



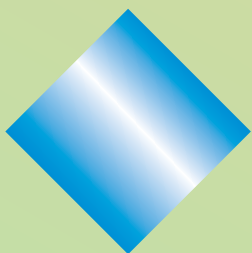
A Commitment to Prime Quality !

**ANNUAL  
REPORT**  

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**2015**

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**Siddiqsons Tin Plate Limited**  
A Siddiqsons Group Company

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The word "VISION" is written in a white, serif font inside a dark grey circle. The circle has a subtle drop shadow and is positioned on the right side of a light grey rounded rectangular box.

## VISION

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

The word "MISSION" is written in a white, serif font inside a dark grey circle. The circle has a subtle drop shadow and is positioned on the left side of a light grey rounded rectangular box.

## MISSION

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

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

## CORPORATE STRATEGY

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



# COMPANY INFORMATION

## Board of Directors

Mr. Tariq Rafi	Chairman
Mr. Abdur Rahim	CEO
Mr. Ibrahim Shamsi	Director
Mr. Naeem-ul-Hasnain Mirza	Director
Mr. Salman Hussain	Director
Mr. Saturo Nishi	Director
Mr. Jean Pierre Gugenheim	Director

## Audit Committee

Mr. Ibrahim Shamsi	Chairman
Mr. Salman Hussain	Member
Mr. Saturo Nishi	Member
Mr. Murtaza Ahmed	Secretary

## Human Resource & Remuneration Committee

Mr. Ibrahim Shamsi	Chairman
Mr. Abdur Rahim	Member
Mr. Naeem-ul-Hasnain Mirza	Member

## Chief Financial Officer

Mr. Rashid Khaleeqe

## Company Secretary

Mr. Murtaza Ahmed

## Chief Internal Auditor

Mr. Furrukh Sadiq

## Auditors

### M. Yousuf Adil Saleem & Company

Chartered Accountants

## Legal Advisor

### Mr. Kashif Nazeer

A/2, G-23, Park Lane,  
Block-5, Clifton, Karachi

## Bankers

Dubai Islamic Bank Limited  
Habib Metropolitan Bank Limited  
Habib Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
Allied Bank Limited  
The Industrial & Commercial Bank of China (ICBC)

## Shares Registrar

THK Associates (Private) Limited Ground Floor, State  
Life Building # 3 Dr. Ziauddin Ahmed Road,  
Karachi - 75530, UAN # 111 000 322

## Registered Office

### Siddiqsons Tower

7th Floor, Plot # 3, J.C.H., Society, Block 7 & 8,  
Main, Shahrah-e-Faisal, Karachi.

Special Industrial Zone  
Winder, Baluchistan

## Web Presence

[www.siddiqsonstinplate.com](http://www.siddiqsonstinplate.com)



## BOARD OF DIRECTORS

### Mr. Tariq Rafi, Chairman

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



### Mr. Abdur Rahim, CEO

Mr. Abdur Rahim started his business career in 2003. He has vast experience in Denim fabric / garments and has extensively travelled to different regions of the world for sales and marketing of Denim Fabric /Garments. Mr.Abdur Rahim is heading various textile units in the country as its director. He is also serving as a Chief Operating Officer of Siddiqsons Limited & Director of Siddiqsons Limited as well as AR Commodities (Pvt) Ltd. He joined the Siddiqsons Tin Plate Limited board in 2011.



### Mr. Ibrahim Shamsi, Director

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



## BOARD OF DIRECTORS

### **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 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. Salman Hussain**

Mr. Salman Hussain has joined the Board of Siddiqsons Tin Plate Limited on December 31, 2014, through election. He is an MBA from IBA (Karachi). He has a good business acumen and has a good entrepreneurial experience.

### **Mr. Saturo Nishi, Director**

Mr. Saturo Nishi is a nominee Director of M/S Metal One Corporation of Japan. Metal One corporation is a subsidiary company of Mitsubishi Corporation. Mr. Nishi is presently discharging his responsibilities as, G.M Global marketing department of Metal One Corporation. He possess huge experience in marketing field and he joined the Siddiqsons Tin Plate Limited board in 2012.



### **Mr. Jean Pierre Gugenheim, Director**

Mr. Jean Pierre Gugenheim is a nominee Director of M/s Arcelor Packaging International of France. Mr. Gugenheim has huge experience in the marketing field & also possesses very dynamic personality. He joined in Siddiqsons Tin Plate Limited Board in 1998.



# NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that 20th Annual General Meeting of M/s. Siddiqsons Tin Plate Limited will be held on Thursday, October 29, 2015 at 11.00 a.m. at Ocean Mall & Tower, 4th Floor, Block-9, Scheme-5, Clifton, Karachi, to transact the following business:

## AGENDA

1. To confirm the minutes of the Extra Ordinary General Meeting held on December 31, 2014.
2. To review and discuss the audited accounts of the Company for the year ended June 30, 2015.
3. To appoint Auditors of the Company for the year ending June 30, 2016 and Fix their remuneration. The present auditors M/s. Deloitte Yousuf Adil, Chartered Accountants are retiring and being eligible have offered themselves for reappointment.
4. To transact any other business with the permission of Chair.

On behalf of the Board

**Murtaza Ahmed**  
(Company Secretary)

## NOTES:

1. The Share Transfer Books of the Company will remain closed from October 23, 2015 to October 29, 2015 (both days inclusive). Transfers received at the Share Registrar of the Company. M/s. THK Associates (Pvt) Limited, Ground Floor, State Life Building # 3, Dr. Ziauddin Ahmed Road, Karachi at the close of business on October 22, 2015 will be treated in time for the purpose of above entitlement to the transferees.
2. A member entitled to attend and vote a Meeting is entitled to appoint another member as a proxy to attend, speak and vote on his/her behalf. A corporation being a member may appoint as its proxy any of its official or any other person whether a member of the company or otherwise.
3. An instrument of proxy and a Power of Attorney or other authority (if any) under which it is signed, or notarized copy of such Power of Attorney must be valid and deposited at the Share Registrar of the Company not less than 48 hour before the time of the Meeting.
4. Those shareholders whose shares are deposited with Central Depository Company of Pakistan Limited (CDC) are requested to bring their original Computerized National Identity Card (CNIC) along with participant's ID number and their account/sub-account numbers in CDC to facilitate identification at the time of Annual General Meeting. In case of Proxy, attested copies of proxy's CNIC or passport, Account and Participation's I.D numbers must be deposited alongwith the Form of Proxy with Share Registrar of the Company as per paragraph No.1 above. In case of Proxy for corporate members, the Board of Directors' Resolution/Power of Attorney with specimen signature of the nominee shall be produced at the meeting (unless it has been provided earlier to the Share Registrar).
5. Shareholders are requested to notify the Company of the change in their address, if any, to Share Registrar of the Company.





# CODE OF ETHICS

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 Ethics

### Management Commitment to Ethics

1. 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 Ethics

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.



# CODE OF ETHICS

## 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, including 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.



# CODE OF ETHICS

## 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.



# CODE OF ETHICS

## **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 YEARS AT A GLANCE

For the period ended 30th June 2015

DESCRIPTION	2015	2014	2013	2012	2011	2010
Rupees in "000"						
<b>TRADING RESULTS</b>						
Net Turnover	2,341,355	2,092,101	2,770,787	2,509,230	3,305,780	3,247,871
Gross Profit	140,346	6,672	179,848	94,385	286,497	252,636
Profit / (Loss) before tax	3,369	(191,582)	(74,751)	(162,039)	(11,516)	66,611
Profit / (Loss) after tax	(20,171)	(152,260)	(64,655)	(124,013)	(48,679)	38,152
Dividend	-	-	-	-	25,257	58,890
<b>BALANCE SHEET</b>						
Share Capital	785,201	785,201	785,201	785,201	785,201	785,201
Unappropriated profit	(22,168)	(1,998)	150,263	214,918	364,189	471,757
Total Assets	1,822,260	1,830,702	2,678,401	2,830,784	2,818,384	2,646,401
<b>INVESTORS INFORMATION</b>						
Gross Profit in percent of sales	6	0.32	6.00	3.75	8.67	7.78
(Loss)/Earnings Per Share	(0.26)	(1.94)	(0.82)	(1.58)	(0.62)	0.49
Profit / (Loss) before tax in percent of sales	0.14	(9.16)	(2.70)	(6.46)	(0.35)	2.05
Profit / (Loss) after tax in percent of sales	(0.86)	(7.28)	(2.33)	(4.94)	(1.47)	1.17
Inventory Turnover (days)	82	134	157	187	144	172
Debtor turnover (days)	65	82	68	64	38	40
Break-up value Per share (Rs)	9.72	9.97	11.90	12.73	14.64	16.01
Market value Per share (Rs)	8.02	7.30	7.58	7.25	8.97	10.01
Dividend per share (Rs)	-	-	-	-	0.75	0.75
Dividend yield ratio (%)	-	-	-	-	8.36	7.49
Dividend Payout Ratio (%)	-	-	-	-	-	154.36
Return on equity (%)	(2.60)	(19.40)	(6.90)	(12.40)	(4.24)	3.04
Debt : Equity ratio	1.39	1.34	2.00	1.59	1.19	0.99
Current Ratio	1.01	1.06	1.14	1.16	1.28	1.44
Interest cover (times)	1.04	(0.85)	0.43	(0.49)	0.93	1.51



# DIRECTORS' REPORT

To the Shareholders

## Dear fellow shareholders

The Directors are pleased to present the annual report of your company along with the audited financial statements for the financial year ended June 30, 2015, together with auditors' report thereon.

