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COMPANY INFORMATION

BOARD OF DIRECTORS		
CHAIRMAN	MR. OMER BAIG	
MANAGING DIRECTOR	MR. TARIQ BAIG	
	MRS. NAIMA SHAHNAZ BAIG	
	MR. MANSOOR IRFANI	
	MR. AKBAR BAIG	
	MR. DAVID JULIAN	
	MR. NAEEM NAZIR	INDEPENDENT DIRECTOR
CHIEF FINANCIAL OFFICER	MR. WAQAR ULLAH	
COMPANY SECRETARY	MR. MOHSIN ALI	
HUMAN RESOURCE & REMUNERATION COMMITTEE	MR. MANSOOR IRFANI	CHAIRMAN
	MR. TARIQ BAIG	MEMBER
	MR. NAEEM NAZIR	MEMBER
AUDIT COMMITTEE	MR. NAEEM NAZIR	CHAIRMAN
	MR. OMER BAIG	MEMBER
	MR. DAVID JULIAN	MEMBER

AUDITORS
KPMG TASEER HADI & CO.
CHARTERED ACCOUNTANTS

LEGAL ADVISOR
KASURI AND ASSOCIATES
LAHORE

TAX CONSULTANTS
YOUSAF ISLAM ASSOCIATES
LAHORE

INFORMATION TECHNOLOGY CONSULTANTS
CHARTAC BUSINESS SERVICES (PVT) LTD.
LAHORE

BANKERS

NATIONAL BANK OF PAKISTAN	BANK ALFALAH LTD
HABIB BANK LTD	FAYSAL BANK LTD
UNITED BANK LTD	SINDH BANK LTD
THE BANK OF PUNJAB	BANKISLAMI PAKISTAN LTD
MCB BANK LTD	NIB BANK LTD
THE BANK OF KHYBER	SAMBA BANK LTD
ASKARI BANK LTD	ALBARAKA BANK (PAK) LTD
MEEZAN BANK LTD	STANDARD CHARTERED BANK (PAK) LTD

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

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WORKS
33-KM, LAHORE/SHEIKHUPURA ROAD
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FAX: (056) 3500633

Vision Statement

To be a premier glass manufacturing organization of international standards and repute, offering innovative value-added products, tailored receptively to the customers' needs and satisfaction, while optimizing the shareholders' value through meeting their expectations, making Tariq Glass Industries Limited an "investor preferred institution" amply justifying its claim of "glassware supermarket" by catering all household and industrial needs of the customers

Mission Statement

To be a world class and leading company continuously providing quality glass tableware, containers and float by utilizing best blend of state of the art technologies, high performance people, excellent business processes and synergetic organizational culture.

NOTICE OF ANNUAL GENERAL MEETING

The notice is hereby given that the 37th Annual General Meeting of the members of the Company will be held on Wednesday , the October 28, 2015 at 11:00 AM at the Defence Services Officers' Mess, 71 – Tufail Road, Lahore Cantt to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the 36th Annual General Meeting of the members held on October 29, 2014.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2015 together with the Reports of the Auditors and Directors thereon.
3. To appoint Auditors of the company for the year ending 30 June 2016 and fix their remuneration. The retiring Auditors M/S KPMG Taseer Hadi & Co., Chartered Accountants being eligible offer themselves for re-appointment.

OTHER BUSINESS:

4. To transact any other business with the permission of the Chairman.

September 28, 2015
Lahore

BY ORDER OF THE BOARD

(MOHSIN ALI)
COMPANY SECRETARY

NOTES

1. The Share Transfer Books of the Company will remain closed from October 22, 2015 to October 28, 2015 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s Shemas International Pvt. Limited, Suit # 31, 2nd Floor, Sadiq Plaza, 69-Shahra-e-Quaid-e-Azam (The Mall), Lahore at the close of business hours on Wednesday the October 21, 2015 will be treated in time for the purpose of transfer of shares.
2. Pursuant to the directives of Securities & Exchange Commission of Pakistan (SECP) vide SRO 779 (1) 2011 dated August 18, 2011, which mandates that the dividend warrants must bear computerized national identity card (CNIC) number of the registered member, the members who have not yet submitted attested photocopy of their valid CNIC are once again requested to send the same at the earliest directly to the Company's Share Registrar failing which may result in withholding of dividend warrants of such shareholders.
3. In pursuance of the Finance Act 2014 the withholding tax rates have been revised and it has been directed that all non-filers of Income Tax returns will be taxed at higher rates as compared to normal. However, the regular filers of Income Tax return will continue to be at normal tax rates. Shareholders are therefore requested to send the information related to their National Tax Number in compliance with the active tax payer list available at FBR's website http://www.fbr.gov.pk. In this connection, if we do not receive response, we will have no option but to deduct and withhold tax at higher rates from the dividend of shareholder. The shareholders are also advised to inform us if they are enjoying withholding tax exemption under any of the provisions of Income Tax Ordinance 2001, so the deduction of withholding tax from their dividend could be restrained.
4. The members are advised to bring their ORIGINAL Computerized National Identity Card (CNIC) and those members who have deposited their shares in Central Depository System should be cognizant of their CDC Participant ID and Account Number at the meeting venue. In case of corporate entity a power of attorney with specimen signature of nominee shall also be produced.
5. A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him/her.
6. The members are requested to notify the Company / Share Registrar of the change in their address, if any.

DIRECTORS' REPORT TO THE MEMBERS

The Directors of Tariq Glass Industries Limited are pleased to present before you the performance report together with the annual audited financial statements of the company along-with the auditors' reports thereon, for the year ended 30 June 2015.

Economy Review:

The financial year 2014-15 has endorsed some significant achievements but a lot has to be done for revival of the economy and endurance of industrial sector of Pakistan. Few of the major achievements include, the inflation hit the lowest level in the past one decade, the policy rate decelerated at 7 percent which was lowest in last 42 years, capital market created history, improvement of grading by international rating agencies, historical agreement with Chinese Government on Pak China Economic Corridor and issuance of Ijara Sakuk Bond after a period of 9 years.

These achievements were partly shadowed by the backdrops like; the security challenges for which the people of Pakistan are sacrificing their lives and wealth, initial months of the financial year under report confronted some tempests due to political turmoil, the unprecedented weather behavior which is consequent of heavy floods and prolonged winter, the efficiency and output of industrial sector which was largely affected due to shortages in gas and electricity supplies etc. However, we believe that the social and economic prospects will improve whilst the Government successfully manages these backdrops.

Business Review:

In the financial year 2014-2015 the Sales marginally grew by 3.66%. Analyzing the underlying breakup, the float glass sales aggregated to Rs. 5.032 billion which represents a growth of 26% as compared to the last year's figure. There is a decline of 20% in tableware sales in contrast to corresponding figures of previous year. This is due to closure of one of the tableware producing furnaces with a capacity of 110 metric tons per day for scheduled rebuild. The said furnace was closed in October-2014 and put back in production in May-2015 with enhanced capacity of 140 metric tons per day.

The Company achieved higher gross profit margin of 20.07% for the year under report as compared to 14.53% of the previous year which, mainly is attributable to the improved sale prices of float glass products and the plummeted oil prices particularly for the furnace oil and diesel. Henceforward, the Company recuperates its position to profits of Rs.408 million and EPS of Rs.5.56 for the year under report as compared to Rs.(17.32) million and Rs.(0.24) respectively of the preceding year. The key operating and financial data in summarized form is annexed for the consideration of shareholders. The financial results in brief are as under:

		FY2015	**FY2014**
		(Rupees in Million)	
			(Restated)
Sales – net		**8,040**	7,756
Gross profit		**1,614**	1,127
Operating profit		**787**	376
Profit / (loss) before tax		**362**	16
Profit / (loss) after tax		**408**	(17)
Earnings / (loss) per share – basic	– Rupees	**5.56**	(0.24)
– diluted	– Rupees	**5.56**	(0.24)

It is anticipated that another tableware furnace will require closure for major repair in the forthcoming quarter which can impulse extensive liquidity dispensation. Henceforth, the Board of Directors of the Company has not recommended the dividend for the year ended 30 June 2015.

Corporate and Financial Reporting Framework:

(a) The financial statements, prepared by the management of the listed company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
(b) Proper books of account of the listed company have been maintained.
(c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
(d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed and explained.
(e) The system of internal control is sound in design and has been effectively implemented and monitored.
(f) There are no significant doubts upon the listed company's ability to continue as a going concern.
(g) The information about taxes and levies is given in the notes to the financial statements.
(h) There has been no departure from the best practices of Corporate Governance as detailed in the Listing Regulations. A statement to this effect is annexed with this report.

Board of Directors:

The Board of Directors completed its tenure of three years on September 02, 2014 and the same Board was re-elected with an exception of Mr. Syed Tufail Hussain who did not participate in the election and instead Mr. Naeem Nazir has been elected as independent director. The election of directors was adjudicated in the Extra Ordinary General Meeting held on September 02, 2014 under the provisions of section 178 of the Companies Ordinance, 1984 for the next term of three years (i.e., from September 03, 2014 to September 02, 2017) by the shareholders of the Company, henceforward the board includes:

Category	Names
Non-Executive Directors:	Mr. Omer Baig – Chairman of the Board Mrs. Naima Shahnaz Baig Mr. Mansoor Irfani Mr. Akbar Baig Mr. David Julian
Independent Director:	Mr. Naeem Nazir
Executive Director:	Mr. Tariq Baig – Managing Director / CEO

Board Meetings:

During the year, no casual vacancy occurred on the Board of Directors, and 8 meetings of the board were held. The attendance of the Board members was as follows:

S.No.	Name of Director	Meetings Attended
1.	Mr. Tariq Baig	8
2.	Mr. Omer Baig	8
3.	Mrs. Naima Shahnaz Baig	8
4.	Mr. Mansoor Irfani	8
5.	Mr. Akbar Baig	8
6.	Mr. David Julian	8
7.	Mr. Naeem Nazir	8

Authorization to Sign Directors' Report:

Pursuant to the provisions of Section 236 of the Companies Ordinance 1984, Mr. Tariq Baig, Managing Director is hereby singly authorized to sign the Directors' report on behalf of the Board.

Committees of the Members of the Board of Directors:

The Board has reconstituted the Audit Committee and Human Resources & Remuneration Committee for its assistance from the newly elected board members. The details of members and scope are as under:

Audit Committee:

Mr. Naeem Nazir	*Chairman (Independent Director)*
Mr. Omer Baig	*Member*
Mr. David Julian	*Member*

The Audit Committee reviewed the quarterly, half yearly and annual financial statements before submission to the board and their publication. The audit committee also reviewed internal audit findings and held separate meetings with internal and external auditors. The audit committee had detailed discussions with external auditors on their letter to the management.

Human Resources & Remuneration Committee:

Mr. Mansoor Irfani	*Chairman*
Mr. Tariq Baig	*Member*
Mr. Naeem Nazir	*Member (Independent Director)*

The committee has been constituted to address and improve the area of Human Resource Development. The main aim of the committee is to assist the Board and guide the management in the formulation of the market driven HR policies regarding performance management, HR staffing, compensation and benefits, that are compliant with the laws and regulations.

Directors' Training Program:

During the year one Director completed Directors' Training Course from University of Lahore under the supervision of Mr. Muhammad Maqbool, FCA. Now the Board constitutes of three certified directors and four directors of the Company who fulfill the criteria for exemption from directors' training program under the provisions of CCG. However, all the Directors have been provided with copies of the Listing Regulations of the Stock Exchanges along with the CCG, the Company's Memorandum and Articles of Association and are well conversant with their duties and responsibilities.

Pattern of Shareholding:

The pattern of shareholding and additional information as per requirement of Code of Corporate Governance under listing regulations is attached separately. No trading in the shares of the Company were carried out by the Directors, the Chief Financial Officer, the Company Secretary and their spouses and minor children for the period under report except for Mr. Syed Tufail Hussain who sold 500 shares on August 01, 2014, later his term of office ceased on September 02, 2014.

Number of Employees:

The number of permanent employees as on 30 June 2015 were 715 (2014: 736).

Value of Investments of Provident Fund:

The value of total investment of provident fund as at 30 June 2015 was Rs.69.239 million (2014: Rs. 58.275 million).

Financial Statements:

As required by the Code of Corporate Governance under the listing regulations the Managing Director and Chief Financial Officer present the financial statements, duly endorsed under their respective signatures, for consideration and approval of the Board of Directors and Board after consideration and approval, authorized the signing of financial statements for issuance and circulation on September 28, 2015.

The financial statements of the Company have been duly audited and approved without qualification by the auditors of the Company M/s KPMG Taseer Hadi & Co., Chartered Accountants and their following reports are attached with the financial statements:

- Auditors' Report to the Members
- Review Report to the Members on Statement of Compliance with the Code of Corporate Governance

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year to which the attached financial statements relate and date of the Directors' Report.

Future Outlook:

The profits will remain under pressure as Sui Gas shut down spans as usual may elongate in the approaching winter and this phenomenon shall force us to use alternative expensive LPG, Furnace and Diesel oils to keep the momentum of production. However, the oil prices are expected to remain lower which will partly compensate the higher cost of production.

It is anticipated that one of the Tableware producing furnaces will require closure for major repair as it is going to outlive its useful campaign life in the forthcoming quarter. The arrangements are in progress to import the major components required for rebuild.

