



*A Commitment
to Prime Quality!*

Siddiqsons Tin Plate Limited
A Siddiqsons Group Company



■ Half Yearly Report ■
December 31
2018

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COMPANY INFORMATION

Board of Directors

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

Audit Committee

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

Human Resource & Remuneration Committee

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

Technical Committee

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

Executive Management Team

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

Chief Financial Officer

Mr. Furrakh Sadiq

Company Secretary

Mr. Muhammad Haris

Auditors

Deloitte Yousuf Adil
 Chartered Accountants

Legal Advisor

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

Bankers

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

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



DIRECTORS' REVIEW

Dear Shareholders

The directors of your Company are pleased to present the condensed interim financial statements for the period ended December 31, 2018.

The period under review has been very challenging and was filled with many volatilities on the economic front. The macroeconomic corrections which were long feared were finally came to occurrence during this period. However, the unprecedented shoot up of KIBOR by more than 60% and PKR devaluation of upto 30% as compared to December, 2017 has made it very difficult to sustain the operational performance of your company.

The global steel market has also remained volatile and these uncertainties has also hampered our supply chain. Although the 1st quarter was relatively stable but the 2nd quarter witnessed a distress in international steel prices which is probably due to the declining demand for steel products.

Operating and Financial Results

During the period under review, Sales revenue was recorded at Rs.1,540 million as compared to Rs.1,234 million during the corresponding period hence recorded an increase of 25% in monetary term. However, in volumetric term there was a decline of 6%. Despite the challenges of rupee devaluation and unstable steel market, your company has managed to maintain its GP margins almost at the same level.

On the operational side, one of the major challenge faced was the high competition with ETP importers who continued to enjoy imported ETP from China at dumped prices on a reduced rate of import duties as compared to CRC/TMBP.

However, subsequent to the period end the National Tariff Commission has imposed the antidumping duty on import of ETP from China, USA, South Africa and European Union, including UK. We are hopeful that this step will discourage the dumping of ETP in Pakistan.

Net Profit

The net results showed a profit after taxation of Rs.33.2million during the period as compared to the profit of Rs.31million in the corresponding period, hence recording a growth of 7%. However, this also includes the impact of a non-recurring markup, reflected in other income. This markup arose on the unutilized portion of the right shares subscription funds.

Earnings per share

The earnings per share are Re.0.16 as compared to Re.0.30 in corresponding period.

Future Outlooks

The pivotal areas for your company are on increasing its local market share and continue exploring export markets.



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The establishment of CRM Complex which aims to feed the existing ETP plant, being a backward integration project will provide high quality uninterrupted supplies of raw material which will ensure smooth supply chain for our customers and will also greatly facilitate in entering the export markets.

On the other hand, the increasing trend of markup rates and Pak Rupee devaluation seems to be a great challenge and will likely to impact the profitability of the Company.

Acknowledgement

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

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

On behalf of the Board



Tariq Rafi

Chairman

Karachi: February 28, 2019



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of financial position of SIDDIQSONS TINPLATE LIMITED as at December 31, 2018 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes forming part thereof (here-in-after referred to as 'condensed interim financial information') for the half year then ended. Management is responsible for the preparation and presentation of the condensed interim financial information 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 information 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 information 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

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

Other matters

The figures of the condensed interim statement of profit or loss for the quarters ended December 31, 2018 and December 31, 2017 have not been reviewed and we do not express a conclusion on them.