## Overview

The 2014-15 was a year of refurbishment, fundamental corrections & major business process overhauling, as clearly reflected in the working capital portion of financial statements pertaining to the year. The ever increasing reliance on poly bags and pet bottles, cheap imports from China coupled with inadequate tariff barriers, Pakistani Rupee parity remained major vulnerabilities for the business.

## Financial Highlights

Pak. Rupees

	2015	2014	2013
Net Sales	2,341,355,303	2,092,100,532	2,770,786,752
Gross Margin	140,346,037	6,672,446	179,848,013
Profit/Loss before taxation	3,369,070	(191,581,868)	(74,750,532)
Loss after taxation	(20,170,702)	(152,260,244)	(64,655,107)
Loss per share	(0.26)	(1.94)	(0.82)

## Business Performance

The business activity during the year continues to be challenged owing to energy crisis, volatile law & order situation, continuously decreasing demand for tin plate due to increasing use of polybags and pet bottles and anomalies in tariff structure which is giving rise to cheap import from China. However through efficient working capital management, efficient cost controls and aggressive pricing strategies, the management has succeeded in significantly improving its operational performance as compared to last year.

The major emphasis of the Company remained on an effective and efficient supply chain mechanism, where the procurement is mainly focused on prime grade material from trusted and reliable sources keeping in view the market/customers' requirement.

In addition, the efforts for entering into export market have also started materializing and the company is expecting a sizeable export orders in the years to come.

The losses per share have decreased to Rs.-0.26, as compared to Re. -1.94 in the previous year.

## Provident Fund

The estimated value of investment of Siddiqsons Tin Plate Limited - Staff Provident Fund as on June 30, 2015 was Rs. 35.60 million (2014: Rs. 33.33 million).



# DIRECTORS' REPORT

To the Shareholders

## Future Outlook

Looking forward, your Company continues to strive as a market leader in the tin plate, while maintaining a strict focus on its quality policy. Through stringent cost controls and efficient pricing policies it aims to improve its operational performance. Furthermore it also aims to explore new means and ways of doing business. However, the achievement of performance targets are very much dependent on overall macro-economic and social indicators and law & order situation in the country, which still seems to be highly vulnerable and their future stability is a matter of high speculations.

## Auditors

The present auditors M/s. M. Yousuf Adil Saleem & Co., Chartered Accountants retire and being eligible have offered themselves for the reappointment. On suggestion of the Audit Committee, the Board of Directors have recommended their reappointment as auditors of the Company for the year ending June 30, 2016, 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 Karachi Stock Exchange in their Listing Regulations, relevant for the year ended June 30, 2015 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 of this statement 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.



# DIRECTORS' REPORT

## To the Shareholders

- 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.
- The key operating and financial data for the last six (6) years is summarized and annexed with this report.

## Board of directors' meetings

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

Name of Directors	No. of Meeting Attended
Mr. Tariq Rafi	4
Mr. Abdur Rahim	4
Mr. Ibrahim Shamsi	4
Mr. Salman Hussain	1
Mr. Fazl e Rabbi (Outgoing)	2
Mr. Naeem ul Hasnain	4
Mr. Satoru Nishi	NIL
Mr. Jean PeirreGugenheim	NIL

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

## Audit Committee and internal control system

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

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

## Corporate Social Responsibility

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





# DIRECTORS' REPORT

To the Shareholders

## Pattern of shareholding

The total number of Company's shareholders as at June 30, 2015 were 2890. The pattern of shareholding as at June 30, 2015 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

Karachi, September 21, 2015



# STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

Year ended 30th June 2015

This statement is being presented to comply with the Code of Corporate Governance (the Code) contained in listing regulations of Karachi Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:-

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors (the Board). At present the board includes:

<b>Category</b>	<b>Names</b>
Executive Directors	Mr. Tariq Rafi Mr. Abdur Rahim Mr. Naeem-ul-Hasnain Mirza
Non-Executive Directors	Mr. Salman Hussain Mr. Ibrahim Shamsi Mr. Satoru Nishi Mr. Jean Pierre Gugenheim

The requirement of clause 5.19.1(b) of the Code requires the presence of an independent director on Board. The Company has no independent director on its Board.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
3. All the directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred in the Board.
5. 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. However, the same has not been placed on the Company's website.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer (CEO) and other executive and non-executive directors, have been taken by the Board.
8. 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 and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings.
9. The Board members are aware of their responsibilities, rules, regulations or laws affecting the Company as they are on the Board since many years. They have been kept aware through orientation programs regarding the changes in the corporate laws particularly in the Code of Corporate Governance. However, none of the director has attended the training program conducted by an institute duly approved by Securities and Exchange Commission of Pakistan.



# STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

Year ended 30th June 2015

10. No new appointment of CFO, Company Secretary and Head of Internal Audit was made during the year.
11. The directors' report for the year ended June 2015 has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholdings.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises of three members of whom two are non-executive directors. Chairman of the audit committee was non-executive director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the committee have been determined and approved by the Board of Directors and advised to the committee for compliance.
17. The Board has formed an HR and Remuneration Committee. It comprises of three members, of whom two members including Chairman of the committee are non-executive directors.
18. The Board has set up an internal audit function. The head of Internal Audit function is an experienced person for the purpose and is conversant with the policies and procedures of the Company. The management is in process of further strengthening the function.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. We confirm that all other material principles enshrined in the Code have been complied with except for the followings:
  - a mechanism for the annual evaluation of the Board's own performance has not been made; and
  - the Chairman of the Board is an executive director.

For and on behalf of the Board of Directors

**ABDUL RAHIM**  
Chief Executive Officer

Dated: September 21, 2015  
Karachi



## REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance (the statement) with the best practices contained in the Code of Corporate Governance (the Code) for the year ended June 30, 2015 prepared by the Board of Directors of **Siddiqsons Tinline Limited** ("the Company") to comply with the Listing Regulations of the Karachi where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. 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 Code.

As part of our audit of 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 of 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 Code requires 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 distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2015

We draw attention to:

- paragraph 1 of the statement of compliance which require atleast one independent director on the Board;
- paragraph 9 of the statement of compliance which require that the Company shall make appropriate arrangements to provide directors' training offered by Institution that meet the criteria specified by the Securities and Exchange Commission of Pakistan; and
- paragraph 23 regarding establishing a mechanism for the evaluation of the Board's own performance and appointment of non-executive director as chairman of the Board.

Chartered Accountants

**Engagement Partner:**  
Talat Javed

Multan  
Dated: September 21, 2015

## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **SIDDIQSONS TIN PLATE LIMITED** as at June 30, 2015 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a. in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b. in our opinion :
  - i. the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
  - ii. the expenditure incurred during the year was for the purpose of the Company's business; and
  - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c. in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984 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, 2015 and of the loss, its cash flows and changes in equity for the year then ended; and
- d. in our opinion, no zakat was deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

### Chartered Accountants

#### Engagement Partner

Talat Javed

Dated: September 21, 2015

Multan

# BALANCE SHEET

As at June 30, 2015

	Note	2015 Rupees	2014 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	647,266,141	708,816,754
Long-term deposits	4	10,497,538	10,490,038
		<u>657,763,679</u>	<u>719,306,792</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools	5	15,001,496	16,712,755
Stock-in-trade	6	517,812,540	470,995,275
Trade debts	7	436,214,734	400,405,421
Loans and advances	8	84,266,103	129,691,403
Trade deposits and short-term prepayments	9	3,517,064	5,707,411
Other receivables	10	45,509,010	45,509,010
Other financial assets	11	456,394	533,551
Sales tax refundable		51,077,606	29,095,158
Cash and bank balances	12	10,641,057	12,744,866
		<u>1,164,496,004</u>	<u>1,111,394,850</u>
<b>Total Assets</b>		<u><u>1,822,259,683</u></u>	<u><u>1,830,701,642</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	13	785,201,270	785,201,270
Accumulated loss		(22,168,215)	(1,997,513)
		<u>763,033,055</u>	<u>783,203,757</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred taxation	14	-	-
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	100,638,556	109,048,198
Interest / mark-up accrued on borrowings		14,698,397	16,632,069
Short-term borrowings	16	943,889,675	921,817,618
		<u>1,059,226,628</u>	<u>1,047,497,885</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	17		
<b>Total Equity and Liabilities</b>		<u><u>1,822,259,683</u></u>	<u><u>1,830,701,642</u></u>

