



Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

*A Commitment
to Prime Quality!*

**Half Yearly Report
December 31**

2022



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COMPANY INFORMATION

Board of Directors

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

Audit Committee

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

Human Resource & Remuneration Committee

| | |
|---|--|
| Mr. Abdul Wahab (Independent Director) (Chairman) | |
| Ms. Alia Sajjad (Member) (Non-Executive) | |
| Mr. Naeem-ul-Hasnain Mirza (Member) (Executive/CEO) | |
| 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 | CEO |
| Mr. Mahir Abbas | Dir. Commercial |
| Mr. Furrugh Sadiq | CFO |
| Mr. Shahzad Shabbir | GM Commercial |
| Mr. Muhammad Jawaid Abbasi | GM Marketing |

Chief Financial Officer

Mr. Furrugh Sadiq

Company Secretary

Mr. Muhammad Haris

Auditors

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.

Tax Advisor

Tola Associates
Tax & Corporate Advisors
408, Continental Trade Centre,
Block 8, Clifton, Karachi 75600, Pakistan
Phone # 021-35303294-6

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,
Plot No. 32-C,
Jami Commercial Street-2,
D.H.A., Phase-VII,
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



DIRECTORS' REVIEW

Dear Shareholders

The Directors of your company would like to present the unaudited condensed interim financial statements of the Company for the half year ended December 31, 2022.

Operational overview

The Q2FY23 was no different than the Q1 rather it proved to be more challenging, as soaring international steel prices, coupled with persistent devaluation of PKR, significantly hampered the demand for tinplate and compelled our customers to resort to alternative modes of packaging. As a result, the Sales revenue for the period was recorded at Rs.2,382 million as compared to Rs.2,282 million during the same period last year. Although, there is a 4% increase, however it is mainly attributed to positive price variance, while there is a negative volume variance of around 9%.

Net Result

The net results during the period showed a profit after taxation of Rs.65.07 million as compared to a profit of Rs.195.85 million during the same period last year.

Earnings per share

The earnings per share were Re.0.28, as compared to Re. 0.85 in the corresponding period.

Market Overview

The global economic outlook is still ambiguous and the impacts of recession are still affecting the commodity prices and fueling market volatilities. The international steel prices have shown a slight improvement during the 2nd quarter, after witnessing a nose-diving decline during 1st quarter. However, the persistent PKR depreciation is still a major challenge in this regard. However, the Company is regularly monitoring the situation and continuously devising and implementing the strategies to effectively counter the impact of above. Some of the measures include effective working capital management and stringent cost control measures.

Future Outlooks

Looking Ahead, the challenging world economic scenario is greatly impacting the domestic economic and business front. The increasing oil prices, PKR devaluation, rising policy rate and the historically high inflation are the major challenges to cope with. This situation has further aggravated in the backdrop of delays in concluding the IMF program.

On the other hand, the availability of raw material will be a major challenge in the remainder of the year, due to non-opening of LCs by banks, 100% margin requirements on import of our raw material.



As more fully explained in note 18.1.2 of the annexed financial statements for the period ended December 31, 2023. The company has filed an appeal in the High Court of Singapore after consultation with Singaporean legal advisors, challenging the decision of Singapore International Arbitration Council. The advisors thoroughly reviewed the case and are of the opinion that there are high chances of favorable outcome for the Company.

Acknowledgement

The Directors of the Company would like to record their gratitude to our shareholders, partners, customers, Government authorities and financial institutions for their cooperation and continued support.

The Directors are also pleased to record their appreciation for the valuable & untiring efforts and services rendered by the staff of the Company.

On behalf of the Board



Naeem ul Hasnain
Chief Executive



Tariq Rafi
Chairman

Karachi: February 27, 2023



INDEPENDENT AUDITOR'S REVIEW REPORT To the members of Siddiqsons Tin Plate Limited Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **SIDDIQSONS TIN PLATE LIMITED** as at December 31, 2022 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements forming part thereof (here-in-after referred to as the 'interim financial statements') for the half year then ended. Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements - 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Emphasis of Matter

We draw attention to note 18.1.2 to the condensed interim financial statements which explains the contingency in relation to New Metallurgy Hi-Tech Group Co. Limited case. The management based on the opinion of its legal counsel is confident about a favorable outcome of this matter and hence no provision has been made in these condensed interim financial statements. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements as of and for the half year ended December 31, 2022 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarter ended December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

The engagement partner on the review resulting in this independent auditor's review report is Nadeem Yousuf Adil.


