



CONTENTS

COMPANY INFORMATION	2
DIRECTORS' REPORT	3
BALANCE SHEET	4
PROFIT AND LOSS ACCOUNT	6
STATEMENT OF COMPREHENSIVE INCOME	7
CASH FLOW STATEMENT	8
STATEMENT OF CHANGES IN EQUITY	9
NOTES TO THE FINANCIAL STATEMENTS	10



COMPANY INFORMATION

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

MR. TARIQ BAIG

DIRECTORS:

MR. OMER BAIG
MRS. NAIMA SHAHNAZ BAIG
MR. MANSOOR IRFANI
MR. AKBAR BAIG
MR. DAVID JULIAN
MR. SYED TUFAIL HUSSAIN

NOMINEE DIRECTOR IPI

MR. MUJAHID ESHAI

SECRETARY

MR. WAQAR ULLAH

AUDIT COMMITTEE

MR. OMER BAIG
MR. AKBAR BAIG
MR. DAVID JULIAN

CHAIRMAN
MEMBER
MEMBER

AUDITORS

KPMG TASEER HADI & CO.
CHARTERED ACCOUNTANTS

LEGAL ADVISOR

MUBASHAR LATIF AHMAD
LAHORE

TAX CONSULTANTS

YOUSAF ISLAM ASSOCIATES
LAHORE

INFORMATION TECHNOLOGY CONSULTANTS

CHARTAC BUSINESS SERVICES (PVT) LTD.
LAHORE

BANKERS

NATIONAL BANK OF PAKISTAN
HABIB BANK LTD
UNITED BANK LTD

SHARE REGISTRAR

SHEMAS INTERNATIONAL (PVT) LTD.
Suite No. 31, 2nd Floor, Sadiq Plaza,
69 - The Mall Lahore.
Ph: 042 - 36280067, Fax: 042 - 36280068
E-mail: info@shemas.com

REGISTERED OFFICE

128-J, MODEL TOWN, LAHORE.
UAN : 042-111-34-34-34
FAX : 042-35857692 - 35857693
E MAIL : info@tariqglass.com

WORKS

33-KM, LAHORE/SHEIKHUPURA ROAD
TEL: (042) 37925652, (056) 3500635-7
FAX: (056) 3500633



DIRECTORS' REPORT

The Directors of Tariq Glass Industries Limited take pleasure in presenting the review report together with the un-audited financial statements of the Company for the first quarter ended September 30, 2011.

Operating Performance:

The widening demand and supply imbalance of gas is stinging vigorously the industrial sector in Pakistan and in particular the Glass Industry. The Glass Industry is one of the fewest, giving tough time to the imported products and playing a vital role not only in saving but earning the foreign exchange by exporting the glass products to Middle East, Central Asia, and Europe. However, the rising cost of production due to the absence of gas and use of expensive alternates have decreased the profit margins, on the other hand because of immense pressure from imported products, the industry cannot review for the upward pricing strategies.

Even in this backdrop the company's performance is excellent by maintaining track record of demonstrating progress in top line revenue with a robust growth of 50% from Rs. 541 million to Rs. 814 million whilst the cost of production also increased by 54% which is mainly due to the above enumerated facts. Thus resulting decrease in Gross Profit to 19.53% as compared to 21.23% of the corresponding period of the previous year.

A comparative summary of the financial results for the period ended September 30, 2011 is as follows:

	(Rupees)	
	For the period ended September 30	
	2011	2010
Sales – Net	814,164,189	540,975,578
Gross Profit	158,971,188	114,864,575
Profit Before Taxation	96,227,816	51,629,925
Taxation	42,342,170	3,431,410
Profit After Taxation	53,885,646	48,198,515
Earnings per share – basic and diluted	0.78	(Restated) 2.28

Future Outlook:

Float Glass Project's construction is in hand and civil works are in full swing. The process of development of a Distribution Network for the Float Glass is in progress and the marketing team is successfully engaging the top dealers to its portfolio.