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR



# PROFIT & LOSS ACCOUNT

For the year ended June 30, 2015

	Note	2015 Rupees	2014 Rupees
Sales	18	2,341,355,303	2,092,100,532
Cost of goods sold	19	(2,201,009,266)	(2,085,428,086)
Gross profit		140,346,037	6,672,446
Distribution cost	20	(9,786,549)	(12,661,709)
Administrative expenses	21	(40,302,873)	(50,395,879)
Other operating expense	22	(12,275,497)	(33,345,939)
Finance cost	23	(76,676,378)	(103,745,664)
Other income	24	2,064,330	1,894,877
Profit / (loss) before taxation		3,369,070	(191,581,868)
Taxation	25	(23,539,772)	39,321,624
Loss after taxation		(20,170,702)	(152,260,244)
Other comprehensive income		-	-
Total comprehensive loss for the year		<b>(20,170,702)</b>	<b>(152,260,244)</b>
Earnings per share - Basic and diluted	26	(0.26)	(1.94)

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR



# CASH FLOW STATEMENT

For the year ended June 30, 2015

	2015 Rupees	2014 Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / loss before taxation	3,369,070	(191,581,868)
Adjustments for:		
Depreciation on property, plant and equipment	33,955,807	37,143,235
Finance cost	76,676,378	103,745,664
Provision for doubtful debts	5,629,394	1,370,190
Reversal of provision for slow moving stores	-	(391,209)
Loss / (gain) on disposal of property, plant and equipment	5,424,307	(1,175,835)
Loss / (gain) on remeasurement of investment at market value	77,157	(180,148)
Operating cash flows before movement in working capital	<u>125,132,113</u>	<u>(51,069,971)</u>
(Increase) / decrease in current assets		
Stores, spares and loose tools	1,711,259	2,470,269
Stock-in-trade	(46,817,265)	592,553,552
Trade debts	(41,438,707)	137,267,638
Loans and advances	691,390	42,975,477
Trade deposits and short-term prepayments	2,190,347	2,381,161
Other receivables	-	(44,749,298)
Sales tax refundable	(21,982,448)	69,546,581
Increase / (decrease) in current liabilities		
Trade and other payables	<u>(8,409,642)</u>	<u>(70,794)</u>
Cash flow generated from operations	11,077,047	751,304,615
Income taxes paid	(42,755,585)	(35,133,583)
Income tax refund	63,949,722	-
Interest / markup paid	(78,610,050)	(118,254,037)
Long term deposit (paid) / received	(7,500)	703,109
Net cash flows (used) / generated from operating activities	<u>(46,346,366)</u>	<u>598,620,104</u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,886,474)	(2,557,919)
Proceed from disposal of property, plant and equipment	<u>24,056,973</u>	<u>6,712,805</u>
Net cash flows generated from investing activities	<u>22,170,499</u>	<u>4,154,886</u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short term borrowings obtained / (reduced)	235,216,852	(586,673,451)
Short term advances obtained	75,000,000	89,200,000
Short term advances repaid	(75,000,000)	(89,200,000)
Dividend paid	-	-
Net cash generated / (used) in financing activities	<u>235,216,852</u>	<u>(586,673,451)</u>
Net increase in cash and cash equivalents (A+B+C)	211,040,985	16,101,539
Cash and cash equivalents at July 01	(432,921,365)	(449,022,904)
Cash and cash equivalents at June 30	<u>(221,880,380)</u>	<u>(432,921,365)</u>
Cash and cash equivalents	10,641,057	12,744,866
Cash and bank balances	(232,521,437)	(445,666,231)
Short term running finance	<u>(221,880,380)</u>	<u>(432,921,365)</u>

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER



Siddiqsons Tin Plate Limited  
A Siddiqsons Group Company

DIRECTOR

Annual Report 2015

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## STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2015

	Issued, subscribed & paid up capital	Unappropriated profit / Accumulated loss	Total
	-----Rupees -----		
Balance at July 1, 2013	785,201,270	150,262,731	935,464,001
<b>Comprehensive income</b>			
Loss for the year ended June 30, 2014	-	(152,260,244)	(152,260,244)
Other comprehensive income - net of tax	-	-	-
	-	(152,260,244)	(152,260,244)
Balance at June 30, 2014	785,201,270	(1,997,513)	783,203,757
<b>Comprehensive income</b>			
Loss for the year ended June 30, 2015	-	(20,170,702)	(20,170,702)
Other comprehensive income - net of tax	-	-	-
	-	(20,170,702)	(20,170,702)
Balance at June 30, 2015	785,201,270	(22,168,215)	763,033,055

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## I. GENERAL INFORMATION

**I.1** Siddiqsons Tin Plate Limited (the Company) was incorporated in Pakistan on January 29, 1996 as public company limited by shares under the Companies Ordinance 1984. The shares of the Company are listed at Karachi Stock Exchange. Registered office of the Company is situated at Siddiqsons Tower, 7th Floor, Plot # 3, J.C.H. Society, Block 7 & 8, Main Shahrah-e-Faisal, Karachi in the province of Sindh and the tin plate plant is located at Winder Industrial Estate in the province of Balochistan. The canning plant is located at Malir, Karachi in the province of Sindh. The principal activity of the company is manufacturing and sale of tin plates, cans and other steel products.

**I.2** The financial statements are presented in Pak Rupee which is the Company's functional and presentation currency.

## 2. SIGNIFICANT ACCOUNTING POLICIES

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

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

### 2.2 Adoption of New Standards, and Amendments and Interpretations to the published approved accounting standards

The following standards, amendments and interpretations are effective for the year ended June 30, 2015. 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.

<b>Standards/Amendments/Interpretations</b>	<b>Effective for periods beginning on or after</b>
IAS 32 - Financial Instruments: Presentation – Offsetting financial Assets and financial Liabilities (Amendment)	January 1, 2014
IAS 36 - Impairment of Assets - Recoverable amount disclosures for non-financial Liabilities	January 1, 2014
IAS 39 - Financial Instruments - Recognition and measurement - Novation of derivatives and continuation of hedge accounting	January 1, 2014
IAS 19 - Amendments to IAS 19 - Employee benefits : Employee contributions	July 1, 2014
IFRIC 21 - Levies	January 1, 2014



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 2.3 Standards, interpretations and amendments to the published approved accounting standards 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.

Standards/Amendments/Interpretations	Effective for periods beginning on or after
IAS 16 and IAS 38 : Clarification of acceptable methods of depreciation and amortization (Amendments)	January 1, 2016
IAS 16 and IAS 41 Agriculture: Bearer plants (Amendments)	January 1, 2016
IAS 27 – Separate Financial Statements (Revised 2011)	January 1, 2015
IAS 28 – Investments in Associates and Joint Ventures (Revised 2011)	January 1, 2015
IFRS 10 - Consolidated Financial Statements	January 1, 2015
IFRS 11 – Joint Arrangements	January 1, 2015
IFRS 12 – Disclosure of Interests in Other Entities	January 1, 2015
IFRS 13 – Fair Value Measurement	January 1, 2015

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:

IFRS 1 – First Time Adoption of International Financial Reporting Standards  
IFRS 9 – Financial Instruments  
IFRS 14 – Regulatory Deferral Accounts  
IFRS 15 – Revenue from Contracts with Customers

2.4 The financial statements have been prepared under the historical cost convention except that certain financial instruments are stated at fair value:

## 2.5 The principal accounting policies adopted are set out below:

### 2.5.1 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 balance sheet date.

Depreciation is charged using reducing balance method over its estimated useful life at the rates specified in note 3.1. Depreciation is charged from the month in which asset is available for use and up to the month preceding the month of disposal.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

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

## 2.5.2 Stores, spares and loose tools

These are valued at the cost. The cost is determined on moving average basis less allowance for obsolete and slow moving items, if any. Stores and spares in transit are stated at invoice values plus other charges incurred thereon up to balance sheet date.

## 2.5.3 Stock in trade

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

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

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

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

Net realizable 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.

## 2.5.4 Trade debts and other receivables

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment, if any. A provision for impairment is established when there is an objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Trade debts and other receivables considered irrecoverable are written off.

## 2.5.5 Financial Assets

The Company classifies the financial assets in the following categories ;

### Financial assets at fair value through profit or loss

These include investments held for trading and those that are designated upon initial recognition as at fair value through profit or loss at inception. Investments are classified as held for trading if they are acquired for the purpose of selling in the near term. They are initially measured at fair value and changes on re-measurement are taken to profit and loss account.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## **Available for sale investment**

For available-for-sale financial investments, the Company besides considering the criteria mentioned above assesses at each balance sheet date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. Where there is evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the income statement - is removed from equity and recognized in the profit and loss account. Impairment losses on equity investments are not reversed through the profit and loss account; increases in their fair value after impairment are recognized directly in equity.