Chartered Accountants

Place: Karachi
Date: February 28, 2023

UDIN: RR202210091ZHb0LAicG



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT DECEMBER 31, 2022

| | Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|--|------|--------------------------------------|-------------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
|(Rupees)..... | | | |
| Property, plant and equipment | 6 | 3,353,712,348 | 3,072,984,904 |
| Long-term deposits | | 10,056,221 | 10,056,221 |
| Long term advance | | 408,400,347 | 408,400,347 |
| | | 3,772,168,916 | 3,491,441,472 |
| CURRENT ASSETS | | | |
| Stores, spares and loose tools | | 22,587,991 | 20,564,692 |
| Stock-in-trade | 7 | 1,126,806,871 | 1,566,752,074 |
| Trade debts | 8 | 315,537,370 | 324,328,947 |
| Advance income tax | 9 | 200,526,762 | 166,311,218 |
| Loans and advances | 10 | 326,948,669 | 92,998,038 |
| Trade deposits and prepayments | 11 | 66,033,860 | 54,193,194 |
| Other financial assets | 12 | 230,523,740 | 219,564,407 |
| Sales tax adjustable | | 275,356,298 | 399,616,471 |
| Cash and bank balances | | 22,291,142 | 206,852,074 |
| | | 2,586,612,703 | 3,051,181,115 |
| Total assets | | 6,358,781,619 | 6,542,622,587 |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital 600,000,000 (June 30, 2021: 600,000,000) ordinary shares of Rs. 10 each | | 6,000,000,000 | 6,000,000,000 |
| Share capital | 13 | 2,292,787,700 | 2,292,787,700 |
| Share premium | | 301,517,286 | 301,517,286 |
| Unappropriated profit | | 688,759,123 | 623,688,630 |
| | | 3,283,064,109 | 3,217,993,616 |
| NON-CURRENT LIABILITY | | | |
| Long term finance | 14 | 485,470,888 | 466,445,610 |
| Deferred taxation | | 73,568,922 | - |
| | | 559,039,810 | 466,445,610 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 15 | 473,450,425 | 324,806,321 |
| Contract liabilities | | 20,332,923 | 6,832,838 |
| Interest / mark-up accrued on borrowings | 16 | 118,316,700 | 72,338,725 |
| Short-term borrowings | 17 | 1,819,124,431 | 2,407,635,368 |
| Current portion of long term finances | | 83,494,520 | 44,083,024 |
| Current portion of deferred government grant | | - | 528,384 |
| Unclaimed dividend | | 1,958,701 | 1,958,701 |
| | | 2,516,677,700 | 2,858,183,361 |
| Total equity and liabilities | | 6,358,781,619 | 6,542,622,587 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 18 | | |

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (UN-AUDITED)**
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Note | Half year ended | | Quarter ended | |
|--|------|----------------------|----------------------|----------------------|----------------------|
| | | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
|(Rupees)..... | | | | | |
| Revenue from contract with customers - net | 19 | 2,381,600,619 | 2,288,285,050 | 1,305,092,048 | 1,063,572,418 |
| Cost of goods sold | 20 | (1,952,673,533) | (1,892,264,732) | (1,060,042,698) | (907,581,875) |
| Gross profit | | 428,927,086 | 396,020,318 | 245,049,350 | 155,990,543 |
| Other income | | 35,150,898 | 4,883,275 | 21,438,782 | 2,383,756 |
| | | 464,077,984 | 400,903,593 | 266,488,132 | 158,374,299 |
| Distribution cost | | (16,560,026) | (16,179,847) | (11,293,829) | (9,022,730) |
| Administrative expenses | | (52,925,545) | (57,381,654) | (31,828,344) | (37,878,846) |
| Other expenses | | (40,842,229) | (26,312,024) | (38,213,706) | (18,040,617) |
| Finance cost | | (176,574,631) | (62,885,929) | (57,918,632) | (36,999,682) |
| | | (286,902,432) | (162,759,454) | (139,254,512) | (101,941,875) |
| Profit before taxation | | 177,175,552 | 238,144,139 | 127,233,620 | 56,432,424 |
| Taxation | | (112,105,059) | (42,295,714) | (98,648,702) | (14,643,811) |
| Profit after taxation | | 65,070,493 | 195,848,425 | 28,584,918 | 41,788,613 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income for the period | | 65,070,493 | 195,848,425 | 28,584,918 | 41,788,613 |
| Earnings per share - basic and diluted | 21 | 0.28 | 0.85 | 0.12 | 0.18 |