Chartered Accountants

Engagement partner
Nadeem Yousuf Adil

Dated: February 28, 2019
Karachi



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

	Note	December 31, 2018 (Un-audited)(Rupees).....	June 30, 2018 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,048,903,203	589,679,088
Long-term deposits		7,179,250	7,179,250
		1,056,082,453	596,858,338
CURRENT ASSETS			
Stores, spares and loose tools		18,415,933	18,281,794
Stock-in-trade	7	1,600,792,818	830,796,437
Trade debts		589,454,131	523,859,123
Advance income tax		147,988,482	155,755,763
Loans and advances		46,740,745	74,302,615
Trade deposits and prepayments		34,145,551	31,105,730
Term deposit certificates	8	1,024,550,000	20,650,000
Other receivables		9,315,660	4,110,181
Other financial assets		359,398	405,877
Sales tax refundable		116,011,367	79,947,561
Cash and bank balances		32,642,192	22,551,605
		3,620,416,277	1,761,766,686
Total assets		4,676,498,730	2,358,625,024
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 300,000,000 (June 30, 2018: 300,000,000) ordinary shares of Rs. 10 each		3,000,000,000	3,000,000,000
Share capital	9	2,292,787,700	785,201,270
Share Premium		271,258,681	-
Unappropriated profit		100,043,804	66,780,479
		2,664,090,185	851,981,749
NON-CURRENT LIABILITY			
Deferred taxation	10	-	-
CURRENT LIABILITIES			
Trade and other payables		251,966,450	151,049,830
Due to director	11	175,000,000	-
Interest / mark-up accrued on borrowings		24,371,807	24,799,494
Short-term borrowings	12	1,555,418,894	1,325,142,557
Unclaimed dividend		5,651,394	5,651,394
		2,012,408,545	1,506,643,275
Total equity and liabilities		4,676,498,730	2,358,625,024
CONTINGENCIES AND COMMITMENTS	13		

The annexed notes 1 to 20 form an integral part of this condensed interim financial information


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

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CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

		Half year ended		Quarter ended	
	Note	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
.....(Rupees).....					
Sales - net	14	1,538,740,053	1,234,040,486	977,723,573	697,470,965
Cost of goods sold	15	(1,383,347,464)	(1,101,553,179)	(878,484,608)	(626,019,877)
Gross profit		155,392,589	132,487,307	99,238,965	71,451,088
Other income		21,957,688	530,412	21,256,939	530,412
		177,350,277	133,017,719	120,495,904	71,981,500
Distribution cost		(12,395,379)	(7,804,646)	(8,479,736)	(5,355,824)
Administrative expenses		(27,931,616)	(25,328,294)	(14,190,584)	(13,108,524)
Other operating expenses		(7,970,021)	(9,343,076)	(2,726,215)	(2,653,991)
Finance cost		(76,563,859)	(37,977,159)	(65,339,326)	(26,657,998)
		(124,860,875)	(80,453,175)	(90,735,861)	(47,776,337)
Profit before taxation		52,489,402	52,564,544	29,760,043	24,205,163
Taxation		(19,226,077)	(21,430,086)	(12,213,371)	(14,722,967)
Profit after taxation		33,263,325	31,134,458	17,546,672	9,482,196
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		33,263,325	31,134,458	17,546,672	9,482,196
Earnings per share - basic and diluted	16	0.16	Restated 0.30	Restated 0.08	Restated 0.09

The annexed notes 1 to 20 form an integral part of this condensed interim financial information


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended	
	December 31, 2018	December 31, 2017
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	52,489,402	52,564,544
Adjustments for		
Depreciation of property, plant and equipment	14,124,887	14,413,697
Loss on remeasurement of investment at market value	46,479	90,121
Reversal of provision for doubtful debts	-	(292,428)
Gain on disposal of property, plant and equipment	(369,884)	(4,845)
Finance cost	76,563,859	37,977,159
	142,854,743	104,748,248
Changes in working capital (Increase) / decrease in current assets		
Stores, spares and loose tools	(134,139)	(1,368,286)
Stock-in-trade	(769,996,381)	(150,174,636)
Trade debts	(65,595,008)	(14,534,769)
Loans and advances	27,561,870	(37,130,538)
Trade deposits and prepayments	(3,039,821)	(2,403,510)
Other receivables	(5,205,479)	15,316,566
Sales tax refundable	(36,063,806)	18,771,593
Increase / (decrease) in current liabilities		
Trade and other payables	100,916,620	(21,276,385)
Due to director	175,000,000	-
	(576,556,144)	(192,799,965)
Net cash used in operations	(433,701,401)	(88,051,717)
Tax paid	(11,458,796)	(37,842,068)
Finance cost paid	(76,991,546)	(31,757,839)
Net cash used in operating activities	(522,151,743)	(157,651,624)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(5,314,436)	(7,472,886)
Addition in capital work in progress	(468,164,682)	-
Proceed from disposal of property, plant and equipment	500,000	8,000
Term deposit certificates	(1,003,900,000)	-
Net cash used in investing activities	(1,476,879,118)	(7,464,886)