## **Held to maturity**

Held to maturity investments are financial assets with fixed or determinable payments and fixed maturity that the Company has the positive intent and ability to hold till maturity. Held to maturity investments are initially recognized at cost inclusive of transaction cost and are subsequently carried at amortized cost using effective interest rate method.

## **Loans and Receivables**

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

## **Regular way purchase or sale of investment**

All purchases and sales of investment are recognized using trade date accounting. Trade date is the date that the Company commits to purchase or sell the investment.

## **Derecognition**

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

### **2.5.6 Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks and short-term running finance under mark-up arrangements.

### **2.5.7 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 profit and loss account for the year.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 2.5.8 Trade and other payables

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

## 2.5.9 Provisions

Provisions are recognized 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 balance sheet date and adjusted to reflect the current best estimate.

## 2.5.10 Impairment

### Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

### Non-financial Assets

The carrying amounts of non-financial assets other than inventories and deferred tax asset (if any), are assessed 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 profit and loss account, 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.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. When impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of initial cost of the asset. Reversal of impairment loss, if any, is recognized as income.

## 2.5.11 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of the contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired.

Other particular recognition methods adopted by the Company are disclosed in the individual policy statements associated with each item of financial instruments.

## 2.5.12 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet, if the Company has a legal enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 2.5.13 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

Sales of goods are recognized upon transfer of significant risk or rewards of ownership.

Interest income is accrued on a time apportioned basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

Capital gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which the transaction takes place.

Unrealized capital gain / (losses) arising on mark to market of investment classified as 'financial assets at fair value through profit and loss - held for trading' are included in the profit and loss account in the year in which they arise.

## 2.5.14 Taxation

### Current

The charge for current taxation is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet 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 income tax is provided using the liability method for all temporary differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax asset is recognized 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 utilized.

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

## 2.5.15 Foreign currencies

Foreign currency transactions are translated into Pak. Rupees using the rates of exchange prevailing on the dates of the transaction. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet 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 period.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 2.5.16 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.

## 2.5.17 Dividend and other appropriations

Dividend is recognized 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.

## 2.5.18 Critical accounting estimates and judgments in applying the Company's accounting policies

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revision to accounting estimates are recognized in the period in which estimates are revised and in any future period affected. 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 of property, plant and equipment (note 3.1)
- Impairment in property, plant and equipment.
- Provision of stores, spares and loose tools (note 5)
- Provision against doubtful debts and receivables (note 7);
- Classification of investments (note 11); and
- Assumptions and estimates used in disclosure for contingencies. (note 17) and
- Provision for deferred tax and taxation (note 14 and 25)

As mentioned at 3.1, the Company reviews the estimated useful lives and depreciation rates of property, plant and equipment at the end of each balance sheet date. During the financial year, the management determined that the useful life and depreciation rates are same as reported in prior years.

	Note	2015 Rupees	2014 Rupees
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	3.1	643,822,294	705,372,907
Capital work in progress	3.3	3,443,847	3,443,847
		<u>647,266,141</u>	<u>708,816,754</u>





# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	Cost at July 01, 2014	Additions / (disposals)	Cost at June 30, 2015	Accumulated depreciation at July 01, 2014	Depreciation for the year / Adjustments	Accumulated depreciation at June 30, 2015	Carrying value at June 30, 2015	Dep. Rate %
Leasehold land	7,533,750	-	7,533,750	-	-	-	7,533,750	-
Buildings on leasehold land	142,200,670	-	142,200,670	105,262,810	3,693,786	108,956,596	33,244,074	10
Plant and machinery	1,072,178,407	(34,619,714)	1,037,558,693	464,425,437	23,405,358 (5,296,622)	482,534,173	555,024,520	4
Power and other installations	87,828,425	-	87,828,425	61,542,320	2,628,611	64,170,931	23,657,495	10
Factory equipment	15,055,488	-	15,055,488	11,031,267	402,422	11,433,689	3,621,799	10
Generators	13,576,327	-	13,576,327	8,809,493	476,683	9,286,176	4,290,151	10
Office equipment	9,746,757	476,734	10,223,491	4,682,654	533,512	5,216,166	5,007,325	10
Data processing equipment	4,593,863	1,409,740	6,003,603	3,825,375	543,558	4,368,933	1,634,670	33
Furniture and fixtures	4,482,963	-	4,482,963	2,786,410	169,655	2,956,065	1,526,898	10
Vehicles	33,024,728	(1,104,444)	31,920,284	22,482,706	2,102,222 (946,256)	23,638,672	8,281,612	20
	<b>1,390,221,378</b>	<b>1,886,474 (35,724,158)</b>	<b>1,356,383,694</b>	<b>684,848,471</b>	<b>33,955,807 (6,242,878)</b>	<b>712,561,400</b>	<b>643,822,294</b>	

## 3.1.1 Allocation of depreciation

Cost of goods sold  
Administrative expenses

Note	2015 Rupees	2014 Rupees
19.1	30,606,860	33,324,709
21	3,348,947	3,818,526
	<b>33,955,807</b>	<b>37,143,235</b>



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## For comparative period

	Cost at July 01, 2013	Additions / (disposals)	Cost at June 30, 2014	Accumulated depreciation at July 01, 2013	Depreciation for the year / Adjustments	Accumulated depreciation at June 30, 2014	Carrying value at June 30, 2014	Dep. Rate %
	-----Rupees-----							
Leasehold land	7,533,750	-	7,533,750	-	-	-	7,533,750	-
Buildings on leasehold land	142,200,670	-	142,200,670	101,158,603	4,104,207	105,262,810	36,937,860	10
Plant and machinery	1,072,178,407	-	1,072,178,407	439,102,397	25,323,040	464,425,437	607,752,970	4
Power and other installations	87,828,425	-	87,828,425	58,621,642	2,920,678	61,542,320	26,286,105	10
Factory equipment	15,055,488	-	15,055,488	10,584,130	447,137	11,031,267	4,024,221	10
Generators	13,576,327	-	13,576,327	8,279,845	529,648	8,809,493	4,766,834	10
Office equipment	9,351,248	395,509	9,746,757	4,137,977	544,677	4,682,654	5,064,103	10
Data processing equipment	4,278,653	315,210	4,593,863	3,486,630	338,745	3,825,375	768,488	33
Furniture and fixtures	4,421,763	61,200	4,482,963	2,597,904	188,506	2,786,410	1,696,553	10
Vehicles	38,001,470	1,786,000 (6,762,742)	33,024,728	24,461,880	2,746,598 (4,725,772)	22,482,706	10,542,022	20
	1,394,426,201	2,557,919 (6,762,742)	1,390,221,378	652,431,007	37,143,236 (4,725,772)	684,848,471	705,372,907	



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 3.2 Disposal of property, plant and equipment

Particulars	Mode of disposal	Cost	Accumulated Depreciation	Carrying value	Sale proceed	Name and Address
Printing Machine	Negotiation	34,619,715	5,296,622	29,323,093	23,758,973	Metal Co 4-A, Kanchwala building, Nishtar Road, Karachi
Vehicle	Negotiation	387,850	353,146	34,704	48,000	Mr. Naeem Hanif 2nd Floor, Adamjee Insurance Building, I.I. Chundrigar Road, Karachi
Vehicle	Negotiation	571,500	495,593	75,907	200,000	Moin Autos Saima Classic G-403 Gulshan Iqbal Karachi
Vehicle	Negotiation	56,700	49,320	7,380	9,500	Mr. Arshad Ali House no 105/I, Street no. 3, D.H.A Phase 6, Karachi
Vehicle	Negotiation	43,523	25,263	18,260	18,500	Mr. Fahad Siddique House no. R-790, Sector 11/B, North Karachi, Karachi
Vehicle	Negotiation	44,870	22,934	21,936	22,000	Mr. Syed Amir Taimoor Gulshan-e-Iqbal Block 2, Maymar view Flat G-14, Karachi <sup>ii</sup>
		<u>35,724,158</u>	<u>6,242,878</u>	<u>29,481,280</u>	<u>24,056,973</u>	
	<b>2014</b>	<u>6,762,742</u>	<u>4,725,772</u>	<u>2,036,970</u>	<u>3,212,805</u>	

## 4. LONG TERM DEPOSITS

	Note	2015 Rupees	2014 Rupees
For electricity	4.1	7,179,250	7,179,250
Others	4.2	3,318,288	3,310,788
		<u>10,497,538</u>	<u>10,490,038</u>