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Issued, subscribed and paid up capital | Share Premium | Unappro- priated profit | Total |
|--|---|--------------------|-------------------------------|----------------------|
| |(Rupees)..... | | | |
| Balance as at July 1, 2021 | 2,292,787,700 | 301,517,286 | 422,424,575 | 3,016,729,561 |
| Total Comprehensive income | | | | |
| Profit for the half year ended December 31, 2021 | - | - | 195,848,425 | 195,848,425 |
| Other comprehensive income | - | - | - | - |
| | - | - | 195,848,425 | 195,848,425 |
| Balance at December 31, 2021 | 2,292,787,700 | 301,517,286 | 618,273,000 | 3,212,577,986 |
| Total Comprehensive income | | | | |
| Profit for the year ended June 30, 2022 | - | - | 5,415,630 | 5,415,630 |
| Other comprehensive income | - | - | - | - |
| | - | - | 5,415,630 | 5,415,630 |
| Balance at June 30, 2022 | 2,292,787,700 | 301,517,286 | 623,688,630 | 3,217,993,616 |
| Total Comprehensive income | | | | |
| Profit for the half year ended December 31, 2022 | - | - | 65,070,493 | 65,070,493 |
| Other comprehensive income | - | - | - | - |
| | - | 65,070,493 | 65,070,493 | |
| Balance at December 31, 2022 | 2,292,787,700 | 301,517,286 | 688,759,123 | 3,283,064,109 |

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended | |
|--|----------------------|----------------------|
| | December 31, 2022 | December 31, 2021 |
| -----Rupees----- | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 177,175,552 | 238,144,139 |
| Adjustments for | | |
| Depreciation of property, plant and equipment | 18,633,541 | 13,843,831 |
| Gain On Sale On Vehicles | (3,495,599) | - |
| Finance cost | 176,574,631 | 62,885,929 |
| | 368,888,125 | 314,873,899 |
| Changes in working capital | | |
| (Increase) / decrease in current assets | | |
| Stores, spares and loose tools | (2,023,299) | (573,826) |
| Stock-in-trade | 439,945,203 | (585,651,407) |
| Trade debts | 8,791,577 | 113,839,632 |
| Loans and advances | (233,950,631) | 10,044,434 |
| Trade deposits and prepayments | (11,840,666) | (17,701,070) |
| Sales tax refundable | 124,260,173 | 31,721,073 |
| Increase / (Decrease) in current liabilities | | |
| Trade and other payables | 162,144,189 | 13,865,456 |
| Government Grant | (528,384) | - |
| Due to director | - | (82,439,760) |
| | 486,798,162 | (516,895,468) |
| Net cash generated from / (used in) operations | 855,686,287 | (202,021,569) |
| Income tax refund | 817,240 | 550,055 |
| Interest / markup paid | (130,596,656) | (42,931,124) |
| Long-term deposits - net | - | (398,200) |
| Net cash generated from / (used in) operating activities | 725,906,872 | (244,800,838) |