The incremental capacities of local market players and imported stocks of tableware products are creating supply glut due to which the prices are under pressure. Our focus will also be directed towards manufacturing of new tableware articles in order to capture the gap being filled by the imported tableware articles. In this regard, the management is seeking opportunities to import new state of the art jugs making machine.

It is anticipated that economic activities will flourish and the Company shall continue its path in further improving its performance.

Auditors:

The present auditors M/s KPMG Taseer Hadi & Co., Chartered Accountants retired and offer themselves for re-appointment. As suggested by the audit committee, the board of directors has recommended their reappointment as auditors of the company for the financial year ending 30 June 2016 at a fee to be mutually agreed.

Acknowledgement:

We would like to thank our valued distributors, clients, financial institutions and the shareholders of the company for their continued trust and confidence. We also appreciate the efforts and dedication shown by the staff for managing the company's affairs successfully and all the workers who worked hard to achieve higher goals.

For and on behalf of the Board

September 28, 2015
Lahore

TARIQ BAIG
MANAGING DIRECTOR

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

Name of Company: Tariq Glass Industries Limited.

Year Ended: 30 June 2015

This statement is being presented to comply with the Code of Corporate Governance ("CCG") contained in the Regulation No. 35 of the Listing Regulations of the Karachi, Lahore and Islamabad Stock Exchanges of Pakistan 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 CCG 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 present composition of the Board is as under:

Category	Names
Independent Director:	Mr. Naeem Nazir
Executive Director:	Mr. Tariq Baig
Non-Executive Directors:	Mr. Omer Baig Mrs. Naima Shahnaz Baig Mr. Mansoor Irfani Mr. Akbar Baig Mr. David Julian

   The independent director meets the criteria of independence under clause i (b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident 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 NBFI 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 of directors of the Company during the year ended 30 June 2015.
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.
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 Managing Director/CEO, other executive and non-executive directors, have been taken by the board/shareholders.
8. All 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. The minutes of the meetings were appropriately recorded and circulated.

9. The Directors have been provided with copies of the Listing Regulations of the Stock Exchanges along with the CCG, the Company's Memorandum and Articles of Association and are well conversant with their duties and responsibilities. During the year one Director has completed Directors Training Course from University of Lahore under the supervision of Mr. Muhammad Maqbool, FCA. Now the Board constitutes of three certified directors and four directors of the Company fulfilled the criteria for exemption from directors' training program under the provisions of CCG.
10. No new appointments have been made during the year for the Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit. The board has considered the remuneration and terms and conditions of employment of CFO, Company Secretary, and Head of Internal Audit.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by the Managing Director / CEO and CFO before approval of the board.
13. The Directors, Managing Director / CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The board has formed an Audit Committee. It comprises of three members, of whom chairman is the independent director and other two are non-executive directors.
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 as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed a Human Resource and Remuneration Committee. It comprises of three members, of whom two are non-executive directors and one is an executive director. The chairman of the committee is a non-executive director.
18. The board has outsourced the internal audit function to M/S Eshai and Company, Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the Company's policies and procedures.
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 Institute of Chartered Accountants of Pakistan (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 exchanges.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchanges.
23. We confirm that all other material principles enshrined in the CCG have been complied with.

September 28, 2015
Lahore

TARIQ BAIG
MANAGING DIRECTOR

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

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Tariq Glass Industries Limited ("the Company") for the year ended 30 June 2015 to comply with the requirements of Listing Regulation no. 35 of Karachi, Lahore and Islamabad Stock Exchanges 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 personnel and review of various documents prepared by the Company to comply with the Code.

As a 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 Director's statement on 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 of 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 the 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 under taken 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 as applicable to the Company for the year ended 30 June 2015.

KPMG Taseer Hadi & Co.
Chartered Accountants
(M. Rehan Chughtai)

September 28, 2015
Lahore

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Tariq Glass Industries Limited ("the Company")** as at 30 June 2015 and the related profit and loss account, statement of comprehensive income, 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, statement of comprehensive income, 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 30 June 2015 and of the profit, its cash flows and changes in equity for the year then ended; and

d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that ordinance.

KPMG Taseer Hadi & Co.
Chartered Accountants
(M. Rehan Chughtai)

September 28, 2015
Lahore

BALANCE SHEET

	Note	2015 Rupees	2014 Rupees (Restated)	2013 Rupees (Restated)
EQUITY AND LIABILITIES				
Share capital and reserves				
Authorized share capital 100,000,000 (2014: 100,000,000) ordinary shares of Rs. 10 each		**1,000,000,000**	1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	5	**734,580,000**	734,580,000	693,000,000
Share premium	6	**410,116,932**	410,116,932	263,697,120
Equity portion of shareholders' loan	7	**135,008,111**	169,565,066	158,710,212
Unappropriated profit		**1,421,943,134**	984,679,146	968,191,016
		2,701,648,177	2,298,941,144	2,083,598,348
Surplus on revaluation of land	8	**355,002,638**	355,002,638	355,002,638
		3,056,650,815	2,653,943,782	2,438,600,986
Non current liabilities				
Long term finances:				
- *Secured*	9	**517,922,514**	921,846,042	1,191,949,344
- *Unsecured*	10	**610,449,765**	545,591,621	375,157,251
		1,128,372,279	1,467,437,663	1,567,106,595
Liabilities against assets subject to finance lease	11	**28,894,893**	40,612,439	43,695,545
Long term deposits	12	**263,239,437**	258,969,877	252,568,437
Long term advance - *unsecured*		**-**	-	197,600,000
Deferred taxation	13	**48,196,463**	99,387,185	42,430,723
		1,468,703,072	1,866,407,164	2,103,401,300
Current liabilities				
Trade and other payables	14	**683,620,647**	803,490,749	760,551,613
Accrued mark-up	15	**68,293,715**	81,274,471	47,126,695
Short term borrowings - *secured*	16	**1,899,914,518**	1,843,437,453	669,399,178
Current portion of long term liabilities	17	**345,008,877**	337,188,282	295,281,455
Provision for taxation		**-**	3,838,970	3,838,970
		2,996,837,757	3,069,229,925	1,776,197,911
		7,522,191,644	7,589,580,871	6,318,200,197
Contingencies and commitments	18			

The annexed notes from 1 to 44 form an integral part of these financial statements.

September 28, 2015
Lahore

OMER BAIG
CHAIRMAN

AS AT 30 JUNE 2015

	Note	2015 Rupees	2014 Rupees (Restated)	2013 Rupees (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	*19*	**4,233,476,883**	4,462,032,583	4,451,424,803
Intangibles	20	**6,614,720**	-	-
Long term deposits	*21*	**44,659,957**	49,360,695	42,767,022
Current assets				
Stores and spare parts	*22*	**610,956,489**	741,254,823	708,817,116
Stock in trade	*23*	**1,260,778,593**	1,228,917,839	605,900,900
Trade debts - *considered good*	*24*	**756,203,935**	700,211,723	219,380,178
Advances, deposits, prepayments and other receivables	*25*	**434,670,644**	277,663,688	222,799,755
Cash and bank balances	*26*	**174,830,423**	130,139,520	67,110,423
		3,237,440,084	3,078,187,593	1,824,008,372
		7,522,191,644	7,589,580,871	6,318,200,197

TARIQ BAIG
MANAGING DIRECTOR

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 Rupees	2014 Rupees (Restated)
Sales - *net*	27	**8,040,166,922**	7,756,440,687
Cost of sales	28	**(6,426,456,631)**	(6,629,658,556)
Gross profit		**1,613,710,291**	1,126,782,131
Administrative expenses	29	**(119,803,714)**	(95,506,267)
Selling and distribution expenses	30	**(707,316,540)**	(655,548,414)
		(827,120,254)	(751,054,681)
		786,590,037	375,727,450
Other income	31	**12,837,774**	21,332,857
Finance cost	32	**(418,957,619)**	(378,876,726)
Other expenses	33	**(18,381,621)**	(2,591,931)
Profit before taxation		**362,088,571**	15,591,650
Taxation	34	**46,131,690**	(32,908,734)
Profit / (loss) after taxation		**408,220,261**	(17,317,084)
Earnings / (loss) per share - *basic*	35	**5.56**	(0.24)
- *diluted*	35	**5.56**	(0.24)

The annexed notes from 1 to 44 form an integral part of these financial statements.

September 28, 2015
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	2015 Rupees	2014 Rupees *(Restated)*
Profit / (loss) after taxation	**408,220,261**	(17,317,084)
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**408,220,261**	(17,317,084)

The annexed notes from 1 to 44 form an integral part of these financial statements.

September 28, 2015 **Lahore**	**OMER BAIG** **CHAIRMAN**	**TARIQ BAIG** **MANAGING DIRECTOR**

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 Rupees	2014 Rupees
Cash flows from operating activities			
Profit before taxation		**362,088,571**	15,591,650
Adjustments for:			
Depreciation	*19.1*	**459,934,285**	459,956,173
Amortization of intangibles	*20*	**348,143**	-
Gain on disposal of property, plant and equipment	*19.1.1*	**(7,648,397)**	(8,957,703)
Exchange fluctuation		**-**	(9,477,624)
Finance cost		**411,536,283**	372,219,008
Amortization of transaction cost		**7,212,472**	6,657,718
Provision for provident fund		**28,736,481**	25,519,948
Provision for Workers' Profit Participation Fund		**18,590,485**	3,598,783
		918,709,752	849,516,303
Operating profit before working capital changes		**1,280,798,323**	865,107,953
Changes in :			
Stores and spare parts		**130,298,334**	(32,437,707)
Advances, deposits, prepayments and other receivables		**(26,141,232)**	61,854,277
Stock in trade		**(31,860,754)**	(623,016,939)
Trade debts - *considered good*		**(55,992,212)**	(480,954,109)
Trade and other payables		**(143,531,700)**	47,967,905
		(127,227,564)	(1,026,586,573)
Cash generated from / (used in) operating activities		**1,153,570,759**	(161,478,920)
Payments to Workers' Profit Participation Fund	*14.1*	**(3,598,783)**	(9,072,883)
Payment to provident fund		**(28,554,407)**	(25,074,617)
Income tax paid		**(124,828,596)**	(116,718,210)
		(156,981,786)	(150,865,710)
Net cash generated from / (used in) operating activities		**996,588,973**	(312,344,330)
Cash flows from investing activities			
Fixed capital expenditure		**(239,962,294)**	(470,736,144)
Intangibles		**(3,877,757)**	(3,085,106)
Proceeds from sale of property, plant and equipment		**13,147,000**	12,215,000
Long term deposits		**4,700,738**	(6,593,673)
Net cash used in investing activities		**(225,992,313)**	(468,199,923)
Cash flows from financing activities			
Proceeds of long term finances		**-**	356,000,000
Repayments of long term finances		**(404,886,000)**	(407,501,875)
Liabilities against assets subject to finance lease		**(10,146,951)**	698,721
(Repayments of) / proceeds from short term borrowings - *net*		**(181,905,531)**	352,904,876
Proceeds from long term deposits		**4,269,560**	6,401,440
Finance cost paid		**(359,658,895)**	(286,063,211)
Dividend paid		**(11,960,536)**	-
Net cash (used in) / generated from financing activities		**(964,288,353)**	22,439,951
Net decrease in cash and cash equivalents		**(193,691,693)**	(758,104,302)
Cash and cash equivalents at beginning of the year		**(1,044,640,587)**	(286,536,285)
Cash and cash equivalents at end of the year	*26.2*	**(1,238,332,280)**	(1,044,640,587)

The annexed notes from 1 to 44 form an integral part of these financial statements.

September 28, 2015
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Share capital	Capital Reserve			Revenue Reserve	Total Equity
		Share premium	Equity portion of shareholders' loan	Sub-total	Unappropriated profit	
	---Rupees---					
Balance as at 30 June 2013 as previously reported	**693,000,000**	**263,697,120**	**244,169,568**	**507,866,688**	**968,191,016**	**2,169,057,704**
Effect of restatement as explained in note 13.1	**-**	**-**	**(85,459,356)**	**(85,459,356)**	**-**	**(85,459,356)**
Balance as at 30 June 2013 - restated	**693,000,000**	**263,697,120**	**158,710,212**	**422,407,332**	**968,191,016**	**2,083,598,348**
Total comprehensive income						
Loss after tax for the year	-	-	-	-	(17,317,084)	(17,317,084)
Total comprehensive income	-	-	-	-	**(17,317,084)**	**(17,317,084)**
Transactions with the owners of the Company						
Issue of shares for consideration other than cash	41,580,000	146,419,812	-	146,419,812	-	187,999,812
Equity portion of shareholders' loan for the year - net of tax	-	-	44,660,068	44,660,068	-	44,660,068
Transferred on unwinding - net of tax	-	-	(33,805,214)	(33,805,214)	33,805,214	-
Balance as at 30 June 2014 - restated	**734,580,000**	**410,116,932**	**169,565,066**	**579,681,998**	**984,679,146**	**2,298,941,144**
Balance as at 30 June 2014 as previously reported	**734,580,000**	**410,116,932**	**260,869,343**	**670,986,275**	**984,679,146**	**2,390,245,421**
Effect of restatement as explained in note 13.1	**-**	**-**	**(91,304,277)**	**(91,304,277)**	**-**	**(91,304,277)**
Balance as at 30 June 2014 - restated	**734,580,000**	**410,116,932**	**169,565,066**	**579,681,998**	**984,679,146**	**2,298,941,144**
Total comprehensive income						
Profit after tax for the year	-	-	-	-	408,220,261	408,220,261
Total comprehensive income	-	-	-	-	**408,220,261**	**408,220,261**
Transactions with the owners of the Company						
Final dividend for the year ended 30 June 2014 at the rate of Rs. 0.5 (5%) per ordinary share	-	-	-	-	(14,411,230)	(14,411,230)
Transferred on unwinding - net of tax	-	-	(43,454,957)	(43,454,957)	43,454,957	-
Tax rate adjustment	-	-	8,898,002	8,898,002	-	8,898,002
Balance as at 30 June 2015	**734,580,000**	**410,116,932**	**135,008,111**	**545,125,043**	**1,421,943,134**	**2,701,648,177**

The annexed notes from 1 to 44 form an integral part of these financial statements.

