



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 INFORMATION	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 ESHA I

SECRETARY

MR. MOHSIN ALI

HUMAN RESOURCES & REMUNERATION COMMITTEE

MR. MANSOOR IRFANI
MR. TARIQ BAIG
MR. DAVID JULIAN

CHAIRMAN
MEMBER
MEMBER

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
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REGISTERED OFFICE

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DIRECTORS' REPORT

The Directors of Tariq Glass Industries Limited take pleasure in presenting the financial information for the 3rd quarter and nine months ended March 31, 2013.

Operational and Financial Performance

Allah Almighty bestow us to achieve another milestone by embarking state of the art Float Glass Plant with a capacity of 550 tons per day for which the furnace ignition / lighting up has been celebrated in the last week of the quarter under report. All the project components are contributing favourably and the optimum quality of glass produce as per the approved standards of M/S Yaohua Glass – China (one of the world's largest suppliers of Float Glass Plant and the turn key partner of "Tariq Float" glass project) has been made available for sale / commercialization as at the date of this report.

The overall business environment still remain under pressure and economic growth is elusive due to high cost of inputs, severe energy crisis, and worsening law and order situation in the country. The financial results of the Company seem to be appreciable when evaluated in the perspective of overall economic, social and political conditions in the country.

The Company has registered net sales of Rs. 2,588 million which is slightly higher than the corresponding figures of the last year but there is decrease in profit margins, mainly because of the biggest challenge being faced of non-availability of natural gas which is the foremost raw material required for the manufacturing and moulding of glass. This phenomenon has resulted in forced use of expensive alternate fuels in shape of Furnace oil, Diesel, and LPG which inflated the cost of production and consequently eroded the profit margins and diminishing EPS of Rs. 2.32 for the period under report.

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

	(Million Rupees)	
	Nine Months Ended March 31	
	2013	2012
Net sales	2,588	2,535
Gross profit	421	510
Profit before tax	160	325
Profit after tax	161	213
Earnings per share-Rupees	2.32	3.07

Future Outlook

The commercial production from the float glass project has been made available as of date and the quality, colour, clarity, and strength of the glass produce has largely been appreciated by the trade and technical people. Insha'Allah, these strengths will lead to enhanced revenue base of the Company and to explore and penetrate in new markets.

The gas shut downs are continuing even in the summer season and this phenomenon has forced us to use alternative expensive LPG, Furnace and Diesel oils to keep the momentum of production, albeit at much higher cost. The factor of cost push inflation adversely affecting the industry as the cost of production has escalated and the buying power of the consumer is almost sinking.

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

For and on behalf of the Board

TARIQ BAIG

CHAIRMAN AND MANAGING DIRECTOR

Lahore: April 30, 2013



CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

	31 March 2013 (Un-audited) Rupees	30 June 2012 (Audited) Rupees
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized capital 100,000,000 (30 June 2012: 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	693,000,000	693,000,000
69,300,000 ordinary shares of Rs. 10 each	263,697,120	263,697,120
Share premium	761,768,889	600,833,834
Unappropriated profit	1,718,466,009	1,557,530,954
Surplus on revaluation of property, plant and equipment	355,002,638	355,002,638
	<u>2,073,468,647</u>	<u>1,912,533,592</u>
Non current liabilities		
Long term loans		
Secured	1,286,254,266	469,318,424
Unsecured	505,296,208	281,148,352
	1,791,550,474	750,466,776
Liabilities against assets subject to finance lease	45,917,908	-
Long term security deposits	248,572,599	85,034,136
Long term payable to supplier	194,239,200	-
Deferred liabilities	128,556,248	143,775,508
Current liabilities		
Current maturity of non current liabilities	283,059,097	246,708,047
Short term borrowings - secured	252,191,910	43,274,840
Trade and other payables	529,654,053	482,533,106
Accrued markup	39,502,687	35,821,752
Provision for taxation	46,299,822	131,058,653
	1,150,707,569	939,396,398
Contingencies and commitments	-	-
	<u>5,633,012,645</u>	<u>3,831,206,410</u>

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



AS AT 31 MARCH 2013

	31 March 2013 (Un-audited) Rupees	30 June 2012 (Audited) Rupees
ASSETS		
Non-current assets		
Property, plant and equipment	4,432,832,236	2,781,832,980
Long term security deposits	38,532,994	32,042,092
Current assets		
Stores and spares	510,553,479	163,174,592
Stock in trade	331,530,670	278,749,957
Trade debtors - unsecured, considered good	126,928,849	35,649,534
Advances, deposits, prepayments and other receivables	167,858,715	208,182,779
Cash and bank balances	24,775,702	331,574,476
	1,161,647,415	1,017,331,338
	5,633,012,645	3,831,206,410

