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## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS**

#### **CHAIRMAN & MANAGING DIRECTOR**

MR. TARIQ BAIG

#### **DIRECTORS:**

MR. OMER BAIG  
MRS. NAIMA TARIQ  
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](mailto: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](mailto:info@tariqglass.com)

#### **WORKS**

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FAX: (056) 3783912



## DIRECTOR'S REPORT

The Directors of Tariq Glass Industries Limited take pleasure in presenting the performance report together with the financial statements for the 3rd quarter and nine months ended March 31, 2011.

### Financial and Operational Performance

The top line revenues of the Company registered a robust growth of 23%, which is recorded as Rs. 1.86 billion for a cumulative period of nine months as compared to Rs. 1.50 billion of the corresponding period of the last year. The EPS for the period under report also reflect improvement and stood at Rs.5.39 as compared to EPS of Rs. 3.68 of same period of the last year. Higher growth in the net profits was hampered due to the higher costs of inputs which is a consequent of various challenges faced by the industry like acute power shortages, inflation surge, law & order concerns, dampened international economic sentiments, the continuing gas shut downs in summer season resulting in usage of more expensive furnace oil, diesel and LPG, these all are intensifying affects on already fragile economy and subsequently on cost of production.

A brief summary of the financial results for the period under report is as under:

	<b>(Million Rupees)</b>	
	<b>Nine Months Ended March 31</b>	
	<b>2011</b>	<b>2010</b>
<b>Net Sales</b>	1,861	1,508
<b>Gross Profit</b>	344	277
<b>Profit before Tax</b>	156	117
<b>Profit after Tax</b>	125	85
<b>Earnings per share - Rupees</b>	<b>5.39</b>	<b>3.68</b>

### Future Outlook

The gas shut downs are continuing even in the summer season and complete stoppage of gas for the captive power are severally affecting the production costs. This phenomenon has forced us to use alternative expensive LPG, Furnace and Diesel oils to keep the momentum of production. The usage of alternate fuels has added the costs and as such major portion of profits is being swept by the costs of these expensive fuels.

Going forward, besides the above enumerated abnormal factors, the management believes that economic prospects will improve in the future and the company shall continue its path in improving its performance.

On the Float Glass front, your Company has finalized the agreements with the banks for syndicate financing and the procedure for issuance of 200% right shares is in progress. The process of completion of legal formalities is at a final stage and earth breaking ceremony of the Float Glass Project will Insha Allah be announced very soon.

**For and on behalf of the Board**



## CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

	(Un-audited) 31 March 2011 Rupees	(Audited) 30 June 2010 Rupees
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Authorized capital		
100,000,000 ordinary shares of Rs 10 each	<b>1,000,000,000</b>	250,000,000
Issued, subscribed and paid up capital		
23,100,000 ordinary shares of Rs. 10 each	<b>231,000,000</b>	231,000,000
Share premium	<b>173,250,000</b>	173,250,000
Unappropriated profit	<b>315,597,107</b>	214,194,301
	<b>719,847,107</b>	618,444,301
Share deposit money	<b>318,440,000</b>	-
Surplus on revaluation of property, plant and equipment	<b>355,002,638</b>	-
	<b>1,393,289,745</b>	<b>618,444,301</b>
<b>Non current liabilities</b>		
Long term loans		
Secured	<b>58,229,754</b>	94,429,565
Unsecured	<b>33,389,450</b>	122,366,849
	<b>91,619,204</b>	216,796,414
Liabilities against assets subject to finance lease	<b>3,321,585</b>	3,824,374
Long term security deposits	<b>5,333,066</b>	5,133,066
Deferred liabilities	<b>102,088,827</b>	89,238,827
<b>Current liabilities</b>		
Trade and other payables	<b>332,495,354</b>	284,725,931
Accrued markup	<b>31,354,790</b>	30,032,679
Short term borrowings - secured	<b>59,702,243</b>	38,823,750
Current maturity of non current liabilities	<b>53,227,122</b>	66,423,552
Provision for taxation	<b>29,948,009</b>	11,336,071
	<b>506,727,519</b>	431,341,983
<b>Contingencies and commitments</b>	<b>-</b>	<b>-</b>
	<b>2,102,379,946</b>	<b>1,364,778,965</b>

The annexed notes 1 to 5 form an integral part of this interim financial information.



