

# **SAINDAK METALS LIMITED (SML)**

## **INTRODUCTION**

The Saindak Metals Limited (SML), formerly known as Resources Development Corporation of Pakistan (RDC), is a national company, which deals in exploration, exploitation and development of non-ferrous minerals and extraction of base metals like copper.

The Saindak Copper-Gold Project (SCGP) was completed by Metallurgical Construction Corporation (MCC) in 1995 and handed over to SML in January 1996, after trial production of 1,500 Tons of Blister Copper. The project remained closed between 1996 to 2002. In February 2000, it was decided to restart the project through leasing option by inviting International bids. Accordingly, GoP awarded the lease to M/s Metallurgical Construction Corporation of China (MCC) for a period of 10 years to operate the project as joint venture. M/s **MCC Resources Development Company (Private) Limited (MRDL)** arranged finances including working capital for maintenance, preparation, and rehabilitation and production activities amounting to US \$ 25.915 million as per terms of contract. The project was handed over to M/s MCC China and commercial production started in August, 2003. Further 5 years agreement beyond 2012 was signed with China with the consent of Government of Balochistan and Ministry of Petroleum & Natural Resources.

## **ACHIEVEMENTS FOR THE PERIOD OF 2016-17:**

### **PRODUCTION**

The SCGP remained in production during the period July 2016 to June 2017 and following quantities were produced:

i.	Copper Ore	<b>3,662,907 MT</b>
ii.	Copper Concentrate	<b>57,817.12 MT</b>
iii.	Blister Copper	<b>13,322.53 MT</b>

### **SALES STATUS**

MRDL exported following quantities of blister copper during the year 2016.

Blister Copper	<b>12,309.607</b>	<b>M Tons</b>
Value	<b>US \$ 102.278</b>	<b>Million</b>

### **GOVERNMENT TAXES:**

The Lessee paid **US\$ 5.113** Million as royalty @ 5% on sale value to Government of Balochistan. Similarly, 1% Presumptive Tax amounting to **US \$ 1.096 Million** and EPZ service charges @ 0.5% amounting to **US \$ 0.511 Million** were paid to EPZ authorities. On account of Corporate Social Responsibilities (CSR) **US \$ 1.148 Million** paid to Government of Balochistan for Social Upliftment Activities.

## **COMPANY'S PROFILE:**

### **a) Name and Address of the company with telephone and fax number:**

Saindak Metals Limited,  
Gul Bagh, Samungli Road, Quetta Cantt. (PAKISTAN)  
Tel +92- 081-9201645, 9201646, 9201475, 9201690, 9201815,  
**9201082**  
Fax : **081-9204067.**  
E-Mail: [saindak.smlho@gmail.com](mailto:saindak.smlho@gmail.com), [info@saindak.com.pk](mailto:info@saindak.com.pk)

### **b) Name of Chief Executive:**

Mr. Mohammad Raziq Sanjarani

### **c) Type of Company:**

Limited Liability Company, 100% owned by the Government of Pakistan.

### **d) Type of Business/Manufacturing:**

Metal Mining

### **e) Auditors:**

M/s Deloitte Yousaf Adil Chartered Accountant, 18-B/ 1, Chohan Mansion, G-8  
Markaz, Islamabad

### **h) Legal Advisor:**

Mr. Mohammad Riaz Ahmed

### **Vision:**

To make the country economically and financially sound through leasing out Saindak Copper Gold Project to a Chinese company, M/s MCC Resources Development Company (Pvt.) Limited (MRDL).

### **Mission:**

To make Saindak Metals Limited, a vibrant organization, capable of bringing the mineable resources to a stage where investors (local and foreign) are attracted.

## **TOTAL STRENGTH OF THE MANAGEMENT:**

### **EXECUTIVE / NON-EXECUTIVE STAFF:**

Executives	12
Regular / Non-Executive Staff (BPS 1-16)	46
<b>Sub-Total:</b>	<b>58</b>
Piecework basis workers/miners	11
<b>Grand Total:</b>	<b>79</b>

a. **Province / Region-wise Breakup:**

Province/Region	Punjab	Sindh	KP	Balochistan	AJK	FATA	TOTAL
Officers	-	3	1	07	1	-	<b>12</b>
Regular / Non-Executive Staff (BPS 1-16 Staff)	1	-	4	39	2	-	<b>46</b>
<b>Sub Total:</b>	<b>1</b>	<b>3</b>	<b>5</b>	<b>46</b>	<b>3</b>	<b>-</b>	<b>58</b>
Piecework basis workers/miners	-	-	1	10	-	-	<b>11</b>
<b>Grand Total:</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>56</b>	<b>3</b>	<b>-</b>	<b>69</b>

b. **Category and post-wise breakup of officer's strength:**

Category / Post	MD	Company Secretary / G.M (F)	Manager (A&P)	Chief Engineer (Mining)	Coord. Officer, Sr. Accounts Officer	Admn Officer/ Law Officer, Engineer, Geologist	APO, AAO, APO PS to MD, Asstt Store Officer, Asstt Engineer	TOTAL
Head Office, Quetta	1	-	-	-	-	6	3	<b>10</b>
Branch Office, Islamabad	-	-	1	-	-	1	-	<b>2</b>
<b>Grand Total:</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>3</b>	<b>12</b>