OMER BAIG
DIRECTOR



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2013

	Nine Months Ended 31 March		Quarter ended 31 March	
	2013	2012	2013	2012
	Rupees	Rupees	Rupees	Rupees
Sales - net	2,587,706,566	2,535,036,397	930,331,523	883,108,279
Cost of sales	2,166,306,281	2,025,517,436	776,621,381	715,448,892
Gross profit	421,400,285	509,518,961	153,710,142	167,659,387
Operating expenses				
Administrative	52,960,958	47,706,584	17,449,729	15,829,632
Selling and distribution	162,463,538	136,115,775	56,795,635	47,381,564
	215,424,496	183,822,359	74,245,364	63,211,196
	205,975,789	325,696,602	79,464,778	104,448,191
Other operating income	7,621,553	47,684,106	660,222	15,284,280
Operating profit	213,597,342	373,380,708	80,125,000	119,732,471
Finance cost	41,865,571	25,895,305	12,337,051	7,328,578
Other expenses	11,554,017	22,132,299	4,199,309	6,178,747
Profit before taxation	160,177,754	325,353,104	63,588,640	106,225,146
Taxation	(757,301)	112,461,410	(3,542,704)	34,431,863
Profit after taxation	160,935,055	212,891,694	67,131,344	71,793,283
Earnings per share - basic and diluted	2.32	3.07	0.97	1.04

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



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2013**

	Nine months ended 31 March		Quarter ended 31 March	
	2013	2012	2013	2012
	Rupees	Rupees	Rupees	Rupees
Profit for the period	160,935,055	212,891,694	67,131,344	71,793,283
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	160,935,055	212,891,694	67,131,344	71,793,283

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



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2013

	Nine months ended	
	31 March 2013	31 March 2012
	Rupees	Rupees
Cash flows from operating activities		
Profit before taxation	160,177,754	325,353,104
Adjustments for non cash and other items:		
Depreciation	92,378,105	88,059,908
Profit on disposal of property, plant and equipment	(886,389)	(5,254,014)
Ijara rentals	22,773,705	4,185,868
Finance cost	41,865,571	25,895,305
Provision for Workers' Profit Participation Fund	8,592,895	15,915,421
Provision for Workers' Welfare Fund	2,412,161	6,216,878
	167,136,048	135,019,366
Operating profit before working capital changes	327,313,802	460,372,470
(Increase)/Decrease in current assets:		
Stores and spares	(347,378,887)	(13,498,984)
Advances, deposits, prepayments and other receivables	(1,272,280)	(50,247,807)
Stock in trade	(52,780,713)	12,105,585
Trade debtors	(91,279,315)	(7,059,539)
	(492,711,195)	(58,700,745)
Increase in current liabilities:		
Trade and other payables	58,581,326	102,848,610
Cash generated from operations	(106,816,067)	504,520,335
Finance cost paid	(38,184,637)	(29,659,104)
Payments to Workers' Profit Participation Fund	(22,452,609)	(11,052,688)
Ijara rentals paid	(22,773,705)	(4,185,868)
Income tax paid	(57,624,446)	(27,144,254)
	(141,035,397)	(72,041,914)
Net cash (used in)/generated from operating activities	(247,851,464)	432,478,421
Cash flows from investing activities		
Fixed capital expenditure	(1,743,845,974)	(650,629,105)
Proceeds from sale of property, plant and equipment	1,355,000	11,302,000
Long term deposits	(6,490,902)	884,213
Net cash outflows from investing activities	(1,748,981,876)	(638,442,892)
Cash flows from financing activities		
Proceeds from long term finances	1,073,352,664	302,468,852
Proceeds from short term borrowings	208,917,070	6,805,203
Proceeds from long term deposits	163,538,463	39,701,070
Payable to supplier	194,239,200	-
Liabilities against assets subject to finance lease	50,000,000	-
Dividend paid	(12,831)	(25,907,231)
Net cash inflows from financing activities	1,690,034,566	323,067,894
Net (decrease)/increase in cash and cash equivalents	(306,798,774)	117,103,423
Cash and cash equivalents at the beginning of the period	331,574,476	463,273,069
Cash and cash equivalents at the end of the period	24,775,702	580,376,492

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



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2013**

	Share capital Rupees	Share premium Rupees	Unappropriated profit Rupees	Total Rupees
Balance as at 30 June 2011	693,000,000	263,697,120	334,332,745	1,291,029,865
Final dividend for the year ended 30 June 2011 at the rate of Rs 1 (10%) per ordinary share	-	-	(26,259,186)	(26,259,186)
Total comprehensive income for the period ended 31 March 2012	-	-	213,415,377	213,415,377
Balance as at 31 March 2012	693,000,000	263,697,120	521,488,936	1,478,186,056
Total comprehensive income for the period ended 30 June 2012	-	-	79,344,898	79,344,898
Balance as at 30 June 2012	693,000,000	263,697,120	600,833,834	1,557,530,954
Total comprehensive income for the nine months period ended 31 March 2013	-	-	160,935,055	160,935,055
Balance as at 31 March 2013	693,000,000	263,697,120	761,768,889	1,718,466,009

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



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED MARCH 31, 2013

1. This condensed interim financial information for the quarter and nine months period ended March 31, 2013 is un-audited, being circulated to the shareholders in accordance with 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 condensed interim financial information 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, 2012.

2. The accounting policies adopted for the preparation of this financial information are the same as those applied in the preparation of preceding annual Audited Financial Statements for the year ended June 30, 2012.
3. There is no significant change in the contingencies and commitments status since the last annual balance sheet date.
4. These financial statements were authorized for issuance by the Board of Directors on April 30, 2013.
5. Figures have been rounded off to the nearest rupee.