| | Half year ended | |
|---|----------------------|----------------------|
| | December 31, 2022 | December 31, 2021 |
| | -----Rupees----- | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (24,457,565) | (1,382,608) |
| Addition in capital work in progress | (275,147,821) | (95,116,488) |
| Proceed from disposal of property, plant and equipment | 3,740,000 | - |
| Other financial assets | (10,959,333) | - |
| Net cash used in investing activities | (306,824,719) | (96,499,096) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long term finances - net | 58,436,774 | 28,853,154 |
| Short term borrowings - net | (831,917,994) | 464,524,467 |
| Deferred taxation | (73,568,922) | - |
| Net cash (used in) / generated from financing activities | (847,050,142) | 493,377,621 |
| Net (decrease) / increase in cash and cash equivalents | (427,967,989) | 152,077,687 |
| Cash and cash equivalents at the beginning of the period | (191,937,640) | (448,062,280) |
| Cash and cash equivalents at the end of the period | (619,905,629) | (295,984,593) |
| Cash and cash equivalents | | |
| Cash and bank balances | 22,291,142 | 105,969,760 |
| Short term running finances | (642,196,771) | (401,954,353) |
| | (619,905,629) | (295,984,593) |

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2022

I. LEGAL STATUS AND OPERATIONS

Siddiqsons Tin Plate Limited (the Company) was incorporated in Pakistan on January 29, 1996 as public Company limited by shares under the repealed Companies Ordinance, 1984 now Companies Act, 2017 (the Act). The registered office of the Company is located at Ocean Tower, 27th Floor, Plot # G-3, Block # 9, Near II Talwar, Clifton, Karachi, Province of Sindh, Pakistan. 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.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

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:

- a) Tin Plate plant is located at Plot No. 5, Special Industrial Zone, Winder, Distt, Lasbella, L.I.E.D.A, Province of Balochistan, Pakistan.
- b) Canning plant is located at Plot # 221-222, Near Jamia Millia College, Jamia Millia Road, Malir City, Karachi, Province of Sindh, Pakistan.

Project Site:

TMBP project site is located at Plot No. 272 & 273 Hub City, Mouza Beroot Peerkas Road, District Lasbella, Hub Balochistan, Pakistan.

3. STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 3.2. The condensed interim financial statements have been prepared under historical cost convention.
- 3.3. The condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional and presentation currency and figures presented in the condensed interim financial statements have been rounded off to the nearest rupee.
- 3.4. These condensed interim financial statements are unaudited. However, a limited scope review of these condensed interim financial statements have been performed by the external auditors of the Company in accordance with the requirements of Section 237 of Companies Act, 2017 and they have issued their review report thereon. These condensed interim financial statements are submitted to the shareholders as required by Section 237 of the Companies Act, 2017.
- 3.5. These condensed interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2022. The comparative statement of financial position presented has been extracted from annual financial statements for the year ended June 30, 2022, whereas comparative condensed statement of profit or loss and other comprehensive income, condensed statement of cash flows and condensed statement of changes in equity are stated from the unaudited condensed interim financial statements for the half year and quarter ended December 31, 2021.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2022.



5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2022.

| | Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|------|--------------------------------------|-------------------------------|
|(Rupees)..... | | | |
| 6. PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating fixed assets | 6.1 | 760,820,186 | 755,240,563 |
| Capital work-in progress | 6.2 | 2,592,892,162 | 2,317,744,341 |
| | | <u>3,353,712,348</u> | <u>3,072,984,904</u> |

6.1 Operating fixed assets

| | December 31, 2022 | | | | Closing WDV 31-Dec-22 |
|-------------------------------|---------------------------|--------------------------|-------------------------|--------------------------------|---------------------------|
| | Opening WDV 01-Jul-22 | Additions | Disposals (W.D.V) | Depreciation for the period | |
|(Rupees)..... | | | | | |
| Leasehold land | 7,533,750 | - | - | - | 7,533,750 |
| Freehold land | 167,401,427 | - | - | - | 167,401,427 |
| Buildings on leasehold land | 94,067,844 | 741,915 | - | (4,740,488) | 90,069,271 |
| Plant and machinery | 430,673,251 | 154,450 | - | (8,615,524) | 422,212,177 |
| Power and other installations | 11,315,308 | - | - | (565,765) | 10,749,543 |
| Factory equipment | 7,822,663 | 47,500 | - | (393,508) | 7,476,655 |
| Generators | 2,051,964 | - | - | (102,598) | 1,949,366 |
| Office equipment | 4,969,691 | - | - | (246,120) | 4,723,571 |
| Data processing equipment | 1,928,725 | 433,500 | - | (346,779) | 2,015,446 |
| Furniture and fixtures | 1,627,928 | - | - | (81,396) | 1,546,532 |
| Vehicles | 25,848,012 | 23,080,200 | (244,401) | (3,541,361) | 45,142,451 |
| - | | | | | |
| December 31, 2022 | <u>755,240,563</u> | <u>24,457,565</u> | <u>(244,401)</u> | <u>(18,633,541)</u> | <u>760,820,186</u> |
| June 30, 2022 | <u>697,078,350</u> | <u>87,788,969</u> | <u>2,792,797</u> | <u>26,833,959</u> | <u>755,240,563</u> |



| Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|--------------------------------------|--------------------------------------|-------------------------------|
| |(Rupees)..... | |
| 6.2. Capital work-in progress | | |
| Civil works, machinery and others | 2,592,892,162 | 2,317,744,341 |
| 6.2.1 | <u>2,592,892,162</u> | <u>2,317,744,341</u> |

6.2.1 The Company is establishing Tin Mill Black Plates (TMBP) project for manufacturing of Tin Mill Black Plates / CRC with an annual production capacity of 200,000 MT per annum. The revised budgeted capital expenditure for the project is Rs. 14 billion. The project would be financed through equity and debt in the ratio of 40:60.

| | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---------------------------------------|--------------------------------------|-------------------------------|
| |(Rupees)..... | |
| 6.2.2 Capital work-in progress | | |
| Opening balance | 2,317,744,341 | 1,782,722,600 |
| Additions | 275,147,821 | 95,116,488 |
| Closing balance | <u>2,592,892,162</u> | <u>1,877,839,088</u> |

7. STOCK-IN-TRADE

| | | |
|--|-----------------------------|----------------------|
| Raw material - Tinplate in hand | 265,983,639 | 257,225,961 |
| in transit | - | 75,495,323 |
| held at third party premises | - | 798,848,412 |
| Finished goods - Tinplate tin | 857,023,586 | 430,293,930 |
| cans | 2,654,638 | 2,555,560 |
| scrap | 1,145,008 | 2,332,888 |
| | <u>860,823,232</u> | <u>435,182,378</u> |
| Chromite Raw material | 16,389,080 | 16,389,080 |
| Finished goods | 12,682,410 | 12,682,410 |
| Provision for obsolete stock of chromite | (29,071,490) | (29,071,490) |
| | <u>1,126,806,871</u> | <u>1,566,752,074</u> |



| | Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|------------------------------------|------|--------------------------------------|-------------------------------|
| 8. TRADE DEBTS | | | |
| | |(Rupees)..... | |
| Local | | 226,032,491 | 199,666,184 |
| Export | | 132,691,059 | 167,848,943 |
| | | 358,723,550 | 367,515,127 |
| Less: Provision for doubtful debts | 8.1 | (43,186,180) | (43,186,180) |
| | | 315,537,370 | 324,328,947 |

8.1. This includes impaired debtors amounting to Rs. 43.186 million (June 2022: Rs. 43.186 million).

8.2. Trade debts are non-interest bearing and are generally settled in 15 to 30 days terms.

| | | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|--|--------------------------------------|-------------------------------|
| 9. ADVANCE INCOME TAX | | | |
| | |(Rupees)..... | |
| Advance tax | | 312,631,621 | 222,956,418 |
| Provision for taxation | | (112,105,059) | (56,645,200) |
| | | 200,526,562 | 166,311,218 |
| 10. LOANS AND ADVANCES | | | |
| Considered good | | | |
| Loan to employees | | 533,732 | 296,000 |
| Advance | | | |
| To suppliers | | 12,926,218 | 8,761,988 |
| For Vehicle | | 34,300 | 19,351,000 |
| Against expenses | | 4,026,812 | 12,010,263 |
| | | 16,987,330 | 40,123,251 |
| Against letter of credits' fee and expenses | | 325,175,591 | 68,326,771 |
| Less: Provision for advance against letter of credits' fee and expenses | | (15,747,984.0) | (15,747,984) |
| | | 309,427,607 | 52,578,787 |
| | | 326,948,669 | 92,998,038 |



| | Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|------|--------------------------------------|-------------------------------|
| 11. TRADE DEPOSITS AND PREPAYMENTS | | | |
|(Rupees)..... | | | |
| Deposit for bank guarantee margin | 11.1 | 62,239,714 | 53,739,714 |
| Security deposits for | | | |
| Containers | | - | - |
| Tenders | | 453,480 | 453,480 |
| Prepaid insurance | | 3,340,666 | - |
| | | 66,033,860 | 54,193,194 |