c. **Breakup of regular / contractual / piecework basis workers etc.**

Head Office, Quetta	49
Branch Office, Islamabad	09
<b>Total:</b>	<b>58</b>

**Corporate Social Responsibility (CSR) Activities for Social Uplift of the local Community:**

- ✓ On account of Corporate Social Responsibilities (CSR) **US \$ 1.876 Million** paid to GoB in addition, since 2005 to 2012 MRDL in close collaboration/coordination with SML, spent Rs.206.932 Million on CSR related activities for instance:
- ✓ Construction and establishment of "Saindak Model School" for improving the existing educational capacities of the deprived and underprivileged community children of the locality;
- ✓ Construction and establishing of a (20) bed hospital for provision of free medical services to the residents of the nearby villages, facilities including: (chemical examination, electrocardiogram, B-Ultrasound examination, X-Ray fluoroscopy, treatment Debridement, suture, medical dressing change, injection), provision of medicines & vaccination on reduced charges, approximately 3,860 local populations are getting benefited by the Saindak Hospital.

- ✓ Flawless supply of purified/clean drinking water to the nearby villages and also for the law enforcement agencies such as, FC, Police, BC & Levies, spending more than \$20,000 each year for transportation of clean drinking water from Taftan to project site Saindak.
- ✓ Installation and activation of power-supply equipment for free electric power to the neighboring villages (namely: Killi Saindak, Killi, Sarwar, Killi Amalaf, Killi Noor Ahmed & Killi Syed Abad).
- ✓ Scholarships to the talented and well deserving students around Balochistan, mainly from District Chagai, to the various reputed Schools & Cadet colleges around the country.
- ✓ A state of the art Technical Training Centre at Dalbandin was also one of the great achievements of SML, the intentions of the establishment of the TTC was to to enhance the technical skills of the local youth in exploring and exploiting of the natural resources of the mineral rich District and also creating job opportunities for the youth for their future accomplishments;
- ✓ Repairing and restoration of a 15 kilometer road from Taftan to Saindak for easy trouble free easy access;
- ✓ Out of 1,500 employees at Saindak project; around 900 employees belonging from District Chagai.
- ✓ Nokkundi Pure Water Supply Project is under process for its feasibility report by GoB (PHE Department). Rs.6 Million provided to GoB (PHE DEPT;) for 5 No. test holes and the total cost of the project would be Rs.160 Million.
- ✓ SML in close collaboration with Balochistan Welfare Agency (BWA) has established a mobile health unit and free eye camps for the deprived and disadvantaged community of District Chagai by providing, free lenses & glasses, medicines, MHU awareness programs for the community, (a highly backward and underdeveloped area of Balochistan province with scattered population lacking health facilities).

### **PAYMENTS TO NATIONAL EXCHEQUER.**

**2016**

<b>Particulars</b>	<b>US \$ In Million</b>
Royalty	<b>5.114</b>
Development Surcharges	<b>0.511</b>
Presumptive Tax	<b>1.096</b>
30% of 50% share of SML to Govt of Balochistan	-
GoP against payable of liabilities (Loan)	-
GoB Social Upliftment	<b>1.148</b>

### **Future Planning of SML:**

- An agreement was signed between Saindak Metals Limited and Geological Survey of Pakistan on May 5<sup>th</sup> 2015, regarding drilling of (03) bore holes up to the depth of 400 meters each in the leased area of SML in (Durbanchah and Chigendiq) areas with a cost

of Rs. 40 Million for exhad signed an agreement obtained P/L of Durbunchah project, which is under progress for its feasibility report in coordination with GSP.

- Nounkundi Pure Water Supply Project is under process for its feasibility report by GoB (PHE Department). Rs. 6 Million provided to GoB (PHE Department) for 5 Nos. test holes up to the depth of 800 fts for water supply bore, Got Buroth Azad to Nounkundi Chagai and the total cost of the Project would be Rs. 160 Million.

### **SML Tax Issue**

Apart from other threats at present, the tax issue initiated by Income Tax Department created an disturbing situation, by showing an punitive and ignorant behavior, if the persisting behavior of the Income Tax Department prevails, it would be very difficult for SML to survive its prosperous status as a socio economic organization and would be incapable to progress the ongoing and other under plan.

It is further added that, FBR has recovered Rs. 3.676 Million from SML through seizing SML bank accounts against income tax for the year 2006 to 2013. But consequently no date of hearing has yet been fixed. The negative approach of the Income Tax Department may cause a major agitation of jobs sharp fall of 2014 and ultimately would be a great loss for the Government to lose a profitable and earning reasonable revenue generating organization.

### **SML BOARD OF DIRECTORS**

1	<b>Mr. Muhammad Raziq Sanjrani</b> Managing Director, Saindak Metals Limited
2	<b>Syed Tauqir Hussain</b> Additional Secretary (I&JV, MP&NR)
3	<b>Mr. Muhammad Iqbal</b> Director General (Mineral), Ministry of Petroleum & Natural Resources
4	<b>Brig. (Retd.) Khalid Sajjad Khokhar</b> Managing Director, PMDC
5	<b>Dr. Imran Ahmed Khan</b> Director General Geological Survey of Pakistan, GoP
6	<b>Dr. Umer Khan Babar</b> Addl. Chief Secretary (Dev.) Planning & Development Department, GoB
7	<b>Dr. Muhammad Saeed Jamali</b> Secretary, Mines & Minerals Department, GoB

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