September 28, 2015
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 Reporting entity

Tariq Glass Industries Limited ("the Company") was incorporated in Pakistan in 1978 and converted into a Public Limited Company in the year 1980. The Company is listed on Karachi, Lahore and Islamabad stock exchanges. The Company is principally engaged in the manufacture and sale of glass containers, tableware and float glass. The registered office of the Company is situated at 128-J, Model Town, Lahore.

2 Basis of accounting

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 (IFRSs) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan as are notified under the provisions of the Companies Ordinance, 1984. Wherever, the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of Companies Ordinance, 1984 or the requirements of the said directives shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for land, which is measured at revalued amount and financial instruments which are carried at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee ("Rs.") which is the Company's functional currency. All financial information presented in Rupees has been rounded off to the nearest rupee, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of these financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, and the results of which form the basis for making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

Property, plant and equipment

The management of the Company reassesses useful lives and residual value for each item of property, plant and equipment annually by considering expected pattern of economic benefits that the Company expects to derive from that item and the maximum period up to which such benefits are expected to be available. Any change in the estimates in future years might affect the carrying amounts of respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Revaluation of property, plant and equipment

Revaluation of property, plant and equipment is carried out by independent professional valuers. Revalued amounts of non-depreciable items are determined by reference to local market values and that of depreciable items are determined by reference to present depreciated replacement values. However, the Company uses revaluation model only for its non-depreciable items of property, plant and equipment.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three to five years.

Stores and spare parts

The Company reviews the stores and spare parts for possible impairment on an annual basis. Any change in estimates in future years might affect the carrying amounts of respective items of stores and spares with a corresponding effect on provision.

Stock in trade

The Company reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock-in-trade is adjusted where the net realisable value is below the cost. Net Realizable Value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Impairment

The management of the Company reviews carrying amounts of its assets including receivables and advances and cash generating units for possible impairment and makes formal estimates of recoverable amount if there is any such indication.

Provision against trade debts, advances and other receivables

The Company reviews the recoverability of its trade debts, advances and other receivables at each reporting date to assess amount of bad debts and provision required thereagainst on annual basis.

Provisions and Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on its judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the balance sheet date.

Taxation

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the views taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

The Company also regularly reviews the trend of proportion of incomes between Presumptive Tax Regime and Normal Tax Regime and the change in proportions, if significant, is accounted for in the year of change.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.2 Surplus on revaluation of property, plant and equipment

Surplus on revaluation of property, plant and equipment is utilized in accordance with the provisions of section 235 of the Companies Ordinance, 1984.

3.3 Leases

Leases are classified as finance lease whenever terms of the lease transfer substantially all risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases

Finance leases are stated at amounts equal to the fair value or, if lower, the present value of the minimum lease payments. The minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. Assets acquired under finance leases are depreciated in accordance with the Company's depreciation policy on property, plant and equipment. The finance cost is charged to profit and loss account.

The related rental obligations, net of finance costs, are included in liabilities against assets subject to finance lease. The liabilities are classified as current and non-current depending upon the timing of the payment.

Operating leases / Ijarah contracts

Leases including Ijarah financing, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit on a straight-line basis over the lease / ijarah term unless another systematic basis is representative of the time pattern of the Company's benefit.

3.4 Taxation

Current

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred

Deferred tax is recognized using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for taxation purposes.

Deferred tax asset is recognized for all deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the asset may be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax liabilities are recognized for all taxable temporary differences.

In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the treatment prescribed by the Institute of Chartered Accountants of Pakistan.

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

Deferred tax is charged or credited in the income statement, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

3.5 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods or services received.

3.6 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimates.

3.7 Employee benefits

Salaries, wages and benefits are accrued in the period in which the associated services are rendered by employees of the Company and measured on an undiscounted basis. The accounting policy for employee retirement benefits is described below:

Post employment benefits - Defined contribution plan

The Company operates an approved defined contributory provident fund for all its eligible employees. Equal contributions are made monthly both by the Company and the employees in accordance with the rules of the scheme at the rate of 10% of basic salary.

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.8 Property, plant and equipment

3.8.1 Tangible assets

Owned

Items of property, plant and equipment other than freehold land are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at revalued amount being the fair value at the date of revaluation less subsequent impairment losses, if any. Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and includes other costs directly attributable to the acquisition or construction including expenditures on material, labour and overheads directly relating to construction, erection and installation of items of property, plant and equipment.

Capital work-in-progress is stated at cost less identified impairment losses, 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 are available for use.

All other repairs and maintenance are charged to income during the period in which these are incurred.

Depreciation charge is based on the reducing balance method, except for furnace which is being depreciated using the straight line method, so as to write off the historical cost of an asset over its estimated useful life at rates mentioned in note 19 after taking into account their residual values. Depreciation on additions is charged from the month in which these are capitalized, while no depreciation is charged in the month in which an asset is disposed off.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on sale of an item of property, plant and equipment are determined by comparing the proceeds from sale with the carrying amount of property, plant and equipment, and are recognised in profit or loss account.

Leased

Assets held under finance lease arrangements are initially recorded at the lower of present value of minimum lease payments under the lease agreements and the fair value of leased assets. Depreciation on leased assets is charged by applying reducing balance method at the rates used for similar owned assets, so as to depreciate the assets over their estimated useful life in view of certainty of ownership of assets at the end of the lease term.

3.8.2 Intangibles

Intangible asset is stated at cost less accumulated amortization for finite intangible asset and any identified impairment loss. The estimated useful life and amortization method is reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

Finite intangible assets are amortized using straight-line method over a period of five years. Amortization on additions to intangible assets is charged from the month in which an asset is put to use and on disposal up to the month of disposal.

3.9 Stores and spare parts

These are stated at lower of cost and net realizable value. Cost is determined using the weighted average method. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

3.10 Stock in trade

Stock in trade is valued at the lower of cost and estimated net realizable value. Cost is determined using the weighted average method. Cost comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value signifies the estimated selling price in the ordinary course of business less net estimated costs of completion and selling expenses.

Stock-in-transit is valued at cost comprising invoice value plus other charges incurred thereon.

3.11 Trade debts

Trade debts are carried at original invoice amount less an estimate made for doubtful debts based on review of outstanding amounts at the year end. Bad debts are written off when identified.

3.12 Cash and cash equivalents

For the purpose of cash flow statement cash and cash equivalents comprise of cash in hand and bank balances and running finance which are stated in the balance sheet at cost.

3.13 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to contractual provisions of the instrument and de-recognized when the Company looses control of contractual rights that comprise of the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and liabilities are included in profit and loss account for the year.

3.13.1 Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, which takes into account any dividend income, are recognised in profit or loss.

Held-to-maturity financial assets

If the Company has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables comprise of long term deposits, trade debts, short term advances, deposits, other receivables and cash and bank balances.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

3.13.2 Non-derivative financial liabilities

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Company classifies financial liabilities recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities comprise long term finances, long term deposits, liabilities against assets subject to finance lease, trade and other payables, accrued mark-up and short term borrowings.

3.14. Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. 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. 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 the asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss in respect of a financial asset measured at fair value is determined by reference to that fair value. All impairment losses are recognized in profit and loss account. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Impairment losses on available for sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available for sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed though profit and loss; otherwise it is reversed through other comprehensive income.

Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit and loss account. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

3.15 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 legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.16 Revenue recognition

Revenue represents the fair value of the consideration received or receivable for goods sold, net of discounts and sales tax. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing involvement of management with the goods and the amount of revenue can be measured reliably.

- Sale of goods is recorded when significant risks and rewards of ownership are transferred to the customer.
- Interest income is accounted for on a time-proportion basis using the effective interest rate method.

3.17 Borrowings cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized in profit and loss account as incurred.

3.18 Contingent liabilities

A contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.19 Foreign currency transactions and balances

Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign currency differences arising on retranslation are generally recognized in profit and loss account.

3.20 Earnings per share

Basic earnings per share (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.

3.21 Dividend to ordinary shareholders

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in statement of changes in equity and as a liability in the Company's financial statements in the year in which it is declared by the Company's shareholders.

4 Standards, amendments and interpretations and forth coming requirements

4.1 Standards, amendments or interpretations which became effective during the year

During the year certain amendments to standards or new interpretations became effective. However, the amendments or interpretation did not have any material effect on the financial statements of the Company.

4.2 New / revised accounting standards, ammendments to published accounting standards, and interpretations that are not yet effective.

The following standards, ammendments and intepretations of approved accounting standards will be effective for accounting periods beginning on or after 01 July 2015. The Company either does not expect to have any effect or any material / significant effect on its accounting policy due to their application when become effective other than increase in disclosures, if any.

- Amendments to IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment (effective for annual periods beginning on or after 1 January 2016) introduce severe restrictions on the use of revenue-based amortization for intangible assets and explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The rebuttable presumption that the use of revenue-based amortization methods for intangible assets is inappropriate can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are 'highly correlated', or when the intangible asset is expressed as a measure of revenue. The amendments are not likely to have a material impact on Company's financial statements.

- IFRS 10 'Consolidated Financial Statements' – (effective for annual periods beginning on or after 1 January 2015) replaces the part of IAS 27 'Consolidated and Separate Financial Statements'. IFRS 10 introduces a new approach to determining which investees should be consolidated. The single model to be applied in the control analysis requires that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 has made consequential changes to IAS 27 which is now called 'Separate Financial Statements' and will deal with only separate financial statements. Certain further amendments have been made to IFRS 10, IFRS 12 and IAS 28 clarifying the requirements relating to accounting for investment entities and would be effective for annual periods beginning on or after 1 January 2016.

- IFRS 11 'Joint Arrangements' (effective for annual periods beginning on or after 1 January 2015) replaces IAS 31 'Interests in Joint Ventures'. Firstly, it carves out, from IAS 31 jointly controlled entities, those cases in which although there is a separate vehicle, that separation is ineffective in certain ways. These arrangements are treated similarly to jointly controlled assets/operations under IAS 31 and are now called joint operations. Secondly, the remainder of IAS 31 jointly controlled entities, now called joint ventures, are stripped of the free choice of using the equity method or proportionate consolidation; they must now always use the equity method. IFRS 11 has also made consequential changes in IAS 28 which has now been named 'Investment in Associates and Joint Ventures'. The amendments requiring business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business are effective for annual periods beginning on or after 1 January 2016. The adoption of this standard is not likely to have an impact on Company's financial statements.

- IFRS 12 'Disclosure of Interests in Other Entities' (effective for annual periods beginning on or after 1 January 2015) combines the disclosure requirements for entities that have interests in subsidiaries, joint arrangements (i.e. joint operations or joint ventures), associates and/or unconsolidated structured entities, into one place. The adoption of this standard is not likely to have an impact on Company's financial statements.

- IFRS 13 'Fair Value Measurement' (effective for annual periods beginning on or after 1 January 2015) defines fair value, establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements. IFRS 13 explains how to measure fair value when it is required by other IFRSs. It does not introduce new fair value measurements, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards. The adoption of this standard is not likely to have an impact on Company's financial statements.

- Amendments to IAS 27 'Separate Financial Statements' (effective for annual periods beginning on or after 1 January 2016). The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The adoption of the amended standard is not likely to have an impact on Company's financial statements.

- Agriculture: Bearer Plants [Amendments to IAS 16 and IAS 41] (effective for annual periods beginning on or after 1 January 2016). Bearer plants are now in the scope of IAS 16 Property, Plant and Equipment for measurement and disclosure purposes. Therefore, a company can elect to measure bearer plants at cost. However, the produce growing on bearer plants will continue to be measured at fair value less costs to sell under IAS 41 Agriculture. A bearer plant is a plant that: is used in the supply of agricultural produce; is expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce. Before maturity, bearer plants are accounted for in the same way as self-constructed items of property, plant and equipment during construction. The adoption of the amended standard is not likely to have an impact on Company's financial statements.

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) [effective for annual periods beginning on or after 1 January 2016]. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The adoption of these amendments is not likely to have an impact on Company's financial statements.

Annual Improvements 2012-2014 cycles (amendments are effective for annual periods beginning on or after 1 January 2016). The new cycle of improvements contain amendments to the following standards:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. IFRS 5 is amended to clarify that if an entity changes the method of disposal of an asset (or disposal group) i.e. reclassifies an asset from held for distribution to owners to held for sale or vice versa without any time lag, then such change in classification is considered as continuation of the original plan of disposal and if an entity determines that an asset (or disposal group) no longer meets the criteria to be classified as held for distribution, then it ceases held for distribution accounting in the same way as it would cease held for sale accounting.