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	Half year ended	
	December 31, 2018	December 31, 2017
	-----Rupees-----	
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds against issue of right shares	1,507,586,430	-
Proceeds against premium on right shares	271,258,681	-
Short term borrowings obtained	192,492,394	15,121,659
Net cash generated from financing activities	1,971,337,505	15,121,659
Net decrease in cash and cash equivalents	(27,693,356)	(149,994,851)
Cash and cash equivalents at beginning of the period	(290,621,350)	(107,880,339)
Cash and cash equivalents at end of the period	(318,314,706)	(257,875,190)
Cash and cash equivalents		
Cash and bank balances	32,642,192	36,910,311
Short term running finances	(350,956,898)	(294,785,501)
	(318,314,706)	(257,875,190)

The annexed notes I to 20 form an integral part of this condensed interim financial information


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Issued, subscribed and paid up capital	Share Premium	Unappro- priated profit	Total
(Rupees).....			
Balance at July 1, 2017	785,201,270	-	134,513,820	919,715,090
Total Comprehensive income				
Profit for the half year ended December 31, 2017	-	-	31,134,458	31,134,458
Other comprehensive income - net of tax	-	-	-	-
	-	-	31,134,458	31,134,458
Balance at December 31, 2017	785,201,270	-	165,648,278	950,849,548
Total Comprehensive income				
Loss for the half year ended June 30, 2018	-	-	(98,867,799)	(98,867,799)
Other comprehensive income - net of tax	-	-	-	-
	-	-	(98,867,799)	(98,867,799)
Balance at June 30, 2018	785,201,270	-	66,780,479	851,981,749
Transactions with owners:				
Issuance of right shares during the period	1,507,586,430	301,517,286	-	1,809,103,716
Transaction cost of right issue	-	(30,258,605)	-	(30,258,605)
Total Comprehensive income				
Profit for the half year ended December 31, 2018	-	-	33,263,325	33,263,325
Other comprehensive income - net of tax	-	-	-	-
	-	-	33,263,325	33,263,325
Balance at December 31, 2018	2,292,787,700	271,258,681	100,043,804	2,664,090,185

The annexed notes 1 to 20 form an integral part of this condensed interim financial information


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

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

FOR THE HALF YEAR ENDED DECEMBER 31, 2018

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

3. STATEMENT OF COMPLIANCE

3.1 This condensed interim financial information has been prepared in accordance with the approved 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 information has been prepared under historical cost convention except other financial assets which are valued at fair value.
- 3.3** The condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional and presentation currency and figures presented in the condensed interim financial information have been rounded off to the nearest rupee.
- 3.4** This condensed interim financial information is unaudited. However, a limited scope review of this condensed interim financial information has been performed by the external auditors of the Company in accordance with the requirements of clause (26) of Listed Companies (Code of Corporate Governance) Regulations, 2017. This condensed interim financial information is being 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, 2018. The comparative statement of financial position presented has been extracted from annual financial statements for the year ended June 30, 2018, whereas comparative condensed statement of profit or loss, condensed statement of cash flows and condensed statement of changes in equity are stated from the unaudited condensed interim financial information for the half year and quarter ended December 31, 2017.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgement 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, 2018, except for the adoption of IFRS 15 "Revenue from contracts with customers" as detailed in note 4.1.