4.1 This represents interest-free security deposits paid to K-Electric.

4.2 It mainly includes security deposit for litigation costs amounting to Rs. 3.31 million (2014 : 3.31 million) deposited in Ontario Superior Court of Justice in Canada.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	Note	2015 Rupees	2014 Rupees
<b>5. STORES, SPARES AND LOOSE TOOLS</b>			
Stores, spares and loose tools		22,100,561	23,811,820
Less: Provision for slow-moving and obsolete items	5.1	(7,099,065)	(7,099,065)
		<u>15,001,496</u>	<u>16,712,755</u>
<b>5.1 Provision for slow moving and obsolete items</b>			
Opening balance		7,099,065	7,490,274
Charged / (reversal) during the year		-	(391,209)
Closing balance		<u>7,099,065</u>	<u>7,099,065</u>
<b>6. STOCK-IN-TRADE</b>			
Raw materials			
- in hand		213,333,230	123,785,539
- in bonded warehouse		11,340,558	93,181,840
- in transit		-	101,696,965
Finished goods			
- tin		287,222,650	151,023,629
- cans		925,521	418,800
- scrap		4,990,581	888,502
		<u>517,812,540</u>	<u>470,995,275</u>
<b>7. TRADE DEBTS</b>			
- Considered good			
Local - unsecured		436,214,734	400,405,421
- Considered doubtful			
Local - unsecured		9,745,703	4,116,309
Less: Provision for doubtful debts	7.2	(9,745,703)	(4,116,309)
		-	-
		<u>436,214,734</u>	<u>400,405,421</u>

**7.1** Trade debts are non-interest bearing and are generally on 30 to 90 days terms.

**7.2** The Company has made provision against all trade debts over 2 years because historical experience shows that receivables that are due beyond 2 years are generally not recoverable.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	Note	2015 Rupees	2014 Rupees
<b>7.3 Movement in provision for doubtful debts</b>			
Opening Balance		4,116,309	2,746,119
Provided during the year	21	5,629,394	1,370,190
Closing balance		<u>9,745,703</u>	<u>4,116,309</u>

**7.3.1** Included in the provision for doubtful debts are impaired trade debts with a balance of Rs.9,745,703 (2014: Rs.4,116,309). The impairment recognized represent the difference between carrying amount of these trade receivable and the present value of the expected proceeds. The Company does not hold any collateral against these balances.

**7.4** Included in the trade debts balance are debtors with a carrying amount of Rs. 3.99 million (2014: Rs. 34.89 million) which are past due at the reporting date for which the Company has not made any provision as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Company does not hold any collateral against these balances.

	Note	2015 Rupees	2014 Rupees
<b>7.4.1 Aging of past due but not impaired</b>			
91-180 days		221,324	22,231,347
181-365 days		3,770,591	1,441,844
Above 365 days		1,487	10,213,038
		<u>3,993,402</u>	<u>33,886,229</u>

## 8. LOANS AND ADVANCES

### Considered good

Loan to employees

159,200

185,750

### Advances

to suppliers  
against expenses  
Income tax - net of provision  
Letters of credit fee and expenses

8.1

1,416,657	2,967,622
1,491,650	499,433
80,625,246	125,359,156
573,350	679,442
<u>84,106,903</u>	<u>129,505,653</u>
<u>84,266,103</u>	<u>129,691,403</u>

### 8.1 Income tax - net of provision

Advance tax  
Provision for taxation

104,165,018	146,499,366
(23,539,772)	(21,140,210)
<u>80,625,246</u>	<u>125,359,156</u>



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 9. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

	2015 Rupees	2014 Rupees
Security deposits	3,517,064	5,556,685
Short term prepayments	-	150,726
	<u>3,517,064</u>	<u>5,707,411</u>

## 10. OTHER RECEIVABLES

This include advance amounting to Rs 45.5 million (2014 : 45.5 million) paid to a foreign supplier against which the Company has filed a suit in a Court in Malaysia for the recovery of the same. During the year 2013, the Court has passed the decree in favour of the Company. Lawyers have identified different alternatives for the recovery and the Company is in process of evaluating the same.

## 11. OTHER FINANCIAL ASSETS

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

In quoted companies  
Ordinary shares of Rs. 10/- each

2015 -----No. of shares-----	2014		Market Value	
			2015 -----Rupees-----	2014
8,538	8,538	National Bank of Pakistan	454,136	531,320
666	666	Summit Bank Limited	2,258	2,231
			<u>456,394</u>	<u>533,551</u>

## 12. CASH AND BANK BALANCES

- Cash in hand  
Balances with banks:
- Current accounts
  - local currency
  - foreign currency
  - Saving accounts

Note

	2015 Rupees	2014 Rupees
	20,034	35,257
	10,527,731	5,626,946
	-	34,786
	10,527,731	5,661,732
	93,292	7,047,877
	<u>10,641,057</u>	<u>12,744,866</u>

12.1

12.1 Effective mark-up rate in respect of saving accounts, range from 3% to 6.5% (2014 : 3.25% to 7%) per annum.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 13. SHARE CAPITAL

2015 Number of Shares	2014 Number of Shares		2015 Rupees	2014 Rupees
120,000,000	120,000,000	Authorized Ordinary shares of Rs. 10/- each	1,200,000,000	1,200,000,000
47,351,200	47,351,200	Issued, subscribed and paid up capital Ordinary shares of Rs. 10/-each fully paid in cash	473,512,000	473,512,000
31,168,927	31,168,927	Issued as fully paid bonus shares	311,689,270	311,689,270
<u>78,520,127</u>	<u>78,520,127</u>		<u>785,201,270</u>	<u>785,201,270</u>

- An associated undertaking, Siddiqsons Limited hold 11,362,481 (2014: 10,321,981) ordinary shares at the year 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.
- The Company has no reserved shares under options and sales contracts.

## 14. DEFERRED LIABILITY

Deferred taxation

Note

14.1

2015  
Rupees

2014  
Rupees

-	-
150,307,876	170,874,657
(155,947,762)	(172,643,978)
(3,118,625)	(1,440,708)
(2,271,701)	(2,484,673)
161,338,087	176,569,359
(11,030,211)	(5,694,702)
11,030,211	5,694,702
-	-

### 14.1 Deferred taxation

This comprises the following:-

Deferred tax liabilities on taxable temporary differences arising in respect of :

Accelerated rate of depreciation

Deferred tax assets on deductible temporary difference arising in respect of :

Unabsorbed tax losses

Provision for doubtful debts

Provision for slow moving stores

Deferred tax asset not recognized.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	Note	2015 Rupees	2014 Rupees
<b>15. TRADE AND OTHER PAYABLES</b>			
Creditors	15.1	5,197,631	12,113,401
Infrastructure cess	15.2	67,762,787	60,156,873
Accrued liabilities		11,048,026	11,159,669
Advance from customers and others		3,840,114	9,588,838
Custom duty		562,159	3,993,320
Workers Profit Participation Fund	15.3	793,405	714,007
Workers' Welfare Fund		9,338,829	9,338,829
Withholding tax		736,439	624,095
Unclaimed dividend		1,359,166	1,359,166
		<u>100,638,556</u>	<u>109,048,198</u>

**15.1** Trade payables are non-interest bearing and are normally settled on thirty day 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 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. Currently the petition is filed in the High Court and 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 favorable outcome however, as a matter of prudence Company has paid Rs. 67.76 million (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 Workers Profit Participation Fund

Balance at July 01,		714,007	626,130
Interest on funds utilized in the Company's business	15.3.1	79,398	87,877
Balance at June 30,		<u>793,405</u>	<u>714,007</u>

**15.3.1** Interest has been charged @ 11.12 % (2014 : 14.04 %) per annum.





# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	Note	2015 Rupees	2014 Rupees
<b>16. SHORT-TERM BORROWINGS</b>			
<b>Secured</b>			
From banking companies			
Finance against imports - foreign currency	16.2	585,501,922	476,151,386
Finance against imports - local currency	16.2	125,866,316	-
Running finances under markup arrangements	16.3	232,521,437	445,666,232
		<u>943,889,675</u>	<u>921,817,618</u>

16.1 The aggregate unavailed-short term borrowing facilities amounts to Rs. 713.13 million (2014 : Rs. 1,032.22 million) as of the balance sheet date.

16.2 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. Local currency loan are subject to mark-up based on KIBOR ranging between 6.81% to 10.40% (2014: 10.43% to 14.35%) per annum and foreign currency loan are subject to mark-up based on LIBOR ranging between 3.5% to 5.7% (2014: 4.03% to 4.66%) per annum.

16.3 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 8.81% to 12.43% (2014 : 10.59% to 12.48%) per annum.