- IFRS 7 'Financial Instruments- Disclosures'. IFRS 7 is amended to clarify when servicing arrangements are in the scope of its disclosure requirements on continuing involvement in transferred financial assets in cases when they are derecognized in their entirety. IFRS 7 is also amended to clarify that additional disclosures required by 'Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7)' are not specifically required for inclusion in condensed interim financial statements for all interim periods.

- IAS 19 'Employee Benefits'. IAS 19 is amended to clarify that high quality corporate bonds or government bonds used in determining the discount rate should be issued in the same currency in which the benefits are to be paid.

- IAS 34 'Interim Financial Reporting'. IAS 34 is amended to clarify that certain disclosures, if they are not included in the notes to interim financial statements and disclosed elsewhere should be cross referred.

5 Issued, subscribed and paid-up capital

2015	2014		2015	2014
(Number of shares)			---------------Rupees---------------	
67,750,000	67,750,000	Ordinary shares of Rs. 10/- each fully paid in cash	**677,500,000**	677,500,000
1,550,000	1,550,000	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	**15,500,000**	15,500,000
4,158,000	4,158,000	Ordinary shares of Rs. 10/- each issued for consideration other than cash	**41,580,000**	41,580,000
73,458,000	73,458,000		**734,580,000**	734,580,000

5.1 Omer Glass Industries Limited, an associated undertaking holds 7,733,760 (2014: 7,733,760) ordinary shares comprising 10.9% of total paid up share capital of the Company.

5.2 Directors and Executives hold 29,983,822 (2014: 29,986,784) ordinary shares comprising 40.8% of total paid up share capital of the Company.

6 Share premium

The share premium reserve can be utilized by the Company only for the purposes specified in section 83(2) of the Companies Ordinance, 1984.

	Note	2015 Rupees	2014 Rupees (Restated)	2013 Rupees (Restated)
7 Equity portion of shareholders' loan				
Industrial Products Investment Limited (IPI)		**3,794,233**	5,158,331	6,601,479
Loan from Sponsor Directors		**131,213,878**	164,406,735	152,108,733
	7.1	**135,008,111**	169,565,066	158,710,212

7.1 This represents amount included in equity on recognizing low interest loan from Sponsor Directors and IPI (major shareholder) at present value using discount rate of 12% per annum (2014: 12% per annum). For restatement refer to note 13.1.

8 Surplus on revaluation of land

This represents surplus arising on revaluation of freehold land carried out on 30 June 2011. The revaluation was conducted by an independent valuer, not connected with the Company.

The revaluation of the freehold land was based on inquiries from real estate agents and property dealers in near vicinity of the freehold land. Different valuation methods and exercises were adopted according to location and other usage of freehold land considering all other relevant factors.

9 Long term finances - *secured*	*Note*	**2015 Rupees**	2014 Rupees
From banking companies and other financial institutions:			
Bank of Punjab - Term finance	*9.1*	**193,750,000**	262,500,000
Less: Transaction cost	*9.3*	**(1,517,743)**	(2,137,404)
		192,232,257	260,362,596
Syndicate facility	*9.2*	**672,264,002**	1,008,400,002
Less: Transaction cost	*9.3*	**(13,221,745)**	(19,814,556)
		659,042,257	988,585,446
		851,274,514	1,248,948,042
Less: Current maturity	*17*	**(333,352,000)**	(327,102,000)
		517,922,514	921,846,042

9.1 This represents term finance facility availed from Bank of Punjab for purchase of plant and machinery and to partially refinance the purchased plant and machinery for the Company. The sanctioned limit of the facility is Rs. 300 million (2014: 300 million) and is secured by first pari passu hypothecation charge over present and future fixed assets (excluding immovable properties) of the Company, first pari passu mortgage over immovable properties of the Company and personal guarantees of sponsor directors of the Company. The facility is repayable over a period of 5 years including grace period of 1 year in 48 equal monthly installments. The facility carries mark up rate of 3MK + 250 bps per annum (2014: 3MK + 250 bps per annum). The Company is restricted from distribution of its profits / retained earnings (in part or in whole) through dividends, issuance of further shares as bonus or otherwise (with or without discount), specie dividends or any other form of distribution to its shareholders and directors; unless it is regular in payment to bank and first right of refusal for such distribution mandate lies with the bank.

9.2 This represents syndicate financing facility availed from Habib Bank Limited led syndicate of banks and financial institutions comprising Habib Bank Limited, MCB Bank Limited, United Bank Limited, The Bank of Punjab, Bank of Khyber and Pak China Investment Company Limited for the purpose of construction and import of machinery and equipment for float glass plant of the Company. As per the agreement, the remaining amount as at 30 June 2015 is repayable in 8 equal quarterly installments ending on 1 July 2017. The sanctioned limit of the facility is Rs 1,428 million (2014: 1,428 million) and is secured by first pari passu mortgage over the project properties with 25% margin and first pari passu hypothecation charge over all present and future fixed assets (excluding land and building) of the Company with a 25% margin, establishment of lien over collection accounts of float glass unit and personal guarantees of sponsor directors of the Company.

As per the agreement the applicable markup is 10.9 % per annum (2014: 10.9% per annum).

Under the terms of the agreement, the Company is under restriction from lender that until the entire amount of purchase price and all other amounts due and payable by the Company have been paid in full to the satisfaction of lender, the Company shall not except with the prior written consent of the syndicate, declare any dividend if the Company is in non-compliance with the financial covenants or if the declaration and payment of such dividend will result in breach of any of the financial covenants contained in the agreement.

9.3 Transaction costs	*Note*	**2015 Rupees**	2014 Rupees
Balance as at 01 July		**21,951,960**	28,609,678
Amortized during the year	*9.3.1*	**(7,212,472)**	(6,657,718)
Balance as at 30 June		**14,739,488**	21,951,960

9.3.1 No transaction cost has been capitalized during the year (2014: Rs. Nil).

10 Long term finances - *unsecured*			
Industrial Products Investment Limited (IPI)	*10.1*	**27,626,241**	25,212,158
Loan from sponsor directors	*10.2*	**582,823,524**	520,379,463
		610,449,765	545,591,621

10.1 This represents loan obtained from Industrial Products Investment Limited (IPI), a shareholder, originally in foreign currency, the repayment of this loan is fixed at exchange rate prevailing on 31 December 1993. The loan was repayable in 16 equal quarterly installmentscommencing from 01 July 2011, however, this loan was rescheduled by the lender and now the repayment will start from 01 July 2017 with same terms and conditions. This loan carries markup at the rate of LIBOR + 150 bps per annum (2014: LIBOR + 150 bps per annum) which is payable in Pak Rupees on demand. The loan is received at a below market rate of interest and is therefore recognized at present value using discount rate of 12%. The resulting difference is transferred to equity as referred to in note 7. Increase during the year is due to unwinding of loan.

10.2 This represents unsecured subordinated interest free loans obtained from the sponsor directors of the Company and are repayable on 31 December 2017. These have been recognized at present value cost using discount rate of 12% per annum. The resulting difference has been transferred to equity as referred to in note 7. Increase during the year is due to unwinding of loan.

11 Liabilities against assets subject to finance lease	*Note*	**2015 Rupees**	2014 Rupees
Present value of minimum lease payments		**40,551,770**	50,698,721
Less: Current portion	*17*	**(11,656,877)**	(10,086,282)
		28,894,893	40,612,439

The amount of future minimum lease payments along with their present value and the periods during which they will fall due are:

	2015		
	Minimum lease payments	**Future finance charge**	**Present value of minimum lease payments**
	Rupees		
Not later than one year	**15,254,902**	**3,598,025**	**11,656,877**
Later than one year and not later than five years	**32,032,150**	**3,137,257**	**28,894,893**
	47,287,052	**6,735,282**	**40,551,770**

	2014		
	Minimum lease payments	Future finance charge	Present value of minimum lease payments
	Rupees		
Not later than one year	15,568,074	5,481,792	10,086,282
Later than one year and not later than five years	48,385,288	7,772,849	40,612,439
	63,953,362	13,254,641	50,698,721

Salient features of the leases are as follows:

	2015	2014
Discount factor	**10.69% -12.44%**	**11.44% -12.39%**
Period of lease	**5 years**	5 years
Security deposits	**5%**	5%

11.1 The Company has entered into a lease agreement with a financial institution for lease of machinery and an air compressor. The liabilities under these arrangements are payable in quarterly instalments. Interest rates implicit in the lease is used as discounting factor to determine the present value of minimum lease payments.

11.2 Lease agreement carries purchase option at the end of lease period and the Company intends to exercise its option to purchase the leased asset upon completion of the lease term. Residual value of the leased assets has already been paid at the inception of the lease in the form of security deposit. There are no financial restrictions imposed by lessor.

12 Long term deposits

These represent security deposits received against dealership contracts and by virtue of contract can be utilized in the Company's business. These are adjustable at the time of termination of dealerships.

13 Deferred taxation

	2015		
	Opening balance	**Charge to / (reversal from)**	**Closing balance**
Taxable temporary difference	- - - - **Rupees** - - - -		
Accelerated tax depreciation allowances	267,243,928	(15,119,866)	252,124,062
Equity portion of shareholders' loan	91,304,277	(30,301,109)	61,003,168
Deductible temporary difference			
Unused tax losses	(77,562,003)	54,324	(77,507,679)
Unused tax credits	(181,599,017)	(5,824,071)	(187,423,088)
	99,387,185	**(51,190,722)**	**48,196,463**

	2014		
	Opening balance	Charge to / (reversal from)	Closing balance
	- - - - Rupees - - - -		
Taxable temporary difference	- - - - *(Restated)* - - - -		
Accelerated tax depreciation allowances	644,732,654	(377,488,726)	267,243,928
Equity portion of shareholders' loan (Restated)	85,459,356	5,844,921	91,304,277
Deductible temporary difference			
Unused tax losses	(473,416,530)	395,854,527	(77,562,003)
Unused tax credits	(214,344,757)	32,745,740	(181,599,017)
	42,430,723	56,956,462	99,387,185

13.1 During the year, the management has reassessed the present value adjustment arising out of interest free loan from shareholders and have recorded the related effect in the financial statements by restating the comparative figures. This has resulted in increase in finance cost for the year ended 30 June 2014 by Rs. 52.0 million and after tax effect of Rs. 33.8 million on profit and loss account with corresponding effect on equity portion of shareholders' loan of Rs. 18.2 million. This has also resulted in increase in deferred tax liability balance at 01 July 2013 by Rs. 85.4 million and 30 June 2014 by Rs. 91.3 million with corresponding effect on the equity portion of shareholders' loan at respective year ends. This has decreased the earnings per share for the year ended 30 June 2014 by Rs. 0.98 per share.

14 Trade and other payables	Note	2015 Rupees	2014 Rupees
Trade creditors		**320,872,296**	441,604,709
Advances from customers		**127,041,529**	137,716,475
Accrued expenses		**160,444,588**	146,805,726
Sales tax payable - net		**14,407,020**	39,707,294
Unclaimed dividend		**15,591,001**	13,140,307
Payable to Workers' Profit Participation Fund	*14.1*	**18,590,485**	3,598,783
Payable to Workers' Welfare Fund		**12,319,316**	12,319,316
Payable to Provident Fund		**2,519,900**	2,337,826
Withholding tax payable		**10,835,441**	4,798,313
Others		**999,071**	1,462,000
		683,620,647	803,490,749

14.1 Payable to Workers' Profit Participation Fund	2015 Rupees	2014 Rupees
Balance as at 01 July	**3,598,783**	9,072,883
Allocation for the year	**18,381,621**	2,442,937
Interest for the year	**208,864**	1,155,846
Paid during the year	**(3,598,783)**	(9,072,883)
Balance as at 30 June	**18,590,485**	3,598,783

15 Accrued mark-up

Long term finances - *secured*	**5,258,989**	8,713,801
Long term finances - *unsecured*	**31,292,922**	30,605,998
Short term borrowings - *secured*	**31,301,061**	41,334,153
Finance lease	**440,743**	620,519
	68,293,715	81,274,471

16 Short term borrowings - *secured*

From banking companies:

Short term running finance and cash finance	*16.1*	**1,469,927,631**	1,330,186,910
Finance against imported merchandise	*16.2*	**42,807,443**	30,898,909
Short term islamic finance	*16.3*	**387,179,444**	482,351,634
		1,899,914,518	1,843,437,453

16.1 Short term running finance - *secured*

This represents running finance and cash finance facilities availed from various commercial banks to meet working capital requirements with a cumulative sanctioned limit of Rs. 2,610 million (2014: Rs. 2,060 million). Markup on the facilities range from 110 bps to 250 bps above 3MK and 13.5% fixed rate per annum (2014: 125 bps to 250 bps above 3MK and 14% fixed rate per annum) payable quarterly.

The facility is secured by way of charges on fixed assets of the Company up to Rs. Nil (2014: Rs. 1,862 million) and Rs. 3,482 million (2014: Rs. 2,529 million) over current assets of the Company. The facility is also secured by personal guarantees of sponsor directors of the Company. These facilities have various maturity dates upto 30 April 2016.

16.2 Finance against imported merchandise - *secured*

This represents facility of finance against imported merchandise availed from various commercial banks having cumulative sanctioned limit of Rs. 220 million (2014: Rs. 120 million). The rate of markup charged is 3MK + 150 to 200 bps (2014: 3MK + 150 to 200 bps) per annum. The facility is secured against lien over import documents, pledge of imported goods and personal guarantees of sponsor directors of the Company. The facilities have various maturity dates upto 31 December 2015.