4.1 IFRS 15 - Revenue from Contracts with Customers

IFRS 15 - Revenue from contracts with customers replaced IAS 18 - Revenue, IAS 11 - Construction contracts, IFRIC 13 - Customer Loyalty Programmes, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 18 - Transfers of Assets from Customers and SIC 31 - Revenue - Barter Transactions Involving Advertising Services. IFRS 15 provides a single, principles-based approach to the recognition of revenue from all contracts with customers and focuses on the identification of performance obligations in a contract and requires revenue to be recognized when or as those performance obligations in a contract are satisfied. The changes laid down by this standard do not have any significant impact on these condensed interim financial statements of the Company.



4.2 Applicability of IFRS 9 - Financial Instruments

"IFRS 9 – 'Financial Instruments' became effective for periods beginning on or after January 01, 2018 and adopted by the Securities and Exchange Commission of Pakistan (SECP) for the periods beginning on or after from July 01, 2018. Currently, the Company has categorized and measured financial assets and liabilities as per IAS 39 – 'Financial Instruments: Recognition and Measurement' which need to be revised in terms of categorization, valuation and measurement, assessing impairment and disclosures to align with the requirements of IFRS 9.

Subsequent to the year end, SECP through its S.R.O. 229 (I)/2019 dated 14th February deferred the adoption of this standard and modified the effective date for applicability of this standard as reporting period / year ending on or after June 30, 2019. IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard will replace IAS 39 Financial Instruments: Recognition and Measurement."

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, 2018.

	Note	December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
	(Rupees).....	
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	560,861,156	569,801,723
Capital work-in progress	6.2	488,042,047	19,877,365
		<u>1,048,903,203</u>	<u>589,679,088</u>

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6.1 Operating fixed assets

	December 31, 2018				
	Opening WDV 01-Jul-18	Additions	Disposals (W.D.V)	Depreciation for the period	Closing WDV 31-Dec-18
(Rupees).....				
Leasehold land	7,533,750	-	-	-	7,533,750
Buildings on leasehold land	24,234,930	-	-	(1,211,747)	23,023,183
Plant and machinery	497,250,667	-	-	(9,945,013)	487,305,654
Power and other installations	17,246,314	-	-	(862,316)	16,383,998
Factory equipment	3,526,267	-	-	(176,313)	3,349,954
Generators	3,127,518	-	-	(156,376)	2,971,142
Office equipment	4,715,852	34,500	-	(237,230)	4,513,122
Data processing equipment	1,269,628	161,976	-	(218,233)	1,213,371
Furniture and fixtures	1,233,074	19,000	-	(62,287)	1,189,787
Vehicles	9,663,723	5,098,960	(130,116)	(1,255,372)	13,377,195
	569,801,723	5,314,436	(130,116)	(14,124,887)	560,861,156
June 30, 2018	591,281,345	7,966,766	(218,420)	(29,227,968)	569,801,723

	Note	December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
	(Rupees).....	
6.2 Capital work-in progress			
Plant and Machinery		239,766,433	17,827,369
Advance against land		166,949,927	-
Vehicle		13,629,659	2,049,996
Advances for CRM project		67,696,028	-
	6.2.1	488,042,047	19,877,365

6.2.1 The Company is establishing Cold Rolled Mill (CRM) project for manufacturing of Tin Mill Black Plates / CRC which are currently being imported. The CRM project aims to start commercial production during 2nd Quarter of calendar year 2020 with an annual production capacity of 200,000 MT 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 30:70. The Company has already issued right shares for said project as disclosed in note 8.



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		December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
7 STOCK-IN-TRADE	Note(Rupees).....	
Raw material - Tinplate in hand		825,361,758	286,733,209
Finished goods - Tinplate tin		752,704,203	519,113,709
cans		1,117,769	1,117,758
scrap		7,073,343	9,296,016
		760,895,315	529,527,483
Chromite			
Raw material		16,389,080	16,389,080
Finished goods		12,682,410	12,682,410
Provision for obsolete stock of chromite		(14,535,745)	(14,535,745)
		1,600,792,818	830,796,437
8 TERM DEPOSIT CERTIFICATES			
Investment in term deposit certificates	8.1	1,024,550,000	20,650,000

8.1 This represents investment in term deposit certificates which carries markup at the rate of 6.25 % to 9.5% per annum for the period of three months and carried as a lien against CRM project as disclosed in note 6.2.1.