It is being discussed by the Government Officials on media that there will be complete shutdown of gas for continuous three months in winter season which is alarming situation for the Glass Industry. The shareholders must consider that this phenomenon will affect the profitability of the approaching quarter as in the absence of gas we are forced to use LPG, furnace oil and diesel to keep the furnaces' production alive albeit at much higher costs.

The Company remains committed for the interest of all stake holders by focusing on exploration of new market segments both locally and internationally to enhance the products offering thereby to create more demand for our tableware products. With profound gratitude to the blessings of Allah Almighty, the Company remains on its way to success.

For and on behalf of the Board



CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

	(Un-audited) 30 September 2011 Rupees	(Audited) 30 June 2011 Rupees
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized capital		
100,000,000 ordinary shares of Rs 10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, subscribed and paid up capital		
69,300,000 ordinary shares of Rs 10 each	693,000,000	693,000,000
Share premium	263,697,120	263,697,120
Unappropriated profit	<u>388,797,088</u>	<u>334,911,442</u>
	1,345,494,208	1,291,608,562
Surplus on revaluation of land	<u>355,002,638</u>	<u>355,002,638</u>
	1,700,496,846	1,646,611,200
Non current liabilities		
Long term finances		
Secured	148,803,759	47,422,313
Unsecured	33,389,450	33,389,450
	182,193,209	80,811,763
Liabilities against assets subject to finance lease	3,778,066	4,276,594
Long term deposits	5,283,066	5,283,066
Deferred liabilities	130,755,763	127,850,614
	322,010,104	218,222,037
Current liabilities		
Trade and other payables	379,713,482	355,820,455
Accrued markup	34,332,470	34,747,900
Short term borrowings - secured	88,068,128	10,749,351
Current maturity of non current liabilities	43,885,717	49,055,847
Provision for taxation	66,594,745	27,157,725
	612,594,542	477,531,278
Contingencies and commitments	-	-
	<u>2,635,101,492</u>	<u>2,342,364,515</u>

The annexed notes 1 to 5 form an integral part of these financial statements.



AS AT 30 SEPTEMBER 2011

	(Un-audited)	(Audited)
	30 September	30 June
	2011	2011
	Rupees	Rupees
ASSETS		
Non-current assets		
Property, plant and equipment	1,523,983,701	1,376,238,917
Long term security deposits	13,379,409	12,978,722
Current assets		
Stores and spares	171,852,908	162,629,586
Stock in trade	158,934,319	187,211,749
Trade debtors - unsecured, considered good	26,110,615	36,837,623
Advances, deposits, prepayments and other receivables	133,918,238	103,194,849
Cash and bank balances	606,922,302	463,273,069
	1,097,738,382	953,146,876
	<u>2,635,101,492</u>	<u>2,342,364,515</u>

OMER BAIG
DIRECTOR



**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2011**

	30 September 2011 Rupees	30 September 2010 Rupees
Sales - net	814,164,189	540,975,578
Cost of sales	(655,193,001)	(426,111,003)
Gross profit	158,971,188	114,864,575
Operating expenses		
Administration	(16,873,095)	(13,426,564)
Selling and distribution	(43,763,468)	(36,826,885)
	(60,636,563)	(50,253,449)
	98,334,625	64,611,126
Other operating income	15,130,226	151,134
Operating profit	113,464,851	64,762,260
Finance cost	(10,146,564)	(9,328,025)
Other expenses	(7,090,471)	(3,804,310)
Profit before taxation	96,227,816	51,629,925
Provision for taxation	(42,342,170)	(3,431,410)
Profit after taxation	53,885,646	48,198,515
		Restated
Earnings per share - basic and diluted	0.78	2.28

The annexed notes 1 to 5 form an integral part of these financial statements.



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2011**

	30 September 2011 Rupees	30 September 2010 Rupees
Profit after taxation	53,885,646	48,198,515
Other comprehensive income	-	-
Total comprehensive income for the period	<u>53,885,646</u>	<u>48,198,515</u>

The annexed notes 1 to 5 form an integral part of these financial statements.