16.3 Short term islamic finance - *secured*

This represents murabaha finance facility obtained during the year from commercial banks to support the purchase of raw materials. The cumulative sanctioned limit amounts to Rs. 900 million (2014: 600 million). The rate of markup is 125 to 200 bps above 3MK per annum (2014: 200 bps above 3MK per annum). The facility is secured by way of hypothecation charges on current assets amounting to Rs. 1,157 million (2014: Rs. 1,024 million) and personal guarantees of sponsor directors of the Company. The facilities have various maturity dates upto May 2016.

	2015	2014
	Rupees	Rupees
17 Current portion of long term liabilities		
Long term finances - *secured*	**333,352,000**	327,102,000
Liabilities against assets subject to finance lease	**11,656,877**	10,086,282
	345,008,877	337,188,282

18 Contingencies and commitments

18.1 Contingencies

18.1.1 The commercial banks have issued following guarantees on behalf of the Company in favor of:

- Sui Northern Gas Pipelines Limited against supply of gas for furnace amounting to Rs. 326.5 million (2014: 314.70 million)

- Sui Northern Gas Pipelines Limited against supply of gas for captive power amounting to Rs. 18.8 million (2014: Rs. 18.52 million).

The above guarantees are secured by way of charges on present and future fixed assets of the Company, counter guarantee of the Company and personal guarantees of sponsoring directors of the Company.

18.1.2 An insurance company has issued an insurance guarantee amounting to Rs. 25 million (2014: Rs. 25 million) on behalf of the Company in favour of ICI Pakistan Limited against purchase of soda ash from ICI Pakistan Limited. This guarantee is secured by way of promissory notes issued by the Company.

18.1.3 The Deputy Commissioner Inland Revenue (Appeals) DCIR(A) made an amendment in the assessment for the tax year 2009 by disallowing certain deductions mainly under sections 21C, 24 and 39 of the Income Tax Ordinance, 2001 amounting to Rs. 36.8 million, resultantly reducing the assessed loss of the Company from Rs. 178.67 million to Rs. 141.86 million having tax impact of Rs. 12.88 million. However, the Company has challenged the impugned demand before the Commissioner Inland Revenue (Appeals) who after making various amendments in the order directed the DCIR(A) to revise the demand order accordingly. However, the treatment meted out by the CIR(A) is assailed by the Company through appeals before the ATIR.

18.1.4 The Company is contesting the order passed by the Commissioner Inland Revenue (CIR) under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax year 2008 and under section 161/205 of the Income Tax Ordinance, 2001 for the tax year 2006 before the Appellate Tribunal Inland Revenue. The cumulative amount involved in these two cases is Rs. 1.48 million.

Based on the opinion of the Company's tax consultant the management is confident of favourable outcome in all aforesaid matters, hence no provision is being recognised in respect of these in the financial statements.

18.1.5 The Sindh High Court through its order dated 01 March 2013 declared the amendments made in the WWF Ordinance, 1971 through Finance Act, 2008 applicable through which WWF is applicable on accounting profits rather than on the taxable income computed after incorporating the brought forward losses. In the light of the above order, the provision to date based on accounting profit comes to Rs. 32.8 million (2014: Rs. 25.1 million). However, these financial statements do not include any adjustment to this effect since the Company is of the opinion that it does not come under the purview of the order of the Sindh High Court and that the Lahore High Court had already declared the above amendments unconstitutional via the case reported as 2011 PLD 2643.

18.1.6 During the year the Company recorded provision against Gas Infrastructure Development Cess (GIDC) for the period from July 2014 to April 2015 amounting to Rs. 123 million. However pursuant to Gas Infrastructure and Development Cess Act, 2015 where it is clarified that GIDC is not to be collected from industrial sector retrospectively, the Company has reversed the recorded amount of provision of Rs. 123 million. The Company, along with various other companies has challenged the legality and validity of levy and demand of GIDC in Honorable Lahore High Court which is pending adjudication.

18.2 Commitments

- Letter of credit for capital expenditure amounting to Rs. 51.99 million (2014: Rs. 30.93 million)
- Letter of credit for other than capital expenditure amounting to Rs. 23.99 million (2014: Rs. 13.13 million)
- The amount of future ijarah rentals for ijarah financing and the period in which these

	2015	2014
	Rupees	Rupees
Not later than one year	**43,090,824**	42,957,382
Later than one year but not later than five years	**43,340,052**	71,728,223

19 Property, plant and equipment

	Note		
Operating fixed assets	*19.1*	**4,232,875,943**	4,458,346,537
Capital work in progress	*19.2*	**600,940**	3,686,046
		4,233,476,883	4,462,032,583

19.1 Operating fixed assets

	Owned assets											Leased assets	
	Land	Factory building	Office building	Plant and machinery	Furniture and fixtures	Tools and equipment	Electric installations	Vehicles	Moulds	Fire fighting equipment	Total	Plant and machinery	Total
	Rupees												
Cost / revalued amount													
Balance as at 01 July 2013	402,624,500	1,242,494,974	49,281,810	3,818,028,154	6,584,437	761,525	26,342,766	62,664,590	126,720,321	39,606	5,735,542,683	50,000,000	5,785,542,683
Additions	-	157,458,003	-	303,083,080	379,396	-	5,673,548	4,304,200	5,231,820	596,020	476,726,067	7,302,277	484,028,344
Disposals	-	-	-	-	-	-	-	(11,864,901)	-	-	(11,864,901)	-	(11,864,901)
Balance as at 30 June 2014	402,624,500	1,399,952,977	49,281,810	4,121,111,234	6,963,833	761,525	32,016,314	55,103,889	131,952,141	635,626	6,200,403,849	57,302,277	6,257,706,126
Balance as at 01 July 2014	**402,624,500**	**1,399,952,977**	**49,281,810**	**4,121,111,234**	**6,963,833**	**761,525**	**32,016,314**	**55,103,889**	**131,952,141**	**635,626**	**6,200,403,849**	**57,302,277**	**6,257,706,126**
Additions	**-**	**9,247,898**	**-**	**187,116,712**	**326,066**	**-**	**6,226,812**	**37,044,806**	**-**	**-**	**239,962,294**	**-**	**239,962,294**
Transfers	**-**	**-**	**-**	**-**	**-**	**4,371,011**	**(3,916,266)**	**-**	**-**	**(454,745)**	**-**	**-**	**-**
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(12,938,510)**	**-**	**-**	**(12,938,510)**	**-**	**(12,938,510)**
Balance as at 30 June 2015	**402,624,500**	**1,409,200,875**	**49,281,810**	**4,308,227,946**	**7,289,899**	**5,132,536**	**34,326,860**	**79,210,185**	**131,952,141**	**180,881**	**6,427,427,633**	**57,302,277**	**6,484,729,910**
Rate of depreciation - %	-	10%	5%	10% - 20%	10%	10%	10%	20%	30%	10%		10%	
Accumulated depreciation													
Balance as at 01 July 2013	-	129,952,630	39,097,813	1,024,363,413	3,568,463	706,898	13,714,119	36,534,067	98,372,415	34,535	1,346,344,353	1,666,667	1,348,011,020
Depreciation	-	112,566,384	509,200	325,378,817	327,635	5,463	1,604,360	5,439,920	9,201,424	28,785	455,061,988	4,894,185	459,956,173
Disposals	-	-	-	-	-	-	-	(8,607,604)	-	-	(8,607,604)	-	(8,607,604)
Balance as at 30 June 2014	-	242,519,014	39,607,013	1,349,742,230	3,896,098	712,361	15,318,479	33,366,383	107,573,839	63,320	1,792,798,737	6,560,852	1,799,359,589
Balance as at 01 July 2014	**-**	**242,519,014**	**39,607,013**	**1,349,742,230**	**3,896,098**	**712,361**	**15,318,479**	**33,366,383**	**107,573,839**	**63,320**	**1,792,798,737**	**6,560,852**	**1,799,359,589**
Depreciation	**-**	**115,899,496**	**483,740**	**322,845,187**	**314,050**	**414,010**	**1,412,142**	**6,164,663**	**7,313,489**	**13,366**	**454,860,143**	**5,074,142**	**459,934,285**
Transfers	-	-	-	-	**-**	**280,077**	**(263,975)**	-	-	**(16,102)**	-	-	-
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(7,439,907)**	**-**	**-**	**(7,439,907)**	-	**(7,439,907)**
Balance as at 30 June 2015	**-**	**358,418,510**	**40,090,753**	**1,672,587,417**	**4,210,148**	**1,406,448**	**16,466,646**	**32,091,139**	**114,887,328**	**60,584**	**2,240,218,973**	**11,634,994**	**2,251,853,967**
Carrying amounts													
At 30 June 2014	402,624,500	1,157,433,963	9,674,797	2,771,369,004	3,067,735	49,164	16,697,835	21,737,506	24,378,302	572,306	4,407,605,112	50,741,425	4,458,346,537
As at 30 June 2015	**402,624,500**	**1,050,782,365**	**9,191,057**	**2,635,640,529**	**3,079,751**	**3,726,088**	**17,860,214**	**47,119,046**	**17,064,813**	**120,297**	**4,187,208,660**	**45,667,283**	**4,232,875,943**

Depreciation charge for the year has been allocated as follows:

	Note	2015 Rupees	2014 Rupees
Cost of sales	*28*	**452,717,157**	454,529,350
Administrative expenses	*29*	**2,553,936**	3,015,876
Selling and distribution expenses	*30*	**4,663,192**	2,410,947
		459,934,285	459,956,173

19.1.1 Disposal of property, plant and equipment

Particulars of assets	Particulars of Purchasers	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain	Mode of disposal
		----------	----------	Rupees	----------	----------	
Vehicles							
Toyota Corolla LEC-11-0637	Sheheryar Kasuri	2,029,946	(1,025,258)	1,004,688	1,500,000	495,312	Negotiation
Toyota Corolla LEE-11-1313	Usman Khan	1,628,627	(754,624)	874,003	1,400,000	525,997	Negotiation
Honda Civic LED-11-9017	Mr. Khurram Imtiaz	2,086,700	(1,084,777)	1,001,923	1,500,000	498,077	Negotiation
Mercedes Benz LZW-03	Pak National Distributors	2,746,837	(2,044,772)	702,065	2,976,000	2,273,935	Negotiation
Honda Civic LED-11-6065	Mr. Mohammad Ayub	415,200	(20,760)	394,440	1,475,000	1,080,560	Negotiation
Toyota Corolla LEE-11-663	Mr. Jahangir Sadiq Ch. (Ex-employee)	1,609,500	(836,082)	773,418	1,100,000	326,582	Negotiation
Honda Civic LED-11-2025	Mr. Qadeer Ahmed	415,200	(41,520)	373,680	1,750,000	1,376,320	Negotiation
Motor Cycle Pak Hero RLG-802	Mr. Shakeel Shahzad	42,500	(36,060)	6,440	20,000	13,560	Negotiation
Suzuki Cultus LEH-07-3485	Syed Tufail Hussain (Executive employee)	654,560	(531,926)	122,634	446,000	323,366	Negotiation
Suzuki Cultus LEH-07-3490	Farhan Qadeer (Employee)	654,720	(532,056)	122,664	500,000	377,336	Negotiation
Suzuki Cultus LEH-07-3491	Shaukat Ali Gill (Employee)	654,720	(532,072)	122,648	480,000	357,352	Negotiation
2015		**12,938,510**	**(7,439,907)**	**5,498,603**	**13,147,000**	**7,648,397**	
2014		11,864,901	(8,607,604)	3,257,297	12,215,000	8,957,703	

19.1.2 The last revaluation was carried out on 30 June 2011. Freehold land revaluation was carried out under the market value basis.

Had there been no revaluation, carrying value of land would have been Rs. 47.62 million (2014: Rs. 47.62 million).

	Note	2015 Rupees	2014 Rupees
19.2 Capital work in progress			
Plant and machinery		**600,940**	600,940
Advances		**-**	3,085,106
	19.2.1	**600,940**	3,686,046

19.2.1 Movement in capital work in progress

Balance as at 01 July	**3,686,046**	13,893,140
Additions during the year	**134,972,485**	435,595,720
	138,658,531	449,488,860
less:		
Capitalized during the year	**138,057,591**	445,802,814
Balance as at 30 June	**600,940**	3,686,046

20 Intangibles

Cost	**6,962,863**	-
Amortization	**(348,143)**	-
	6,614,720	-
Amortization rate (%)	20%	-

This represents ERP software capitalized during the year, which was previously included in capital work in progress.

	2015 Rupees	2014 Rupees
21 Long term deposits		
Deposit with leasing companies	**18,637,030**	18,912,768
Guarantee margin deposits	**5,288,000**	9,713,000
Others	**20,734,927**	20,734,927
	44,659,957	49,360,695

22 Stores and spare parts

Stores	**109,374,094**	208,518,085
Spare parts	**501,582,395**	532,736,738
	610,956,489	741,254,823

		Note	2015 Rupees	2014 Rupees
23	**Stock in trade**			
	Raw materials		**240,176,883**	160,363,863
	Chemical and ceramic colors		**25,382,859**	48,233,992
	Packing material		**31,649,032**	30,732,547
	Work in process		**73,942,836**	67,883,522
	Finished goods		**889,626,983**	921,703,915
			1,260,778,593	1,228,917,839

24 Trade debts - *considered good*

	Note	2015 Rupees	2014 Rupees
Local debtors	*24.1*	**741,979,997**	677,777,590
Foreign debtors		**14,223,938**	22,434,133
		756,203,935	700,211,723

24.1 Included in local debtors is receivable from an associated undertaking, Omer Glass Industries Limited, of unsecured amount of Rs. 4.19 million (2014: Rs. 2.79 million) against sale of glass lids.