## 17 CONTINGENCIES AND COMMITMENTS

### 17.1 Contingencies

The Company has filed legal suit against a supplier in Ontario Superior Court of Justice in Canada on November 15, 2010 for quality claim amounting to Rs. 130.8 million plus interest and litigation costs. A statement of defence and counterclaim was filed by the supplier on May 13, 2011 amounting to Rs. 282.6 million plus interest and litigation costs. Security for the litigation costs has been deposited by the Company as per order of the court (Refer note-4.2). The decision of the suit is pending. Based on the view of the legal advisor, the Management is confident that the outcome of the matter would be in the favor of the Company.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	Note	2015 Rupees	2014 Rupees
<b>17.2 Commitments</b>			
Letters of credit for import of raw material		277,369,766	288,977,063
Bank guarantee in favour of Excise and Taxation department. (Refer 15.2)		68,000,000	68,000,000
<b>18. SALES</b>			
Sales			
Local			
Tinplate		2,656,666,486	2,393,600,827
Cans		110,048,785	107,145,814
Printing services		-	8,526,193
		<u>2,766,715,271</u>	<u>2,509,272,834</u>
Less : Commission and discounts		(12,451,078)	(21,920,423)
Sales return		(22,219,843)	(44,504,782)
Sales tax		(390,689,047)	(350,747,096)
		(425,359,968)	(417,172,302)
		<u>2,341,355,303</u>	<u>2,092,100,532</u>
<b>19. COST OF GOODS SOLD</b>			
Cost of goods manufactured	19.1	2,325,112,918	1,842,387,458
Finished stocks			
Opening stock		152,330,931	381,748,201
Purchase of finished goods		16,704,169	13,623,358
Closing Stock		(293,138,752)	(152,330,931)
		(124,103,652)	243,040,628
		<u>2,201,009,266</u>	<u>2,085,428,086</u>



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	Note	2015 Rupees	2014 Rupees
19.1 Cost of goods manufactured			
Raw materials	19.1.1	2,100,061,803	1,606,410,029
Salaries, wages and benefits	19.1.2	93,455,182	105,835,451
Fuel and power		67,756,875	59,794,035
Packing materials		5,975,570	5,671,402
Stores and spares		6,924,159	11,017,664
Sorting, slitting and cutting		3,080,113	2,725,209
Rent, rates and taxes		1,320,000	1,369,250
Repairs and maintenance		1,728,896	2,450,155
Insurance		3,464,404	3,979,914
Transportation		1,485,584	2,467,186
Traveling and conveyance		3,016,922	3,047,895
Printing and stationery		175,488	164,872
Fees and subscription		185,000	36,500
Communication		253,474	278,973
Entertainment		89,730	307,078
Depreciation	3.1.1	30,606,860	33,324,709
Printing charges - canning		1,912,587	-
Other manufacturing cost		3,620,271	3,507,136
		<u>2,325,112,918</u>	<u>1,842,387,458</u>
<b>19.1.1 Raw material consumed</b>			
Opening stock		216,967,379	680,581,700
Purchase and related expenses		2,107,768,212	1,142,795,708
		<u>2,324,735,591</u>	<u>1,823,377,408</u>
Closing stock		(224,673,788)	(216,967,379)
		<u>2,100,061,803</u>	<u>1,606,410,029</u>

19.1.2 This includes employees' retirement benefits of Rs. 2,791,518 (2014: Rs. 2,628,846).

## 20. DISTRIBUTION COST

Salaries and benefits	20.1	6,224,892	8,378,618
Traveling		352,442	758,708
Transportation		2,625,498	1,990,565
Advertisement		188,983	63,169
Sales promotion		70,238	259,030
Others		324,496	1,211,619
		<u>9,786,549</u>	<u>12,661,709</u>

20.1 This includes employees' retirement benefits amounting to Rs. 402,550 (2014: Rs. 385,728).



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	Note	2015 Rupees	2014 Rupees
<b>21. ADMINISTRATIVE EXPENSES</b>			
Salaries and benefits	21.1	20,642,783	29,517,624
Traveling and conveyance		1,259,025	1,107,004
Vehicles running and maintenance		3,774,457	3,715,463
Depreciation	3.1.1	3,348,947	3,818,526
Communication		550,059	1,537,931
Printing and stationery		760,242	816,351
Repairs and maintenance		322,809	1,209,194
Entertainment		250,580	277,327
Auditors' remuneration	21.2	1,055,000	1,055,000
Insurance		570,100	1,839,923
Fees and subscription		790,301	669,453
Charity and donation		-	35,000
Rent, rates and taxes		278,129	997,827
Legal and professional		725,827	1,768,621
Provision against doubtful debts	7.3	5,629,394	1,370,190
Others		345,220	660,445
		<u>40,302,873</u>	<u>50,395,879</u>

**21.1** This includes employees' retirement benefits of Rs. 725,532 (2014 : Rs. 1,023,205).

## 21.2 Auditors' remuneration

Annual audit	600,000	600,000
Half yearly accounts review	200,000	200,000
Review of compliance of Code of Corporate governance	30,000	30,000
CDC certification	45,000	45,000
Tax and other services	100,000	100,000
Out of pocket expenses	80,000	80,000
	<u>1,055,000</u>	<u>1,055,000</u>

## 22. OTHER OPERATING EXPENSES

Exchange loss - net	6,774,033	33,345,939
Loss on disposal of plant and equipment	5,424,307	-
Loss on remeasurement of investment at market value	77,157	-
	<u>12,275,497</u>	<u>33,345,939</u>

## 23. FINANCE COST

Interest / mark-up on:		
Short-term borrowings	73,838,021	99,913,654
Workers profit participation fund	79,398	87,877
Bank charges and commission	2,758,959	3,744,133
	<u>76,676,378</u>	<u>103,745,664</u>



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	2015 Rupees	2014 Rupees
<b>24. OTHER INCOME</b>		
<b>Income from financial assets</b>		
Profit on bank deposits	392,424	521,818
Dividend income	47,006	17,076
Gain on remeasurement of investment at market value	-	180,148
<b>Income from assets other than financial assets</b>		
Gain on disposal of plant and equipment	-	1,175,835
Others	1,624,900	-
	<u>2,064,330</u>	<u>1,894,877</u>
<b>25. TAXATION</b>		
Current		
for the year	23,539,772	21,140,210
for the prior year	-	(119,083)
Deferred	-	(60,342,751)
	<u>23,539,772</u>	<u>(39,321,624)</u>

**25.1** Tax assessments of the Company has been amended for the tax years 2003, 2005, 2006 and 2008 under Section 122 of the Ordinance by the tax department. The Company contested the levy of tax by department on the grounds 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 Sind 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. .

**25.2 Relationship between tax expense and accounting profit:**

The numerical reconciliation between the average tax rate and the applicable tax rate has not been presented in these financial statements as the total income of the Company attracts minimum tax under Section 113 of the Income Tax Ordinance, 2001.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 26. 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:

	2015	2014
Loss for the year (Rupees)	(20,170,702)	(152,260,244)
Weighted average number of ordinary shares outstanding during the year	78,520,127	78,520,127
Earnings per share (Rupee)	(0.26)	(1.94)

## 27. 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. 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 28. Other significant transactions with related parties are as follows:

Relationship with the Company	Nature of Transactions	2015 Rupees	2014 Rupees
An associated company	Purchase of goods and services	-	3,165,270
	Expenses paid on its behalf	1,068,136	2,881,729
	Short-term advance obtained	75,000,000	89,200,000
	Short-term advance repaid	75,000,000	89,200,000

## 28. REMUNERATION OF DIRECTORS AND EXECUTIVES

	Directors	Executives	Total	
			2015	2014
			-----Rupees-----	
Remuneration	2,360,009	9,380,854	11,740,863	11,500,000
House rent	744,004	3,752,341	4,496,345	4,240,000
Retirement benefits	186,001	712,529	898,530	1,020,000
Vehicle running	451,336	2,131,116	2,582,452	2,836,707
Utilities	246,088	1,194,585	1,440,673	1,412,495
	<u>3,987,438</u>	<u>17,171,425</u>	<u>21,158,863</u>	<u>21,009,202</u>
Number of persons	<u>2</u>	<u>9</u>		

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



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	2015 Rupees	2014 Rupees
<b>29. FINANCIAL INSTRUMENT AND RELATED DISCLOSURES</b>		
<b>29.1 Financial instruments by category</b>		
<b>Financial assets</b>		
<b>Loans and receivables</b>		
Trade debts	436,214,734	400,405,421
Loans and advances	159,200	185,750
Trade deposits	3,517,064	5,556,685
Other receivables	45,509,010	45,509,010
Cash and bank balances	10,641,057	12,744,866
	<u>496,041,065</u>	<u>464,401,732</u>
<b>Investment at fair value through profit or loss</b>		
Other financial assets	456,394	533,551
	<u>496,497,459</u>	<u>464,935,283</u>
<b>Financial liabilities</b>		
<b>At amortized cost</b>		
Trade and other payables	21,444,937	34,221,074
Interest / mark-up accrued on borrowings	14,698,397	16,632,069
Short-term borrowings	943,889,675	921,817,618
	<u>980,033,009</u>	<u>972,670,761</u>

## 30. 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:

### 30.1 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, loans and advances, 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:



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	2015 Rupees	2014 Rupees
Trade debts	436,214,734	400,405,421
Loans and advances	159,200	185,750
Trade deposits	3,517,064	5,556,685
Other receivables	45,509,010	45,509,010
Other financial assets	456,394	533,551
Bank balances	10,621,023	12,709,609
	<u>496,477,425</u>	<u>464,900,026</u>

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

## 30.1.1 Credit risk related to receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on past experience with the customer. Outstanding customer receivables are regularly monitored and any shipments to major 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 68 days (2014: 82 days).