11.1. This includes margin against bank guarantees issued in favour of excise and taxation department for infrastructure cess, antidumping duty and against solar project.

| | Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|------|--------------------------------------|-------------------------------|
| 12. TERM DEPOSIT CERTIFICATES | | | |
| Investment in term deposit certificates | 12.1 | 230,523,740 | 219,564,407 |

12.1. This represents investment in term deposit certificates which carries markup at the rate of 12% to 14.50% (June 30, 2022: 6% to 12%) per annum for the periods of six and twelve months. It includes Rs. 50 million carried as a lien against CRM project as disclosed in note 6.2.1

13. SHARE CAPITAL

An associated undertaking, Siddiqsons Limited holds 15.18% i.e. 34,816,601 (June 30, 2022: 34,816,601) ordinary shares at the period end. 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.

| | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---------------------------------------|--------------------------------------|-------------------------------|
|(Rupees)..... | | |
| 14. LONG-TERM FINANCE | | |
| Soneri Bank | 136,956,522 | 150,000,000 |
| Al Baraka Bank | 387,062,474 | 287,931,982 |
| Samba Bank | 29,253,286 | 33,753,286 |
| Soneri Bank | 15,693,125 | 16,871,750 |
| Soneri Bank | - | 21,971,616 |
| | 568,965,407 | 510,528,634 |
| Current maturity of long-term finance | (83,494,519) | (44,083,024) |
| | 485,470,888 | 466,445,610 |



14.1. The terms and conditions of Long -term financing arrangements are same as disclosed in note 16 to the annual audited financial statements of the company for the year ended June 30, 2022

| | Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|-------------------------------------|------|--------------------------------------|-------------------------------|
|(Rupees)..... | | | |
| 15. TRADE AND OTHER PAYABLES | | | |
| Creditors | 15.1 | 84,961,564 | 59,345,020 |
| Infrastructure cess | 15.2 | 176,894,602 | 164,596,147 |
| Accrued liabilities | | 16,747,616 | 6,154,412 |
| Due to associated | 15.3 | 94,000,000 | - |
| Staff provident fund | | 5,297,183 | 2,861,981 |
| Workers Profit Participation Fund | | 42,862,162 | 39,476,514 |
| Anti-dumping duty payable | | 27,356,850 | 27,356,850 |
| Retention money payable | | 14,700,836 | 13,945,743 |
| Withholding tax | | 10,629,613 | 11,069,654 |
| | | 473,450,425 | 324,806,321 |

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

15.2. This represents provision for Sindh Development and Infrastructure Fee and Duty which was levied by the Excise and Tax Department on goods entering 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 Sindh High Court (SHC) after which several proceedings were held. Through the interim order passed on May 31, 2011 the Sindh High Court 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.

15.3 This is an interest free payable on demand loan obtained from an associated company/undertaking (Siddiqsons Limited) on September 01, 2022, amounting to Rs. 200 million. However, Rs. 106 million has been paid before the period.



| | Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|------|--------------------------------------|-------------------------------|
|(Rupees)..... | | | |
| 16. INTEREST / MARK-UP ACCRUED ON BORROWINGS | | | |
| Long-term finances | | 18,025,579 | 16,937,044 |
| Short-term borrowings | | 100,291,121 | 55,401,681 |
| | | 118,316,700 | 72,338,725 |
| 17. SHORT-TERM BORROWINGS | | | |
| SECURED | | | |
| From banking companies | | | |
| Finance against imports - foreign currency | 17.2 | 1,176,927,660 | 2,008,845,654 |
| Running finances under markup arrangements | 17.3 | 642,196,771 | 398,789,714 |
| | | 1,819,124,431 | 2,407,635,368 |

17.1. The aggregate unavailed-short term borrowing facilities amounts to Rs. 492 million (June 30, 2022: Rs. 731 million) as of the reporting date.