		Note	2015 Rupees	2014 Rupees
25	**Advances, deposits, prepayments and other receivables**			
	Advances to suppliers - unsecured, considered good		**91,898,151**	43,042,820
	Advances to staff - unsecured, considered good	*25.1*	**3,032,456**	1,720,837
	Prepaid expenses		**2,651,811**	2,659,081
	Advance income tax		**304,323,726**	173,458,002
	Advance sales tax		**-**	28,765,602
	Security deposits		**18,939,593**	13,895,900
	Prepaid rent and insurance		**13,429,603**	13,930,088
	Due from associated company	*25.2*	**395,304**	191,358
			434,670,644	277,663,688

25.1 Advances to staff include amounts due from executives of Rs. 1.64 million (2014: Rs. 1.55 million).

25.2 This represents due from an associated undertaking (Omer Glass Industries Limited). It is interest free and in the normal course of business.

		Note	2015 Rupees	2014 Rupees
26	**Cash and bank balances**			
	Cash in hand		**3,877,715**	2,100,737
	Cash at bank			
	Local currency			
	- Current accounts		**142,822,576**	107,806,055
	- Deposit and saving accounts	*26.1*	**26,551,837**	14,601,703
			169,374,413	122,407,758
	Foreign currency - current accounts		**1,578,295**	5,631,025
			174,830,423	130,139,520

26.1 Mark up on deposit accounts ranges from 4.15% to 5.50% (2014: 6% to 8%) per annum.

26.2 Cash and cash equivalents as at 30 June comprise of the following:

	Note	2015 Rupees	2014 Rupees
Cash and bank balances		**174,830,423**	130,139,520
Running finance		**(1,413,162,703)**	(1,174,780,107)
		(1,238,332,280)	(1,044,640,587)

27 Sales - *net*

	Note	2015 Rupees	2014 Rupees
Local		**8,309,255,153**	8,217,942,618
Export		**1,175,668,009**	1,141,414,564
Gross sales		**9,484,923,162**	9,359,357,182
Less: Sales tax		**1,177,645,057**	1,135,953,191
Trade discounts		**267,111,183**	466,963,304
		1,444,756,240	1,602,916,495
		8,040,166,922	7,756,440,687

28 Cost of sales

	Note	2015 Rupees	2014 Rupees
Raw material consumed		**1,787,105,522**	1,984,265,322
Salaries, wages and other benefits	*28.1*	**813,772,298**	751,885,909
Fuel and power		**2,276,385,504**	2,934,098,777
Packing material consumed		**410,339,044**	604,485,159
Stores and spares consumed		**472,436,048**	284,368,425
Carriage and freight		**40,590,329**	27,822,289
Repair and maintenance		**22,604,349**	21,692,848
Travelling and conveyance		**17,411,200**	18,755,123
Insurance		**14,927,773**	15,994,206
Ijarah rentals		**38,801,733**	35,559,434
Postage and telephone		**1,642,179**	2,471,657
Rent, rates and taxes		**32,638,050**	55,651,093
Printing and stationery		**430,420**	362,112
Depreciation	*19.1*	**452,717,157**	454,529,350
Others		**18,637,407**	21,471,532
		6,400,439,013	7,213,413,236
Work in process			
Opening		**67,883,522**	61,571,550
Closing		**(73,942,836)**	(67,883,522)
		(6,059,314)	(6,311,972)
		6,394,379,699	7,207,101,264
Finished goods			
Opening		**921,703,915**	344,261,207
Closing		**(889,626,983)**	(921,703,915)
		32,076,932	(577,442,708)
		6,426,456,631	6,629,658,556

28.1 Salaries, wages and other benefits include Rs. 10.22 million (2014: Rs. 8.83 million) in respect of staff retirement benefits.

		Note	2015 Rupees	2014 Rupees
29	**Administrative expenses**			
	Salaries, wages and other benefits	*29.1*	**48,336,124**	43,983,672
	Consultancy fee		**13,522,560**	3,259,512
	Travelling expenses		**4,191,387**	987,186
	Motor vehicle expenses		**4,437,419**	1,859,869
	Postage and telephone		**3,186,872**	3,220,602
	Printing and stationery		**934,100**	1,269,505
	Rent, rates and taxes		**5,835,719**	5,650,405
	Repair and maintenance		**1,690,042**	2,698,535
	Legal and professional charges		**10,458,601**	6,811,551
	Auditors' remuneration	*29.2*	**1,085,200**	1,107,000
	Advertisement		**1,112,594**	1,323,974
	Utilities		**3,523,734**	3,297,715
	Entertainment		**2,075,258**	1,728,708
	Insurance		**1,391,564**	1,606,325
	Subscription, news papers and periodicals		**1,696,585**	1,361,979
	Depreciation	*19.1*	**2,553,936**	3,015,876
	Ijarah rentals		**3,629,766**	2,976,264
	Donations	*29.3*	**2,485,061**	878,000
	Amortization		**348,143**	-
	Miscellaneous		**7,309,049**	8,469,589
			119,803,714	95,506,267

29.1 Salaries, wages and other benefits include Rs. 1.83 million (2014: Rs. 1.64 million) in respect of staff retirement benefits.

		2015 Rupees	2014 Rupees
29.2	**Auditors' remuneration**		
	Audit fee	**800,000**	800,000
	Half yearly review fee	**121,000**	110,000
	Certifications fee	**-**	15,000
	Out of pocket expenses	**164,200**	182,000
		1,085,200	1,107,000

29.3 None of the directors or their spouse have any interest in the donees.

		Note	2015 Rupees	2014 Rupees
30	**Selling and distribution expenses**			
	Salaries, wages and other benefits	30.1	**76,984,902**	65,167,686
	Consultancy fee		**1,841,148**	1,622,748
	Local freight and forwarding		**69,899,829**	119,660,523
	Export freight and forwarding		**59,406,535**	71,291,225
	Distribution expenses		**422,541,355**	284,733,752
	Travelling expenses		**22,612,707**	19,188,023
	Motor vehicle expenses		**14,041,348**	15,687,978
	Postage and telephone		**2,286,731**	2,066,329
	Printing and stationery		**328,607**	419,131
	Advertisement, exhibitions and sales promotion		**16,406,904**	26,728,324
	Rent, rates and taxes		**2,621,439**	2,562,623
	Depreciation	19.1	**4,663,192**	2,410,947
	Ijarah rentals		**4,383,275**	4,005,242
	Breakage and incidental charges		**5,333,035**	34,055,272
	Miscellaneous		**3,965,533**	5,948,611
			707,316,540	655,548,414

30.1 Salaries, wages and other benefits include Rs. 2.32 million (2014: Rs. 2.28 million) in respect of staff retirement benefits.

		Note	2015 Rupees	2014 Rupees
31	**Other income**			
	Income from non-financial assets			
	Gain on disposal of property, plant and equipment	19.1.1	**7,648,397**	8,957,703
	Others		**2,269,599**	9,600,188
			9,917,996	18,557,891
	Income from financial assets			
	Interest income on bank deposits		**2,919,778**	2,774,966
			12,837,774	21,332,857

		2015	2014
32	**Finance cost**		(Restated)
	Mark-up on:		
	Long term finances	**131,896,448**	172,169,953
	Notional interest on unwinding of shareholders' loan	**64,858,144**	52,008,021
	Short term borrowings	**204,341,360**	133,144,479
	Finance leases	**5,151,050**	6,173,428
		406,247,002	363,495,881
	Interest on Workers' Profit Participation Fund	**208,864**	1,155,846
	Bank charges	**10,605,481**	9,888,759
	Guarantee commission charges	**1,896,272**	4,336,240
		418,957,619	378,876,726

		Note	2015	2014
33	**Other expenses**			
	Workers' Profit Participation Fund	14.1	**18,381,621**	2,442,937
	Exchange fluctuation loss - *net*		**-**	148,994
			18,381,621	2,591,931

		2015 Rupees	2014 Rupees (Restated)
34	**Taxation**		
	Income tax		
	- *prior years*	**(3,838,970)**	-
	Deferred tax (income) / expense	**(42,292,720)**	32,908,734
		(46,131,690)	32,908,734

34.1 Relationship between the tax expense and accounting profit

	2015	2014
Profit before taxation	**362,088,571**	15,591,650
Tax calculated at the rate of 33.00% / 34.00%	**119,489,228**	5,301,161
Tax effect of:		
- income under Final Tax Regime	**(65,598,314)**	(8,802,396)
- tax on undistributed reserves	**68,736,313**	-
- effect of permanent differences	**(67,101,072)**	-
- change in proportion of local and export sales	**352,585**	-
- tax rate adjustments	**(8,034,919)**	368,904
- prior year adjustments	**(3,838,970)**	-
- tax credits	**(86,326,739)**	38,856,973
- others	**(3,809,802)**	(2,815,908)
	(46,131,690)	32,908,734

34.2 The Finance Act, 2015 introduced a new tax under Section 5A of the Income Tax Ordinance, 2001 on every public company other than a scheduled bank or Modarba, that derives profits for tax year and does not distribute cash dividend within six months of the end of said tax year or distribute dividends to such an extent that its reserves, after such distribution, are in excess of 100% of its paid up capital. However, this tax on undistributed reserves is not applicable to a public company which distributes profit equal to either 40 percent of its after tax profits or 50% of its paid up capital, whichever is less, within six months of the end of the tax year.

The Company has no plan of declaring dividend in the next six months, accordingly the provision, amounting to Rs. 68.73 million, on tax on undistributed reserves has been recorded and the same has been adjusted against available tax credit.

35 Earnings / (loss) per share - basic and diluted

		2015	2014 (Restated)
35.1 Basic			
Profit / (loss) attributable to ordinary share holders	***Rupees***	**408,220,261**	(17,317,084)
Weighted average number of ordinary shares outstanding during the year	***Numbers***	**73,458,000**	70,686,000
Earnings / (loss) per share - *basic*	***Rupees***	**5.56**	(0.24)
35.2 Diluted			
Profit / (loss) attributable to ordinary Shareholders (diluted)	***Rupees***	**408,220,261**	(17,317,084)
Weighted average number of ordinary shares (basic)		**73,458,000**	70,686,000
Dilutive effect of outstanding option during the year		**-**	2,772,000
Weighted average number of ordinary shares	***Numbers***	**73,458,000**	73,458,000
Earnings / (loss) per share - *dilutive*	***Rupees***	**5.56**	(0.24)

36 Financial instruments

The Company's activities expose it to a variety of financial risks:

- Credit risk
- Liquidity risk
- Market risk

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

36.1 Risk management framework

The Board of Directors has overall responsibility for establishment and over-sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

36.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter-parties fail completely to perform as contracted. The Company does not have significant exposure to any individual counterparty. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed. To mitigate the risk, the Company has a system of assigning credit limits to its customers based on an extensive evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of cash security deposit.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the balance sheet date was:

	2015 Rupees	2014 Rupees
Long term deposits	**44,659,957**	49,360,695
Trade debts - considered good	**756,203,935**	700,211,723
Security deposits	**18,939,593**	13,895,900
Bank balances	**170,952,708**	128,038,783
	990,756,193	891,507,101

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty.

(a) Long term deposits

Long term deposits represent mainly deposits with Government institutions, hence the management believes that no impairment allowance is necessary in respect of these long term deposits.

(b) Trade debts - considered good

The trade debts as at the balance sheet date are classified in Pak Rupees. The aging of trade receivables at the balance sheet date is:

	Note	2015 Rupees	2014 Rupees
Foreign		**14,223,938**	22,434,133
Domestic		**741,979,997**	677,777,590
		756,203,935	700,211,723

The aging of trade receivables at the reporting date is:

	Note	2015 Rupees	2014 Rupees
Not past due	*36.2.1*	**688,145,581**	637,192,668
Past due 0 - 60 days		**22,686,118**	21,006,352
Past due 61 - 90 days		**37,810,197**	35,010,586
Past due 91 - 120 days		**4,083,501**	-
Past due 120 days	*36.2.2*	**3,478,538**	7,002,117
		756,203,935	700,211,723

Customer credit risk is managed subject to the Company's established policies, procedures and controls relating to customer credit risk management. Based on past experience the management believes that no impairment allowance is necessary in respect of trade receivables as some receivables have been recovered subsequent to the year end and for other receivables there are reasonable grounds to believe that the amounts will be recovered in short course of time.

36.2.1 This includes amount of Rs. 1.44 million (Rs. 2014: 1.79 million) due from an associated company, Omer Glass Industries Limited.

36.2.2 This includes amount of Rs. 2.79 million (Rs. 2014: 1.01 million) due from an associated company, Omer Glass Industries Limited.

(c) Security deposits

Based on past experience the management believes that no impairment allowance is necessary in respect of security deposits as there are reasonable grounds to believe that the security deposits will be recovered.