The Company is not exposed to major concentration on credit risk. At June 30, 2015, the Company has approximately 15 customers (2014: 12 customers) that owed more than Rs. 10 million each and accounted for approximately 52% (2014: 53%) of all trade debts.

The Company does not hold collateral as security.

## 30.1.2 Credit risk related to financial instruments and cash deposits

The names and credit rating of major banks where the Company maintains its bank balances are as follows:





# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

Name of bank	Credit rating		2015 Rupees	2014 Rupees
	Short-term	Long-term		
National Bank of Pakistan	AI +	AAA	4,896,936	42,137
Allied Bank Limited	AA	AA	2,693,520	-
MCB Bank Limited	AI +	AAA	462,519	2,263,120
United Bank Limited	A-I +	AA+	34,911	118,900
Habib Metropolitan Bank Limited	AI +	AA+	34,936	153,271
Soneri Bank Limited	AI +	AA-	30,340	657,559
Industrial and Commercial Bank of China	P-I	AI	29,021	29,021
Bank Al-Habib Limited	AI +	AA+	26,898	5,591,595
Meezan Bank Limited	A-I +	AA	20,340	33,342

## 30.2 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	
<b>June 30, 2015</b>							
Rupees							
<b>Financial Liabilities</b>							
Trade and other payables	-	-	-	21,444,937	-	21,444,937	21,444,937
Interest / mark-up accrued	-	-	-	14,698,397	-	14,698,397	14,698,397
Short-term borrowings	943,889,675	-	943,889,675	-	-	-	943,889,675
	943,889,675	-	943,889,675	36,143,334	-	36,143,334	980,033,009
<b>June 30, 2014</b>							
Rupees							
<b>Financial Liabilities</b>							
Trade and other payables	-	-	-	34,221,074	-	34,221,074	34,221,074
Interest / mark-up accrued	-	-	-	16,632,069	-	16,632,069	16,632,069
Short-term borrowings	921,817,618	-	921,817,618	-	-	-	921,817,618
	921,817,618	-	921,817,618	50,853,143	-	50,853,143	972,670,761

## 30.3 Market risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising returns.



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 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.

## Fair value 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 profit and loss account.

## Cash flow sensitivity analysis for variable rate instruments

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's loss before taxation for the year ended would increase/decrease by Rs. 4,719,448 (2014: Rs. 4,609,088). 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, 2015, there were no foreign trade debts however, Rs. 711,368,238 (2014: Rs. 476,151,386) were payable in respect of foreign currency bills and foreign currency borrowings.

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, 2015, if the Rupee had strengthen/weakened by 5% against the US dollar with all other variables held constant, profit before taxation (2014: loss before taxation) for the year would have been decrease/increase by Rs. 29,297,750 (2014: Rs. 23,807,569). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as in 2014.

## 30.4 Fair value estimation

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, 2015, short term investment was categorised in level 1 (2014: level 1).

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



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

## 31. OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Chief Executive Officer of the Company has been identified as the chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments.

Chief Executive Officer consider the business as a single operating segment as the company's asset allocation decisions are based on single, integrated business strategy and the company's performance is evaluated on an overall basis.

## 32. PROVIDENT FUND RELATED DISCLOSURE

The following information is based on latest un-audited financial statements of the Fund:

	2015 Rupees (Un-audited)	2014 Rupees (Audited)
a) Size of the fund - Total assets	42,827,739	38,378,921
Cost of investments made	35,602,541	33,328,151
Fair value of investments	37,271,341	33,775,796
Percentage of investments made (%)	87.03	88.01
b) The breakup of Investments - at cost		

	2015 (Un-audited)		2014 (Audited)	
	Rupees ('000)	%	Rupees ('000)	%
Certificate of Islamic Investment - Meezan Bank	28,000	79	25,000	77
Cash deposited in PLS account	7,603	21	8,328	23
	35,603	100	33,328	100

- c) The investments out of provident fund have been made in accordance with the provisions of section 227 of Companies Ordinance 1984 and the rules formulated for the purpose.

## 33. CAPITAL DISCLOSURE

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 loss).
- The Company's strategy is to maintain its debt-to-adjusted capital ratio between 50% to 60% . The debt-to-adjusted capital ratios at June 30, 2015 and June 30, 2014 were as follows:



# NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 2015

	<b>2015 Rupees</b>	<b>2014 Rupees</b>
Total debts	943,889,675	921,817,618
Less: Cash and bank balances	(10,641,057)	(12,744,866)
Net debt	<u>933,248,618</u>	<u>909,072,752</u>
Total equity	763,033,055	783,203,757
Adjusted capital	<u>1,696,281,673</u>	<u>1,692,276,509</u>
Debt-to-adjusted capital ratio	<u>0.55</u>	<u>0.54</u>

## 34. PLANT CAPACITY AND ACTUAL PRODUCTION

	<b>(Metric tons)</b>	
<b>Tin Plate</b>		
Installed capacity	<u>120,000</u>	<u>120,000</u>
Actual production	<u>24,327</u>	<u>18,807</u>
	<b>(Number per annum)</b>	
<b>Cans</b>		
Installed capacity of various sizes	<u>4,015,000</u>	<u>4,015,000</u>
Actual production of various sizes	<u>1,287,731</u>	<u>1,168,103</u>

34.1 Under utilization of available capacity was due to lack of demand.

## 35. NUMBER OF EMPLOYEES

The total average number of employees during the year end and as at June 30 are as follows:

	<b>2015 No of employees</b>	<b>2014</b>
Average number of employees during the year	<u>258</u>	<u>307</u>
Number of employees as at year end	<u>244</u>	<u>271</u>

## 36. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved and authorized for issue by the Board of Directors of the Company on 21 September, 2015.

## 37. GENERAL

Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR



## PATTERN OF HOLDING OF SHARESHELD BY THE SHAREHOLDERS

as at June 30, 2014

No. of Shareholders	Share Holding From	To	Total Shares Held	Percentage %
669	1	100	27892	0.0355
271	101	500	109210	0.1391
919	501	1000	577864	0.7359
623	1001	5000	1482426	1.8880
144	5001	10000	1163671	1.4820
61	10001	15000	794233	1.0115
35	15001	20000	635296	0.8091
21	20001	25000	495260	0.6307
21	25001	30000	596882	0.7602
9	30001	35000	307269	0.3913
8	35001	40000	309201	0.3938
2	40001	45000	87090	0.1109
14	45001	50000	693636	0.8834
6	55001	60000	359256	0.4575
2	60001	65000	124600	0.1587
6	65001	70000	413389	0.5265
1	70001	75000	71500	0.0911
6	75001	80000	474500	0.6043
3	80001	85000	253000	0.3222
1	90001	95000	93000	0.1184
10	95001	100000	1000000	1.2736
4	100001	105000	412500	0.5253
1	110001	115000	111500	0.1420
4	120001	125000	493250	0.6282
1	140001	145000	145000	0.1847
2	145001	150000	297000	0.3782
1	150001	155000	153893	0.1960
1	160001	165000	165000	0.2101
1	165001	170000	170000	0.2165
1	175001	180000	175500	0.2235
1	195001	200000	200000	0.2547
1	200001	205000	203500	0.2592
1	230001	235000	233000	0.2967
1	235001	240000	236000	0.3006
2	300001	305000	608000	0.7743
1	320001	325000	321500	0.4094
1	330001	335000	335000	0.4266
1	340001	345000	340500	0.4336
2	355001	360000	719648	0.9165
1	370001	375000	372695	0.4746
1	375001	380000	379000	0.4827
3	415001	420000	1260000	1.6047
1	420001	425000	425000	0.5413
2	425001	430000	857036	1.0915
1	445001	450000	447000	0.5693
1	465001	470000	466717	0.5944
2	515001	520000	1037918	1.3218
2	605001	610000	1216000	1.5486
1	620001	625000	621870	0.7920
1	795001	800000	800000	1.0188
1	1040001	1045000	1040500	1.3251
1	1140001	1145000	1140430	1.4524
1	1215001	1220000	1216000	1.5486
1	1540001	1545000	1541825	1.9636
1	1555001	1560000	1556917	1.9828
1	1895001	1900000	1895113	2.4135
1	2000001	2005000	2005000	2.5535
1	3100001	3105000	3102887	3.9517
1	3140001	3145000	3142888	4.0027
1	3220001	3225000	3224672	4.1068
1	3645001	3650000	3649295	4.6476
1	3675001	3680000	3676493	4.6822
1	7295001	7300000	7297295	9.2935
1	10320001	10325000	10321981	13.1456
1	10435001	10440000	104356291	3.2904
<b>2890</b>	<b>Company Total</b>		<b>78520127</b>	<b>100.0000</b>