17.2. These were 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. Loans were subject to mark-up based on, kibor rate ranged between 15.16% to 18.5% (June 30, 2022: 7.45% to 15.16%) per annum.

17.3. 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 17% to 18.5% (June 30, 2022: 8.48% to 17%) per annum.

18. CONTINGENCIES AND COMMITMENTS

18.1.1. Contingencies are not materially changed as disclosed in the note 23 to the annual financial statements for the year ended June 30, 2022, except for mentioned below:

18.1.2. In conjunction with the note 23.3 to the annual financial statements for the year ended June 30, 2022, on October 06, 2022, Singapore International Arbitration Council (SIAC) has awarded/declared that Company wrongfully repudiated the Contracts by, inter alia, encashing the Bank Guarantees and attempting to cancel the LC. The SIAC has further declared that the Company is liable to pay:



1. CNY (Chinese Yuan) 35,799,296 (amounting to Rs. 1,181 million) in damages as compensation for losses suffered by the Supplier (A);
2. legal costs and disbursements being SGD (Singaporean Dollar) 40,017.74 (amounting to Rs. 6.763 million) and CNY 6,111,489 (amounting to Rs. 201.68 million) (B) to Supplier; and
3. interest of 0.9446% per annum compounded monthly; on 'A' (from August 28, 2020) and on 'B' (from the date of the award); until the same are fully and finally paid.
4. 50% of the costs of arbitration SGD 296,852.28 (amounting to Rs. 50.168 million).

Subsequent to receipt of this award, the management has filed an appeal, in High Court of Singapore (HCS) after consultation with Singaporean advisors, challenging the decision of SIAC. The advisors thoroughly reviewed the case and are of the opinion that there are high chances of favorable outcome for the Company.

18.2. Commitments

| | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|--|---|-------------------------------|
| |(Rupees)..... | |
| Letters of credit for import of raw material | 252,023,639 | 1,120,446,772 |
| Bank guarantee in favor of Excise and Taxation department relating to anti-dumping and infrastructure cess | 234,564,407 | 219,564,407 |

| Note | Half year ended | | Quarter ended | |
|------|----------------------|----------------------|----------------------|----------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| |(Rupees)..... | | | |

19. REVENUE FROM CONTRACT WITH CUSTOMERS - NET

| | | | | |
|-----------------|----------------------|---------------|----------------------|---------------|
| Local sales | 2,791,404,774 | 2,601,642,466 | 1,528,082,832 | 1,180,302,459 |
| Export sales | 19.1 - | 64,540,031 | - | 54,360,263 |
| | 2,791,404,774 | 2,666,182,497 | 1,528,082,832 | 1,234,662,722 |
| Less: Sales tax | (409,804,155) | (377,897,447) | (222,990,784) | (171,090,304) |
| | 2,381,600,619 | 2,288,285,050 | 1,305,092,048 | 1,063,572,418 |

19.1. This included exports to Middle East region amounting to Rs.29.527 million in 2021.



| Note | Half year ended | | Quarter ended | |
|-------------------------------|---------------------------|----------------------|----------------------|----------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| |(Rupees)..... | | | |
| 20. COST OF GOODS SOLD | | | | |
| Cost of goods manufactured | 20.1 2,378,314,387 | 1,962,910,326 | 1,060,718,799 | 1,010,199,920 |
| Finished stocks | | | | |
| Opening stock | 435,182,378 | 458,297,174 | 860,147,131 | 426,324,723 |
| Closing stock | (860,823,232) | (528,942,768) | (860,823,232) | (528,942,768) |
| | (425,640,854) | (70,645,594) | (676,101) | (102,618,045) |
| | 1,952,673,533 | 1,892,264,732 | 1,060,042,698 | 907,581,875 |