(d) Bank balances

The Company's exposure to credit risk against balances with various commercial banks is as follows:

	2015 Rupees	2014 Rupees
Local currency:		
- Current accounts	**142,822,576**	107,806,055
- Deposits and saving accounts	**26,551,837**	14,601,703
	169,374,413	122,407,758
Foreign currency:		
- Current accounts	**1,578,295**	5,631,025
	170,952,708	128,038,783

The credit quality of Company's bank balances can be assessed with reference to external credit rating agencies as follows:

	Rating 2015			2015
	Short term	**Long term**	**Agency**	**Rupees**
Bank Alfalah Limited	**A1+**	**AA**	**PACRA**	**78,236,495**
The Bank of Khyber	**A-1**	**A**	**PACRA**	**2,262,613**
The Bank of Punjab	**A1+**	**AA-**	**PACRA**	**10,897,766**
MCB Bank Limited	**A1+**	**AAA**	**PACRA**	**15,175,582**
National Bank of Pakistan	**A-1+**	**AAA**	**JCR-VIS**	**1,694,230**
United Bank Limited	**A-1+**	**AA+**	**JCR-VIS**	**5,917,891**
Habib Bank Limited	**A-1+**	**AAA**	**JCR-VIS**	**23,563,015**
Faysal Bank Limited	**A-1+**	**AA**	**PACRA**	**5,478,850**
NIB Bank	**A-1+**	**AA-**	**PACRA**	**3,153,836**
Bank Islami Pakistan Limited	**A-1**	**A +**	**PACRA**	**659,097**
Meezan bank Limited	**A-1+**	**AA**	**JCR-VIS**	**8,399,205**
Askari Bank Limited	**A-1+**	**AA**	**PACRA**	**905**
Albarka Bank Limited	**A-1**	**A**	**PACRA**	**330,890**
Bank Al Habib Limited	**A-1+**	**AA+**	**PACRA**	**15,182,333**
				170,952,708

	Rating 2014			2014
	Short term	Long term	Agency	Rupees
Bank Alfalah Limited	A1+	AA	PACRA	31,338,830
The Bank of Khyber	A-1	A	PACRA	3,017,548
The Bank of Punjab	A1+	AA-	PACRA	7,234,772
MCB Bank Limited	A1+	AAA	PACRA	16,779,642
National Bank of Pakistan	A-1+	AAA	JCR-VIS	501,427
Standard Chartered Bank Limited	A1+	AAA	PACRA	521
United Bank Limited	A-1+	AA+	JCR-VIS	5,809,045
Habib Bank Limited	A-1+	AAA	JCR-VIS	8,750,003
Faysal Bank Limited	A-1+	AA	PACRA	4,558,938
NIB Bank	A-1+	AA-	PACRA	4,443,597
Bank Islami Pakistan Limited	A-1	A +	PACRA	10,828,917
Meezan bank Limited	A-1+	AA	JCR-VIS	1,070,362
Askari Bank Limited	A-1+	AA	PACRA	9,653
Albarka Bank Limited	A-1	A	PACRA	32,693,742
Bank Al Habib Limited	A-1+	AA+	PACRA	1,001,786
				128,038,783

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

36.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations 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. For this purpose the Company has sufficient running finance facilities available from various commercial banks to meet its liquidity requirements. Further liquidity position of the Company is closely monitored through budgets, cash flow projections and comparison with actual results by the Board.

Following is the maturity analysis of financial liabilities as at 30 June:

	2015						
	Carrying Amount	**Contractual cash flows**	**Six months or less**	**Six to twelve months**	**One to two years**	**Two to Five years**	**More than five years**
	----------	----------	----------	**Rupees**	----------	----------	----------
Financial liabilities							
Long term loan-secured	866,014,002	975,854,849	155,631,846	242,834,652	452,097,409	125,290,942	-
Long term loan-unsecured	610,449,765	747,825,254	-	-	66,058,017	681,767,237	-
Liability against assets subject to finance lease	40,551,770	47,287,052	7,731,488	7,731,488	15,462,976	16,361,100	-
Trade and other payables	500,426,856	500,426,856	500,426,856	-	-	-	-
Accrued markup	68,293,715	68,293,715	37,000,793	-	31,292,922	-	-
Short term borrowings	1,899,914,518	1,899,914,518	1,899,914,518	-	-	-	-
	3,985,650,626	**4,239,602,244**	**2,600,705,501**	**250,566,140**	**564,911,324**	**823,419,279**	**-**

	2014						
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to Five years	More than five years
	----------	----------	----------	Rupees	----------	----------	----------
Financial liabilities							
Long term loan-secured	1,270,900,002	1,500,599,923	274,436,990	262,130,098	483,161,043	480,871,792	-
Long term loan-unsecured	545,591,621	747,946,355	-	-	66,179,118	681,767,237	-
Liability against assets subject to finance lease	50,698,721	63,953,362	7,642,961	7,924,588	15,849,176	32,536,637	-
Trade and other payables	605,350,568	605,350,568	605,350,568	-	-	-	-
Accrued markup	81,274,471	81,274,471	50,668,473	-	30,605,998	-	-
Short term borrowings	1,843,437,453	1,843,437,453	1,843,437,453	-	-	-	-
	4,397,252,836	4,842,562,132	2,781,536,445	270,054,686	595,795,335	1,195,175,666	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amount.

36.4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and other price risk.

36.4.1 Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which advances, sales & purchases and bank balances are denominated and the respective functional currency of the Company. The functional currency of the Company is Pak Rupee. The currencies in which these transactions are primarily denominated is US dollars.

Exposure to currency risk

The Company's exposure to foreign currency risk at the reporting date was as follows:

	2015	2014
	Rupees	Rupees
Foreign debtors	**14,223,938**	22,434,133
Foreign currency bank accounts	**1,578,295**	5,631,025
Gross balance sheet exposure	**15,802,233**	28,065,158

The following significant exchange rates have been applied:

	Average rate		**Reporting date rate**	
	2015	2014	**2015**	2014
USD to PKR	**101.51**	98.63	**101.70**	98.55

Sensitivity analysis:

At reporting date, if the PKR had strengthened by 10% against the foreign currencies with all other variables held constant, post-tax profit for the year would have been higher by the amount shown below, mainly as a result of net foreign exchange gain on translation of foreign debtors, foreign currency bank account and outstanding letter of credits.

	2015	2014
Effect on profit and loss	**Rupees**	Rupees
US Dollar	**(1,580,223)**	(2,806,516)

The weakening of the PKR against foreign currencies would have had an equal but opposite impact on the post tax profit.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit / (loss) for the year and assets / liabilities of the Company.

36.4.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

36.4.2(a) Fixed rate financial instruments

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

		2015		2014	
		Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
Non-derivative financial instruments	*Note*	---Rupees---			
Long term loans	*10*	-	659,042,257	-	988,585,446
Short term borrowings	*16*	-	626	-	24,237,744
		-	**659,042,883**	**-**	**1,012,823,190**

The related profit / mark-up / interest rates for fixed rate financial instruments are indicated in the related notes to the financial statements.

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 and loss account. Therefore, a change in profit / mark-up / interest rates at the reporting date would not affect profit and loss account.

Variable rate financial instruments

		2015		2014	
		Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	Note	**Rupees**			
Long term loans from banking companies-secured	*9*	**-**	**192,232,257**	-	260,362,596
Short term borrowings	*16*	**-**	**1,899,913,892**	-	1,819,199,709
Liabilities against assets subject to finance lease - secured	*11*	**-**	**40,551,770**	-	50,698,721
Bank balances at PLS accounts	*26*	**26,551,837**	**-**	14,601,703	-
		26,551,837	**2,132,697,919**	14,601,703	2,130,261,026

The related profit / mark-up / interest rates for fixed rate financial instruments are indicated in the related notes to the financial statements.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have (decreased) / increased profit by amounts shown below. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

	Profit	
	2015	2014
Increase of 100 basis points	**Rupees**	
Variable rate instruments	**(21,061,461)**	**(21,156,593)**
Decrease of 100 basis points		
Variable rate instruments	**21,061,461**	**21,156,593**

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and the outstanding liabilities of the Company at the year end.

36.4.3 Other price risk

Other 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). The Company is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

36.4.4 Fair values

36.4.4(a) Fair value estimation

All financial assets and financial liabilities are initially recognised at the fair value of consideration paid or received, net of transaction costs as appropriate, and subsequently carried at fair value or amortized cost. Carrying value of all financial instruments approximate their carrying value. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods.

<u>Non-derivative financial assets</u>

The fair value of non-derivative financial asset is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

<u>Non-derivative financial liabilities</u>

Fair value, which is determined for disclosures purposes, is calculated based on the present value of future principal and interest cash flows, discounted at market rate of interest at the reporting date.

37 Capital management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

(i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and;

(ii) to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

Neither there were any changes in the Company's approach to capital management during the year nor the Company is subject to externally imposed capital requirements.

38 Operating segments

The financial information has been prepared on the basis of a single reportable segment.

38.1 Sales from glassware products represent 100% (2014: 100%) of total revenue of the Company.

38.2 The sales percentage by geographic region is as follows:

	2015	2014
	%	%
Pakistan	**85.00**	85.00
India	**11.00**	9.00
Afghanistan	**2.00**	2. 51
Bangladesh	**0**	0.12
Others	**2.00**	3.37
	100.00	100.00

38.3 All non-current assets of the Company as at 30 June 2015 are located in Pakistan.

39 Remuneration of Directors and Executives

The aggregate amounts charged in the financial statements for the year for remuneration, including all benefits to the managing director, directors and executives of the Company are as follows:

	Managing Director / Executive director		Non Executive Directors		Executives	
	2015	2014	**2015**	2014	**2015**	2014
	---------- Rupees ----------					
Managerial remuneration	**4,872,000**	4,060,000	**-**	-	**52,449,222**	44,952,071
House rent	**1,835,490**	1,529,575	**-**	-	**23,100,283**	19,779,753
Conveyance	**5,310**	4,425	**-**	-	**454,900**	416,300
Contribution to provident fund	**-**	-	**-**	-	**5,023,098**	4,410,498
Medical and other allowances	**-**	-	**-**	-	**5,121,702**	4,410,498
Utilities	**487,200**	406,000	**-**	-	**5,121,702**	4,410,498
Consultancy fee	**-**	-	**15,363,708**	4,882,260	**-**	-
	7,200,000	6,000,000	**15,363,708**	4,882,260	**91,270,907**	78,379,618
Number of persons	**1**	1	**5**	4	**84**	70

In addition to the above benefits, some of the directors are provided with free use of company maintained cars.

40 Transactions with related parties

Related parties Comprise of associated companies, staff retirement fund, directors, key management personnel and other companies where directors have significant influence. Balances with the related parties are shown in respective notes to the financial statements. Refer to note 39 for disclosure of remuneration to key management Personnel. Transactions with related parties other than key management personnel are as follows:

Name	**Relationship**	**Nature of transactions**	**2015 Rupees**	2014 Rupees
Industrial Products Investment Limited	Shareholder	Interest cost for the year	**686,924**	729,168
Omer Glass Industries Limited	Associated company	Sales	**1,443,076**	1,788,110
		Expense paid on behalf of the related party	**198,946**	191,359
Provident fund	Employee benefit plan	Contributions	**14,368,241**	12,759,974
Syed Tufail Hussain	Executive employee	Sale proceeds of vehicle	**446,000**	-
M. Kashif Siddiqui	Executive employee	Sale proceeds of vehicle	**-**	800,000
Abdul Ghaffar Tareen	Executive employee	Sale proceeds of vehicle	**-**	1,200,000

41 Plant capacity and actual production

The production capacity and the actual packed production achieved during the year are as follows:

	2015 M. Tons	2014 M. Tons
Furnaces capacity:		
Containers	**-**	856
Tableware *	**52,360**	75,012
Float Glass	**160,741**	155,506
	213,101	231,374
Actual packed production:		
Containers	**-**	677
Tableware	**37,111**	53,283
Float Glass	**120,719**	125,226
	157,830	179,186

The efficiency of 71% in tableware and 75% in float glass is considered satisfactory as these standards conform favourably to the international standards in the glass industries.

* One of the furnaces remained close for the major rebuilt during the period.

42 Provident Fund

	2015 Rupees	2014 Rupees
Size of the fund / trust	**73,066,025**	62,046,984
Cost of investment made	**67,565,778**	54,323,913
	- - - - - (Percentage) - - - - -	
Percentage of investment made %	**92.47%**	87.55%

	2015 Rupees	2014 Rupees
Fair value of investment	**69,239,296**	58,274,715

<u>Break up of investments - based upon fair value</u>

NBP NAFA Saving Plus Fund	**-**	22,731,934
UBL Term Deposit Receipt	**33,500,000**	30,500,000
UBL Al-Ameen Islamic PPF-IV	**4,267,842**	-
NBP Nafa Government Securities Saving Fund	**9,869,423**	-
NBP Nafa Islamic P.P.F	**15,632,508**	-
Cash at bank	**5,969,523**	5,042,781
	69,239,296	58,274,715

	2015	2014
	---%age of size of fund-----	
Break up of investment		
NBP NAFA Saving Plus Fund	0%	37%
UBL Term Deposit Receipt	46%	49%
UBL Al-Ameen Islamic PPF-IV	6%	0%
NBP Nafa Government Securities Saving Fund	14%	0%
NBP Nafa Islamic P.P.F	21%	0%
Savings account	8%	8%

The figures for 2015 are based on the audited financial statements of the Provident Fund. Investments out of Provident Fund have been made in accordance with the provisions of section 227 of the Ordinance and rules formulated for this purpose.