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2011

	30 September 2011 Rupees	30 September 2010 Rupees
Cash flow from operating activities		
Profit before taxation	96,227,816	51,629,925
Adjustments for:		
Depreciation	27,740,571	26,097,915
Profit on disposal of property, plant and equipment	(366)	(151,134)
Finance cost	10,146,564	9,328,025
Provision for Workers profit participation fund	5,165,914	2,771,712
Provision for Workers welfare fund	1,924,556	1,032,598
	<u>44,977,240</u>	<u>39,079,116</u>
Operating profit before working capital changes	141,205,056	90,709,041
(Increase)/Decrease in current assets		
Stores and spares	(9,223,322)	(5,053,663)
Advances, deposits, prepayments and other receivables	(30,723,389)	(31,112,464)
Stock in trade	28,277,430	(17,071,336)
Trade debtors	10,727,008	(4,281,735)
	<u>(942,273)</u>	<u>(57,519,198)</u>
Increase in current liabilities		
Trade and other payables	16,802,556	11,518,323
Cash generated from operations	157,065,339	44,708,166
Finance cost paid	(10,561,994)	(9,115,283)
Income tax paid	-	(410,022)
	<u>(10,561,994)</u>	<u>(9,525,305)</u>
Net cash generated from operating activities	146,503,345	35,182,861
Cash flow from investing activities		
Fixed capital expenditure	(175,734,985)	(29,471,815)
Proceeds from sale of property, plant and equipment	249,995	1,020,000
Long term deposits	(400,687)	(587,600)
Net cash used in investing activities	(175,885,677)	(29,039,415)
Cash flow from financing activities		
Proceeds from long term finances	96,215,060	(15,389,767)
Liabilities against assets subject to finance lease	(502,272)	(1,968,008)
Short term borrowings	77,318,777	23,933,692
Long term deposits	-	200,000
Dividend paid	-	(3,880,981)
Net cash generated from / (used in) financing activities	173,031,565	2,894,936
Net increase in cash and cash equivalents	143,649,233	9,038,381
Cash and cash equivalents at the beginning of the year	463,273,069	14,555,887
Cash and cash equivalents at the end of the period	606,922,302	23,594,268

The annexed notes 1 to 5 form an integral part of these financial statements.



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2011**

	Share capital	Share Premium	Surplus on revaluation of land	Unappropriated profit	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 30 June 2010	231,000,000	173,250,000	-	214,194,301	618,444,301
Final dividend for the year ended 30 June 2010 at the rate of Rs. 1/- i.e., (10%) per share	-	-	-	(23,100,000)	(23,100,000)
Total comprehensive income for the period ended 30 September 2010	-	-	-	48,198,515	48,198,515
Balance as at September 30, 2010	231,000,000	173,250,000	-	239,292,816	643,542,816
Right issue of 46,200,000 ordinary shares of Rs. 10 each fully paid in cash - net of issue cost	462,000,000	90,447,120	-	-	552,447,120
Total comprehensive income for the period ended 30 June 2011	-	-	355,002,638	95,618,626	450,621,264
Balance as at 30 June 2011	693,000,000	263,697,120	355,002,638	334,911,442	1,646,611,200
Total comprehensive income for the period ended 30 September 2011	-	-	-	53,885,646	53,885,646
Balance as at 30 September 2011	693,000,000	263,697,120	355,002,638	388,797,088	1,700,496,846

The annexed notes 1 to 5 form an integral part of these financial statements.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

1. These interim condensed financial statements are un-audited and are being submitted to the shareholders in accordance with the section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard (IAS) - 34 "Interim Financial Reporting" as applicable in Pakistan.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2011.

2. The accounting policies adopted for the preparation of these quarterly accounts are the same as those applied in the preparation of preceding Audited Financial Statements for the year ended June 30, 2011.
3. There is no significant change in the contingencies and commitments status since the last annual balance sheet date.
4. Figures have been rounded off to the nearest rupee.
5. These financial statements were authorized for issuance by the Board of Directors on October 31, 2011.