9 SHARE CAPITAL

During the period, Company has allotted 150,758,643 ordinary shares through right issue in 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 shares inclusive of a premium of Rs. 2/- per share. The amount raised through the right issue is Rs. 1,778,845,111/- net of transaction cost of Rs. 30,258,605/-.

10 DEFERRED TAXATION

Deferred tax asset amounting to Rs. 46.736 million (June 30, 2018: Rs. 117.418 million) has not been recognized as the management believes that it is not probable that taxable profit will be available in the foreseeable future against which these deductible temporary differences can be utilized.

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	Note	December 31, 2018 (Un-audited)(Rupees).....	June 30, 2018 (Audited)
11 DUE TO DIRECTOR			
Loan from director	11.1	175,000,000	-

11.1 This represents interest free loan from director obtain for the purpose of fulfilling the payment of LC for CRM project purpose as disclosed in note 6.2.1. The loan was repaid subsequent to the reporting period.

12 SHORT-TERM BORROWINGS

SECURED

From banking companies

Finance against imports - foreign currency	12.2	1,204,461,996	1,011,969,602
Running finances under markup arrangements	12.3	350,956,898	313,172,955
		1,555,418,894	1,325,142,557

12.1 The aggregate short term borrowing facilities are available upto to Rs. 2,898 million (June 30, 2018: Rs. 2,398 million) as of the reporting date.

12.2 These are secured against hypothecation on fixed assets, stock in trade, stores and spares, trade debts, promissory notes and charge on present and future current assets of the Company and lien on import documents. Foreign currency loan are subject to mark-up based on KIBOR ranging between 8.92% to 11.15% (June 30, 2018: 7.15% to 8.92%) per annum.

12.3 These are secured against charge on fixed assets, stock, stores and spares, trade debts and present and future current assets of the Company and are subject to the mark-up ranging between 8.92% to 11.15% (June 30, 2018: 7.15% to 8.92%) per annum.

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There are no contingencies and commitment except as disclosed in the annual audited financial statement as at June 30, 2018.



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	December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees).....	
13.2 Commitments		
Letters of credit for import of raw material	1,020,655,944	344,727,853
Bank guarantee in favour of Excise and Taxation department relating to anti-dumping and infrastructure cess	122,000,000	118,100,000

		Half year ended		Quarter ended	
	Note	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	(Rupees).....			
14 SALES - NET					
Local sales		1,788,685,923	1,390,693,450	1,125,171,188	763,629,726
Export sales	14.1	3,269,436	47,123,559	3,269,436	47,123,559
		1,791,955,359	1,437,817,009	1,128,440,624	810,753,285
Less: sales tax		253,215,306	203,776,523	150,717,051	113,282,320
		1,538,740,053	1,234,040,486	977,723,573	697,470,965

14.1 The exports are made to Middle East region amounting to Rs. 3.269 million (2017: 47.123 million).

Half Yearly Report December 2018

		Half year ended		Quarter ended		
Note		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	
.....(Rupees).....						
15	COST OF GOODS SOLD					
	Tinplate					
	Cost of goods manufactured	15.1	1,343,325,066	917,723,115	803,320,346	342,085,473
	Finished stocks					
	Opening stock		529,527,483	329,450,536	673,312,156	483,637,787
	Purchase of finished goods		271,390,230	311,591,349	167,407,353	257,508,438
	Closing stock		(760,895,315)	(459,934,010)	(760,895,315)	(459,934,010)
			40,022,398	181,107,875	79,824,194	281,212,215
			1,383,347,464	1,098,830,990	883,144,540	623,297,688
	Chromite					
	Cost of goods manufactured		-	-	-	-
	Finished stocks					
	Opening stock		14,535,745	33,055,479	9,121,207	33,055,479
	Purchase return		-	(20,373,069)	-	(20,373,069)
	Closing stock		(14,535,745)	(9,960,221)	(9,121,207)	(9,960,221)
			-	2,722,189	-	2,722,189
			-	2,722,189	-	2,722,189
			1,383,347,464	1,101,553,179	878,484,608	626,019,877



