Consent for Annual Report Through Email

Dear Shareholder(s)

The Securities & Exchange Commission of Pakistan (SECP) through its Notification (SRO 787(i) 2014) dated: September 8 2014 has allowed the circulation of Company's annual balance sheet and profit and loss account, auditor's report and directors' report etc. (Audited Annual Financial Statements) to shareholders along with notice of Annual General Meeting (AGM) through e-mail.

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:

ای میل کے ذریعے AGM کے نوٹس کے ساتھ ساتھ کمپنی کے آٹھ کے سالانہ مالیاتی بیانات حاصل کرنے کے لئے، اس خط کو پر کریں۔

دستخط کریں اور ذیل ایڈریس پر ہمیں یا ہمارے رجسٹر کو پہنچ دیں۔

<input type="text"/>											
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E-mail Address: _____

CNIC Number:

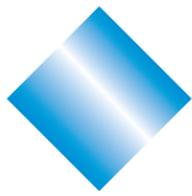
FOLIO / CDS # _____

SIGNATURE
SHAREHOLDER

Share Registrar

THK Associates (Pvt) Ltd.
1st Floor, 40-C, Block-6, P.E.C.H.S.,
Sharah-e-Faisal, Karachi.
Phone : 111-000-322
E-mail: info@thk.com.pk

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



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