20.1. Cost of goods manufactured

| | | | | |
|---------------------------------------|----------------------|---------------|----------------------|---------------|
| Raw material consumed | 2,217,318,303 | 1,805,455,645 | 995,181,614 | 929,236,287 |
| Salaries, wages and benefits | 75,562,932 | 74,105,028 | 32,686,213 | 40,602,524 |
| Stores and spares consumed | 6,531,439 | 5,765,740 | 2,289,962 | 3,814,510 |
| Packing material | 3,986,758 | 3,829,176 | 632,784 | 2,106,704 |
| Fuel and power | 40,451,706 | 42,746,947 | 11,723,483 | 17,977,035 |
| Sorting, slitting and cutting charges | 2,558,726 | 2,339,589 | 993,675 | 880,465 |
| Insurance | 2,862,268 | 4,235,735 | 1,431,134 | 3,430,283 |
| Repairs and maintenance | 4,063,297 | 3,715,746 | 2,272,883 | 2,486,974 |
| Rent, rates and taxes | 885,775 | 644,200 | 355,225 | 161,050 |
| Vehicle running and maintenance | 1,350,518 | 1,469,731 | 581,554 | 736,855 |
| Printing and stationery | 201,206 | 136,643 | 70,400 | 84,178 |
| Fees and subscription | 705,886 | - | 701,886 | - |
| Communication | 372,962 | 2,229,578 | 222,598 | 208,648 |
| Traveling and conveyance | 958,962 | 1,916,390 | 3,319 | 1,183,514 |
| Entertainment | 176,850 | 150,966 | 98,243 | 80,611 |
| Depreciation | 14,417,883 | 11,007,053 | 7,229,707 | 5,508,905 |
| Transportation | 2,981,584 | 481,692 | 1,976,021 | 347,160 |
| Other manufacturing overheads | 2,927,332 | 2,680,467 | 2,268,098 | 1,354,217 |
| | 2,378,314,387 | 1,962,910,326 | 1,060,718,799 | 1,010,199,920 |



21. EARNINGS PER SHARE - BASIC AND DILUTED

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

| | Half year ended | | Quarter ended | |
|--|--------------------|-------------------|-------------------|-------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| |(Rupees)..... | | | |
| Profit for the period (Rupees) | 65,070,493 | 195,848,425 | 28,584,918 | 41,788,613 |
| Basic earning per share | | | | |
| Weighted average number of ordinary shares outstanding during the period | 229,278,770 | 229,278,770 | 229,278,770 | 229,278,770 |
| Basic earning per share (Rupee) | 0.28 | 0.85 | 0.12 | 0.18 |

22. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related group companies, directors of the Company, key management personnel and post employment benefit plans. The significant transactions with related parties are as follows:

22.1. Details of transactions with related parties are as follows:

| | Half year ended | | Quarter ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| |(Rupees)..... | | | |
| Relationship with the Company | | | | |
| Nature of transactions | | | | |
| Associated company - Siddiqsons Limited | | | | |
| Purchases of goods & Services | - | 1,372,336 | - | 1,372,336 |
| Loan from associated company / undertaking | 200,000,000 | - | 200,000,000 | - |
| Loan from associated company / undertaking repaid | 106,000,000 | - | 106,000,000 | - |



| | Half year ended | | Quarter ended | |
|---------------------------------|--------------------|-------------------|-------------------|-------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| Key management personnel |(Rupees)..... | | | |
| Short-term employee benefit | 36,487,183 | 25,653,476 | 19,026,139 | 12,743,120 |
| Post-employment benefit | 1,701,792 | 922,102 | 862,734 | 538,595 |
| Loan from director - obtained | 10,000,000 | 102,560,240 | - | 102,560,240 |
| Loan from director - repaid | 10,000,000 | 185,000,000 | - | 100,000,000 |

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

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).

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

As at December 31, 2022, the company has no financial instruments that falls into any of the above category.

24. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been approved and authorized for issue by the Board of Directors of the Company on February 27, 2023.

25. GENERAL

Figures have been rounded off to the nearest Rupee.


 CHIEF FINANCIAL OFFICER


 DIRECTOR


 CHIEF EXECUTIVE OFFICER





Siddiqsons Tin Plate Limited
A Siddiqsons Group Company

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