Half Yearly Report December 2018

Half year ended		Quarter ended	
December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017

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

15.1 Cost of goods manufactured - Tinplate

Raw material consumed	1,215,902,805	810,939,461	727,194,337	290,931,897
Salaries, wages and benefits	62,259,904	54,171,452	33,650,238	25,303,569
Stores and spares consumed	9,781,199	1,694,730	8,959,246	1,627,564
Packing material	488,041	719,562	80,076	507,842
Fuel and power	31,685,430	25,937,605	18,936,141	11,283,582
Sorting, slitting and cutting charges	1,873,226	2,214,060	1,400,584	1,490,339
Insurance	2,115,415	2,250,748	1,467,970	1,915,748
Repairs and maintenance	600,873	724,051	383,982	341,475
Rent, rates and taxes	878,460	786,500	439,230	786,500
Vehicles running and maintenance	1,130,450	881,263	699,170	881,263
Printing and stationery	233,850	134,819	230,280	93,934
Communication	673,317	251,973	463,336	94,569
Travelling and conveyance	1,770,725	1,504,329	266,396	76,724
Entertainment	120,521	55,005	79,618	55,005
Depreciation	12,351,764	13,028,199	6,175,882	6,516,725
Transportation	315,759	352,232	832,273	100,860
Canning / Printing	12,877	1,510,570	1,497,693	71,688
Other manufacturing overheads	1,130,450	566,556	563,894	6,189
	<u>1,343,325,066</u>	<u>917,723,115</u>	<u>803,320,346</u>	<u>342,085,473</u>

16 EARNING 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, 2018	December 31, 2017 Restated	December 31, 2018 Restated	December 31, 2017 Restated
(Rupees).....			
Profit for the period (Rupees)	33,263,325	31,134,458	17,546,672	9,482,196
Basic earning per share				
Weighted average number of ordinary shares outstanding during the period	210,888,222	78,520,127	208,761,759	78,520,127
Basic earning per share (Rupee)	0.16	0.30	0.08	0.09

17 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:

17.1 Details of outstanding balances with related parties are as follows:

		Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	(Rupees).....			
Relationship with the Company	Nature of transactions				
Associated company Siddiqsons Limited	Purchases of goods & Services	1,792,726	460,932	1,792,726	460,932
Key management personnel	Short-term employee benefit	23,648,782	17,066,620	17,161,049	10,578,887
	Post-employment benefit	875,030	833,898	612,082	570,950
	Loan from director	175,000,000	-	-	-
	Purchase of Land	150,000,000	-	-	-



18 FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or the liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Company's financial assets which are carried at fair value:

December 31, 2018				
	Level 1	Level 2	Level 3	Total
.....(Rupees).....				
Financial assets - at fair value				
- Held for trading	359,398	-	-	359,398
	<u>359,398</u>	<u>-</u>	<u>-</u>	<u>359,398</u>
June 30, 2018				
	Level 1	Level 2	Level 3	Total
.....(Rupees).....				
Financial assets - at fair value				
- Held for trading	405,877	-	-	-
	<u>405,877</u>	<u>-</u>	<u>-</u>	<u>-</u>

There were no transfers between levels during the period.

There were no changes in valuation technique during the period.

19 COMPARATIVE INFORMATION

Corresponding figures have been rearranged and regrouped where necessary for the purpose of comparison. However, no significant changes have been made.

20 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved and authorized for issue by the Board of Directors of the Company on February 28, 2019.


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER



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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

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