**AS AT 31 MARCH 2011**

	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>31 March</b>	<b>30 June</b>
	<b>2011</b>	<b>2010</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>ASSETS</b>		
<b>Non - current assets</b>		
Property, plant and equipment	<b>1,342,566,987</b>	901,411,012
Long term security deposits	<b>12,966,722</b>	8,210,104
<b>Current assets</b>		
Stores and spares	<b>184,203,846</b>	163,245,306
Stock in trade	<b>153,079,353</b>	144,941,944
Trade debtors - unsecured, considered good	<b>66,531,499</b>	35,157,670
Advances, deposits, prepayments and other receivables	<b>133,346,854</b>	97,257,042
Cash and bank balances	<b>209,684,685</b>	14,555,887
	<b>746,846,237</b>	455,157,849
	<b><u>2,102,379,946</u></b>	<b><u>1,364,778,965</u></b>

**OMER BAIG**  
DIRECTOR

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**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2011**

	Nine Months Ended 31 March		Quarter ended 31 March	
	2011	2010	2011	2010
	Rupees	Rupees	Rupees	Rupees
Sales - Net	<b>1,861,193,844</b>	1,508,534,038	<b>732,013,677</b>	522,330,320
Cost of sales	<b>1,517,117,094</b>	1,231,723,971	<b>621,624,654</b>	459,882,849
<b>Gross profit</b>	<b>344,076,750</b>	276,810,067	<b>110,389,023</b>	62,447,471
<b>Operating expenses</b>				
Administrative	<b>36,989,343</b>	28,908,154	<b>12,637,522</b>	10,752,911
Selling and distribution	<b>111,751,407</b>	85,635,440	<b>38,299,046</b>	32,260,779
	<b>148,740,750</b>	114,543,594	<b>50,936,568</b>	43,013,690
	<b>195,336,000</b>	162,266,473	<b>59,452,455</b>	19,433,781
Other operating income	<b>2,196,864</b>	225,180	-	-
<b>Operating profit</b>	<b>197,532,864</b>	162,491,653	<b>59,452,455</b>	19,433,781
Finance cost	<b>29,568,562</b>	36,345,229	<b>8,718,983</b>	11,699,496
Other expenses	<b>11,589,537</b>	8,641,654	<b>3,500,610</b>	530,784
<b>Profit before taxation</b>	<b>156,374,765</b>	117,504,770	<b>47,232,862</b>	7,203,501
Taxation	<b>31,871,959</b>	32,569,642	<b>10,320,137</b>	2,851,258
<b>Profit after taxation</b>	<b>124,502,806</b>	84,935,128	<b>36,912,725</b>	4,352,243
Earnings per share - basic & diluted	<b>5.39</b>	3.68	<b>1.60</b>	0.19

The annexed notes 1 to 5 form an integral part of this interim financial information.



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2011**

	Nine months ended 31 March		Quarter ended 31 March	
	2011	2010	2011	2010
	<b>Rupees</b>	Rupees	<b>Rupees</b>	Rupees
Profit for the period	<b>124,502,806</b>	84,935,128	<b>36,912,725</b>	4,352,243
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>124,502,806</b>	84,935,128	<b>36,912,725</b>	4,352,243

The annexed notes 1 to 5 form an integral part of this interim financial information.



## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2011

	Nine months ended	
	31 March 2011 Rupees	31 March 2010 Rupees
<b>Cash flow from operating activities</b>		
Profit before taxation	156,374,765	117,504,770
Adjustments for non cash and other items:		
Depreciation	83,709,969	78,270,666
Finance cost	29,568,562	36,345,229
Workers' profit participation fund	8,398,215	6,296,062
Workers' welfare fund	3,191,322	2,345,592
Profit on disposal of property, plant and equipment	(2,196,864)	(225,180)
	<b>122,671,205</b>	<b>123,032,369</b>
<b>Operating profit before working capital changes</b>	<b>279,045,970</b>	<b>240,537,139</b>
<b>Increase/(Decrease) in current assets:</b>		
Stores and spares	(20,958,540)	(30,167,505)
Stock in trade	(8,137,409)	(38,526,229)
Trade debtors	(31,373,829)	(12,296,568)
Advances, deposits, prepayments and other receivables	(22,720,808)	(31,426,908)
	<b>(83,190,586)</b>	<b>(112,417,210)</b>
<b>Increase/(Decrease) in current liabilities:</b>		
Trade and other payables	48,482,397	41,042,657
<b>Cash generated from operations</b>	<b>244,337,781</b>	<b>169,162,586</b>
Finance cost paid	(28,246,451)	(39,749,506)
WPPF paid	(9,955,174)	-
Staff gratuity paid	-	(436,633)
Income tax paid	(11,999,214)	-
	<b>(50,200,839)</b>	<b>(40,186,139)</b>
<b>Net cash generated from operating activities</b>	<b>194,136,942</b>	<b>128,976,447</b>
<b>Cash flow from investing activities</b>		
Fixed capital expenditure incurred	(169,988,254)	(34,402,853)
Proceeds from sale of fixed assets	1,420,000	350,000
Long term security deposits	(4,756,618)	(1,009,050)
<b>Net cash used in investing activities</b>	<b>(173,324,872)</b>	<b>(35,061,903)</b>
<b>Cash flow from financing activities</b>		
Long term finances	(135,146,702)	(12,302,635)
Short term borrowings	20,878,493	(65,952,240)
Share deposit money	318,440,000	-
Liabilities against assets subject to finance lease	(4,607,727)	965,070
Long term deposits	200,000	(200,000)
Dividend paid	(25,447,337)	-
<b>Net cash inflow from financing activities</b>	<b>174,316,728</b>	<b>(77,489,805)</b>
<b>Net increase in cash and cash equivalents</b>	<b>195,128,798</b>	<b>16,424,739</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>14,555,887</b>	<b>9,646,935</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>209,684,685</b>	<b>26,071,674</b>

The annexed notes 1 to 5 form an integral part of this interim financial information.





**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2011**

	<u>Share capital Rupees</u>	<u>Share premium Rupees</u>	<u>Unappropriated profit Rupees</u>	<u>Total Rupees</u>
Balance as at 30 June 2009	231,000,000	173,250,000	89,794,943	494,044,943
Profit for the nine months period ended 31 March 2010	-	-	84,935,128	84,935,128
Balance as at 31 March 2010	<b>231,000,000</b>	<b>173,250,000</b>	<b>174,730,070</b>	<b>578,980,070</b>
Interim dividend for the 3rd quarter ended 31 March 2010 at the rate of Rs. 0.75 (7.5%) per ordinary share	-	-	<b>(17,325,022)</b>	<b>(17,325,022)</b>
Profit for the three months period ended 30 June 2010	-	-	56,789,252	56,789,252
<b>Balance as at 30 June 2010</b>	<b>231,000,000</b>	<b>173,250,000</b>	<b>214,194,301</b>	<b>618,444,301</b>
Final Dividend for the year ended 30 June 2010 at the rate of Rs. 1/- (10%) per ordinary share	-	-	<b>(23,100,000)</b>	<b>(23,100,000)</b>
Profit for the nine months period ended 31 March 2011	-	-	124,502,806	124,502,806
<b>Balance as at 31 March 2011</b>	<b>231,000,000</b>	<b>173,250,000</b>	<b>315,597,107</b>	<b>719,847,107</b>

The annexed notes 1 to 5 form an integral part of this interim financial information.



## **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED MARCH 31, 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, 2010.

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, 2010.
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 April 30, 2011.



**TARIQ GLASS INDUSTRIES LTD.**



**TARIQ GLASS INDUSTRIES LTD.**