43 Number of Employees

The total average number of employees during the year and as at June 30, 2015 and 2014 respectively are as follows:

	2015	2014
	No. of employees	
Average number of employees during the year	717	743
Number of employees as at June 30	715	736

44 Date of authorization for issue

These financial statements were authorized for issue on September 28, 2015 by the Board of Directors of the Company.

September 28, 2015
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

FINANCIAL STATISTICAL SUMMARY

Year		2015	2014	2013	2012	2011	2010	2009
Investment Measures								
Share Capital	Million Rupees	734.58	734.58	693.00	693.00	693.00	231.00	231.00
Shareholders' equity	Million Rupees	2,701.65	2,298.94	2,083.60	2,032.68	1,646.03	618.44	494.04
Profit/(Loss) before tax	Million Rupees	362.09	15.59	152.55	423.49	209.42	188.16	(36.56)
Profit/(Loss) after tax	Million Rupees	408.22	(17.32)	367.36	292.76	143.82	141.72	(30.70)
Dividend per share	Rs.	-	0.50	-	-	1.00	1.75	-
Earnings/(Loss) per share - Basic	Rs.	5.56	(0.24)	5.30	4.22	5.71	6.14	(1.33)
Break up value	Rs.	41.61	36.13	36.42	29.33	23.75	26.77	21.39
Price earning ratio	Rs.	10.53	(128.17)	4.15	3.79	2.63	2.45	(5.25)
Measure of financial status								
Current ratio	Ratio	1.08:1	1.00:1	1.03:1	1.08:1	1.99:1	1.05:1	1.04:1
Number of days stock	Days	72	68	67	38	32	32	28
Number of days trade debts	Days	34	33	21	4	5	6	5
Measure of performance								
Return on capital employed	%	9.02%	(0.38%)	8.01%	10.12%	15.25%	22.42%	(4.85%)
Gross Profit Ratio	%	20.07%	14.53%	15.10%	20.48%	17.57%	19.28%	9.03%
Profit/(Loss) Before tax to Sales ratio	%	4.50%	0.20%	3.92%	12.42%	8.07%	9.08%	(2.59%)
Profit/(Loss) after tax to Sales ratio	%	5.08%	(0.22%)	9.45%	8.58%	5.53%	6.84%	2.18%
Debt equity ratio	%	27.46%	36.23%	39.78%	34.66%	9.00%	31.04%	38.59%

PATTERN OF SHAREHOLDING
As at 30 June 2015

Number of shareholders	Shareholding From	Shareholding To	Total Number of Shares Held	Percentage of Paid up Capital
342	1	100	15,205	0.02%
795	101	500	208,013	0.28%
330	501	1,000	301,917	0.41%
524	1,001	5,000	1,452,767	1.98%
131	5,001	10,000	1,037,390	1.41%
60	10,001	15,000	786,214	1.07%
34	15,001	20,000	633,770	0.86%
31	20,001	25,000	737,600	1.00%
17	25,001	30,000	481,100	0.65%
10	30,001	35,000	332,000	0.45%
7	35,001	40,000	278,500	0.38%
4	40,001	45,000	178,500	0.24%
7	45,001	50,000	350,000	0.48%
3	50,001	55,000	159,500	0.22%
6	55,001	60,000	350,250	0.48%
1	60,001	65,000	64,500	0.09%
2	65,001	70,000	135,000	0.18%
2	70,001	75,000	150,000	0.20%
2	75,001	80,000	158,000	0.22%
4	80,001	85,000	327,500	0.45%
3	85,001	90,000	269,000	0.37%
5	95,001	100,000	498,500	0.68%
2	105,001	110,000	217,000	0.30%
2	110,001	115,000	226,550	0.31%
1	115,001	120,000	120,000	0.16%
2	120,001	125,000	250,000	0.34%
1	140,001	145,000	143,000	0.19%
1	150,001	155,000	152,500	0.21%
1	155,001	160,000	157,500	0.21%
1	165,001	170,000	167,500	0.23%
3	180,001	185,000	547,000	0.74%
4	195,001	200,000	797,000	1.08%
1	220,001	225,000	225,000	0.31%
1	345,001	350,000	350,000	0.48%
1	395,001	400,000	400,000	0.54%
1	400,001	405,000	404,420	0.55%
2	440,001	445,000	887,500	1.21%
1	445,001	450,000	450,000	0.61%
1	465,001	470,000	470,000	0.64%
1	495,001	500,000	500,000	0.68%
1	510,001	515,000	515,000	0.70%
1	535,001	540,000	535,500	0.73%
1	605,001	610,000	605,500	0.82%
1	640,001	645,000	640,396	0.87%
1	645,001	650,000	649,000	0.88%
1	700,001	705,000	700,764	0.95%
1	820,001	825,000	823,500	1.12%
1	1,035,000	1,040,000	1,039,500	1.42%
1	1,465,000	1,470,000	1,465,000	1.99%
1	3,118,000	3,500,000	3,118,500	4.25%
1	4,000,000	4,005,000	4,000,000	5.45%
1	6,924,001	6,929,000	6,928,844	9.43%
1	7,730,001	7,735,000	7,733,760	10.53%
1	14,660,001	14,665,000	14,662,864	19.96%
1	14,665,001	14,670,000	14,669,676	19.97%
2362			**73,458,000**	**100.00%**

Description	Number of Shareholders	Shareholding (Nos.)	Percentage
Individuals	2,296	42,183,822	57.43%
Joint Stock Companies	27	8,844,312	12.04%
Financial Institutions	5	4,585,500	6.24%
Insurance Companies	2	25,600	0.03%
Investment Companies	5	231,022	0.31%
Mutual Funds	12	5,519,000	7.51%
Foreign Company	3	11,086,844	15.09%
NIT and ICP	1	18,700	0.03%
Others	11	963,200	1.31%
	2,362	**73,458,000**	**100.00%**

CATEGORIES OF SHAREHOLDERS
ADDITIONAL INFORMATION AS AT 30 JUNE 2015

		Shareholding (Number of Shares)
A)	**Directors, CEO, Their Spouse and Minor Children**	
	Managing Director / CEO	
	- Mr. Tariq Baig	14,662,864
	Directors	
	- Mr. Omer Baig	14,669,676
	- Mrs. Naima Shahnaz Baig	640,396
	- Mr. Mansoor Irfani	3,462
	- Mr. Akbar Baig	3,462
	- Mr. David Jullian	3,462
	- Mr. Naeem Nazir	500
	Directors' Spouse and Their Childern	-
		15,320,958
B)	**Associated Companies**	
	- M/s Omer Glass Industries Limited	7,733,760
C)	**NIT AND ICP**	18,700
D)	**Mutual Funds**	5,519,000
E)	**Financial Institutions**	4,585,500
F)	**Insurance Companies**	25,600
G)	**Investment Companies**	231,022
I)	**Joint Stock Companies**	12,197,396
J)	**Others - Provident / Pension Funds & Modarbas**	963,200
K)	**General Public**	12,200,000
	Total	**73,458,000**

List of Shareholders Holding 5% or More Shares

Mr. Tariq Baig	14,662,864
Mr. Omer Baig	14,669,676
M/s Industrial Products Investment Limited	6,928,844
M/s Omer Glass Industries Limited	7,733,760
M/s Summit Bank Limited	4,000,000

TRADES DONE BY CEO, DIRECTORS & ASSOCIATED COMPANY

- Mr. Syed Tufail Hussain sold 500 ordinary shares on August 01, 2014.

Note: Mr. Naeem Nazir is a newly elected director in the Extra Ordinary General Meeting held on September 02, 2014 for a tenure of 3 years. The term of office of Director namely Mr. SyedTufail Hussain ceased on September 02, 2014.

IMPORTANT NOTES FOR THE SHAREHOLDERS

Dear Shareholder(s),

Please go through the following notes. It will be appreciated if you please respond to your relevant portion at the earliest:

Dividend Mandate:

In accordance with SECP's directives, all shareholders, who have not yet opted for dividend mandate, are requested to authorize the company to directly credit all future cash dividends to their bank account by conveying following particulars to our Shares Registrar M/s Shemas International Pvt. Limited, Suit # 31, 2nd Floor, Sadiq Plaza, 69-Shahra-e-Quaid-e-Azam (The Mall), Lahore.

Title of Bank Account | **Bank Account No.**
Bank Name | **Branch Name and Address**
Cell/Land line Number of Shareholder | **CNIC No.**

CDC shareholders will reply to their respective Stock Exchange Broker.

CNIC No.:

Pursuant to the directives of the SECP, CNIC number is mandatorily required to be mentioned on dividend warrants. In case of non-receipt of the copy of valid CNIC, the Company would be unable to comply with SRO 831 (I)/2012 dated 5 July 2012 of SECP and therefore may be constrained under Section 251 (2)(a) of the Companies Ordinance, 1984 to withhold dispatch of dividend warrants of such shareholders in future. Please submit a copy of your valid CNIC (only Physical Shareholders), if not already provided to the Shares Registrar of the Company. Corporate account holders should submit National Tax Number, if not yet submitted.

Deduction of Income Tax from Dividend under Section 150

The Government of Pakistan through Finance Act, 2015 has made certain amendments pertaining to withholding of tax on dividend of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

Category	Filer	Non-Filer
For Individual/AOP/Partnership/ Joint Stock Company	12.5%	17.5%
For Mutual Fund	25% for companies & 10% for Individual and AOP	25% for companies & 10% for Individual and AOP
For Dividend paid by Stock Fund	10%(for Companies, AOP & Individuals)	10% (for Companies, AOP & Individuals)
For Banking Companies	35%	35%

To enable the company to make tax deduction on the amount of cash dividend at normal rates instead of higher rates being a non-filer, all the shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, even despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the payment of the cash dividend **(last such date is November 15, 2015)** otherwise tax on their cash dividend will be deducted at higher rates instead of the normal rates.

According to clarification received from Federal Board of Revenue (FBR), Withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder (s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares Jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Shares Registrar, in writing as follows, up to **November 15, 2015**, otherwise it will be assumed that shares are equally held:

Sr.	Folio/ CDS A/C #	Total Shares	Principal Shareholder		Joint Shareholder		Signature of Shareholder
			Name & CNIC #	Shareholding Proportion (No. of Shares)	Name & CNIC #	Shareholding Proportion (No. of Shares)	(As per CNIC for CDC shareholder and as per Company Record for Physical shareholder)
1.							
2.							
3.							
4.							
5.							

For any query / problem / information, the investors may contact the company and / or the Shares Registrar at the following phone numbers, email addresses -

Company Contact:	Shares Registrar:
Mohsin Ali Company Secretary Tariq Glass Industries Limited. 128-J, Model Town Lahore Ph. : +92-42-111343434 Fax :+92-42-35857692-93 Web: www.tariqglass.com	**Mr. Imran Saeed** Chief Executive Officer M/s Shemas International Pvt. Ltd. Suit # 31, 2nd Floor, Sadiq Plaza 69-Shahra-e-Quaid-e-Azam (The Mall) Lahore. Ph: 042-36280067, Fax: 042-36280068

The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or it's Shares Registrar M/s Shemas International Pvt. Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

Annual Financial Statements:

Annual Financial Statements of the Company for the year ended 30 June 2015 have been placed on the Company's website - www.tariqglass.com.

Pursuant to SECP's SRO 787(I) 2014 dated September 08, 2014 regarding electronic transmission of Annual Financial Statements, those shareholders who want to receive the Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their email address duly signed by the shareholder along with the copy of CNIC to our shares registrar M/s Shemas International Pvt. Ltd. Please note that this option is not decisive, if any shareholder not wishes to avail this facility, you may ignore this notice, and the Annual Financial Statements will be sent by Post at your address.

Members desirous to avail this facility are requested to submit the request form duly filled to our Shares Registrar.

Yours sincerely,

(Mohsin Ali)
Company Secretary

Enclose: Request Form

Request Form

Consent for Circulation of Annual Audited Financial Statements through e-mail

Company Name: Tariq Glass Industries Limited

Folio No. / CDC sub-account No.:______________________________

E-mail Address: ______________________________

CNIC No. ______________________________

The above E-mail address will be recorded in the members register maintained under Section 147 of the Companies Ordinance, 1984. I will inform the Company or the Registrar about any change in my E-mail address immediately. Henceforth, I will receive the Audited Financial Statements along with Notice only on the above e-mail address, unless a hard copy has been specifically requested by me.

____
Name and Signature of Shareholder
(Attachment: Copy of CNIC)

FORM OF PROXY

Folio No. ____________________

No. of Shares ________________

I / We ____

of ____

being a member of **TARIQ GLASS INDUSTRIES LIMITED** hereby appoint;

Mr./Miss/Mrs.____

failing him / her, Mr./Miss/Mrs.______________________________of ______________________________

(Being a member of the Company) as my / our proxy to attend, act and vote for me/us and on my / our behalf at the 37th Annual General Meeting of the Members of the Company to be held at Defence Services Officers' Mess, 71 - Tufail Road, Lahore Cantt on Wednesday the October 28, 2015 at 11:00 AM and at every adjournment thereof.

As withness my/our hand(s) this ____________________________day of________________________,2015.

WITNESS:

Signature: ______________________________

Name: ______________________________

Address: ______________________________

SIGNATURE AND REVENUE STAMP

NOTE : **Proxies, in order to be effective, must be received, by the Company not later than 48 hours before the meeting and must be duly stamped, signed and witnessed.**