## CATEGORIES OF SHAREHOLDERS

as at June 30, 2015

Particulars	Number of Shareholders	Number of Shares Held	Percentage
Directors, CEO & their Spouse and minor Children	9	31958965	40.7016
Associated Companies	2	10331981	13.1584
Modarabas & Mutual Funds	2	2010000	2.5599
General Public (Local)	2828	27943064	35.5871
General Public (Foreign)	21	1828099	2.3282
Others	26	2848311	3.6275
Foreign Companies	2	1599707	2.0373
<b>Company Total</b>	<b>2890</b>	<b>78520127</b>	<b>100.0000</b>



## INFORMATION AS REQUIRED UNDER THE CODE OF CORPORATE GOVERNANCE

as at June 30, 2015

Shareholder's Category	Number of Shares held	Percentage
<b>Associated Companies, Undertaking and Related Parties</b>		
Siddiqsons Limited	11,362,481	14.47
Siddiqsons Denim Mills Ltd. Staff Providend Fund	10,000	0.01
<b>NIT and ICP</b>		
	NIL	
<b>Directors, CEO and their spouse and minor children</b>		
Mr. Tariq Rafi (Chairman)	11,651,629	14.84
Mr. Ibrahim Shamsi	1,140,430	1.45
Mr. Abdur Rahim	2,623,363	3.34
Mr. Saturo Nishi (Nominee Director of Metalone Corporation)	3,649,295	4.65
Mr. Jean Pierre Gugenheim (Nominee Director of Arcelor Mittal Packaging)	7,297,295	9.29
Mrs. Nighat Tariq W/o. Mr. Tariq Rafi	4,284,493	4.65
Mrs. Rahma Ibrahim W/o. Mr. Ibrahim Shamsi	3,224,672	4.11
Mrs. Anum Jamal W/o. Mr. Abdur Rehman	823,788	1.05
<b>Executives</b>		
	NIL	
<b>Public sector Companies and Corporations</b>		
	NIL	
<b>Modarabas &amp; Mutual Fund</b>		
	2,010,000	2
<b>Shareholders holding ten percent or more</b>		
Mr. Tariq Rafi (Chairman / CEO)	11,651,629	14.84
Siddiqsons Limited	11,362,481	14.47
<b>Trading in share by Directors, CEO, CFO &amp; Company Secretary</b>		
	Purchase	Sales
Mr. Tariq Rafi (Chairman)	1,216,000	-
Mr. Abdur Rahim (CEO)	608,000	-
Mrs. Nighat Tariq W/o. Mr. Tariq Rafi	608,000	-
Mrs. Anum Jamal W/o. Mr. Abdur Rehman	304,000	-
Siddiqsons Limited	432,500	-
Metal One Corporation	-	3,648,000



# PROXY FORM

## 20th 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 20th Annual General Meeting of M/s. Siddiqsons Tin Plate Limited will be held on Thursday, October 29, 2015 at 11.00 a.m. at Ocean Mall & Tower, 4th Floor, Block-9, Scheme-5, Clifton, Karachi or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Folio No. \_\_\_\_\_

CDC A/c No. \_\_\_\_\_

Sub A/c. No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_



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

Witness 1

Signature \_\_\_\_\_

Name \_\_\_\_\_

CNIC No/Passport No. \_\_\_\_\_

Address \_\_\_\_\_

Witness 2

Signature \_\_\_\_\_

Name \_\_\_\_\_

CNIC No/Passport No. \_\_\_\_\_

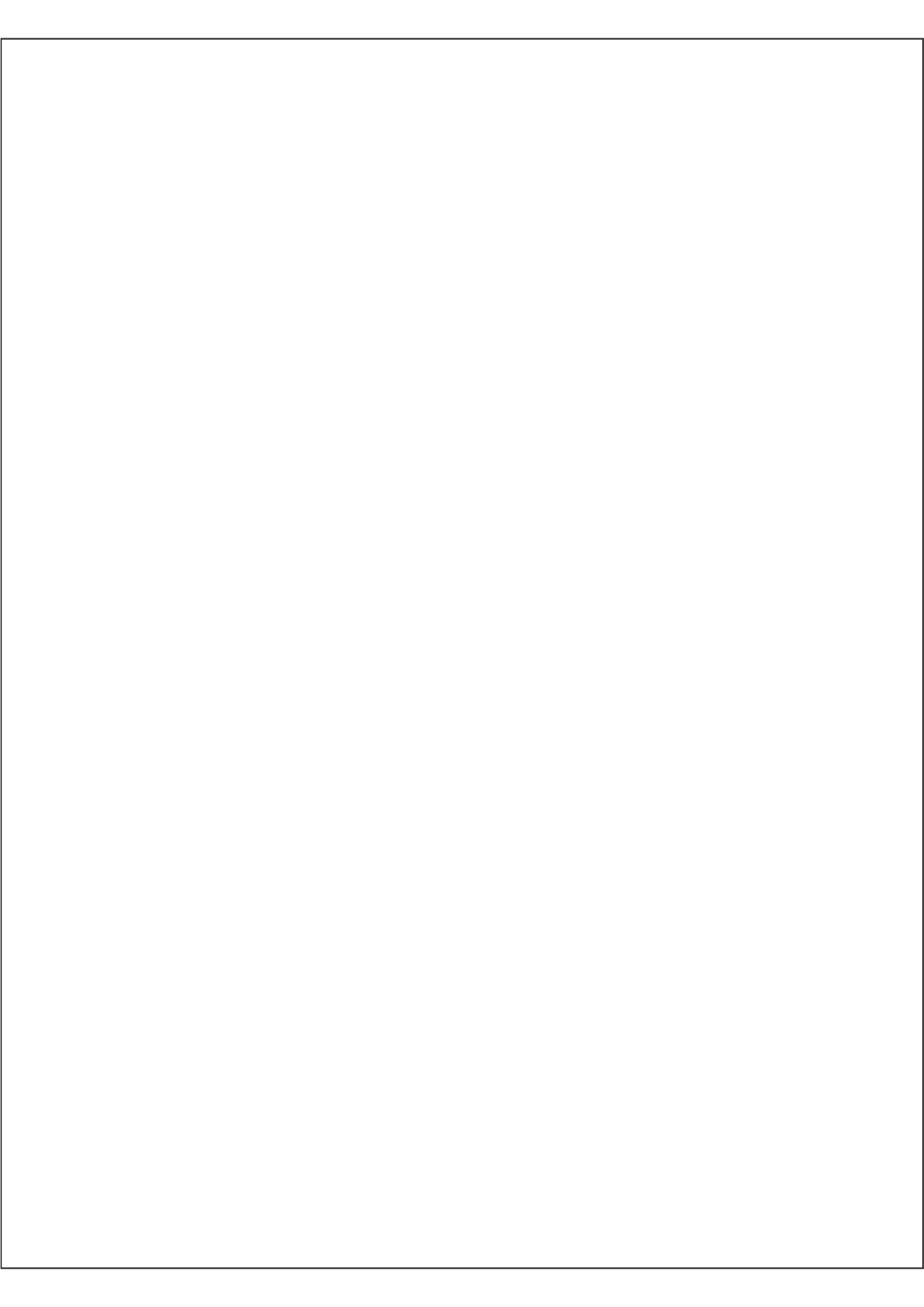
Address \_\_\_\_\_

### Notes:

1. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her. A corporation being a member may appoint as its proxy any of its official of any other person whether a member of the Company or otherwise.
2. An instrument of proxy and a Power of Attorney or other authorized (if any) under which it is signed, or notarized copy of such Power of Attorney must be valid and deposited at the Share Registrar of the Company M/s. THK Associates (Private) Limited, Ground Floor, State Life Building # 3, Dr. Ziauddin Ahmed Road, Karachi-75530 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, 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.









**Siddiqsons Tin Plate Limited**  
A Siddiqsons Group Company

***Registered Office:***

Siddiqsons Tower, 7th Floor, Plot # 3, J.C.H., Society, Block 7 & 8, Main Shahrah-e-Faisal, Karachi.

Tel: +9221-34325193-95, Fax: +9221-34390140

***Plant:***

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

[www.siddiqsonstinline.com](http://www.siddiqsonstinline.com)