CONTENTS

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 MR. TARIQ BAIG MR. NAEEM NAZIR	CHAIRMAN MEMBER MEMBER
AUDIT COMMITTEE	MR. NAEEM NAZIR MR. OMER BAIG MR. DAVID JULIAN	CHAIRMAN MEMBER 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 HABIB BANK LTD UNITED BANK LTD THE BANK OF PUNJAB MCB BANK LTD THE BANK OF KHYBER ASKARI BANK LTD MEEZAN BANK LTD	BANK ALFALAH LTD FAYSAL BANK LTD J.S. BANK LTD BANKISLAMI PAKISTAN LTD NIB BANK LTD SAMBA BANK LTD ALBARAKA BANK (PAK) LTD STANDARD CHARTERED BANK (PAK) LTD
SHARES REGISTRAR	SHEMAS INTERNATIONAL (PVT) LTD. Suite No. 31, 2nd Floor, Sadiq Plaza, 69 - The Mall Lahore. Ph: 042 - 36280067, Fax: 042 - 36280068 E-mail: shemaslhr@hotmail.com	
REGISTERED OFFICE	128-J, MODEL TOWN, LAHORE. UAN : 042-111-34-34-34 FAX : 042-35857692 - 35857693 E MAIL : info@tariqglass.com WEB: www.tariqglass.com	
WORKS	33-KM, LAHORE/SHEIKHUPURA ROAD TEL: (042) 37925652, (056) 3500635-7 FAX: (056) 3500633	

Vision Statement

To be a premier glass manufacturing organization of International standards and repute, offering innovative value-added products, tailored respectively to the customer's needs and satisfaction. Optimizing the shareholder's value through meeting their expectations, making Tariq Glass Industries Limited an "Investor Preferred Institution" is one of our prime policies. We are a "glassware supermarket" by catering all household and industrial needs of the customers under one roof.

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, highly professional staff, excellent business processes and synergistic organizational culture.

NOTICE OF ANNUAL GENERAL MEETING

The Notice is hereby given that the 38th Annual General Meeting of the members of the Company will be held on Thursday, the October 27, 2016 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 37th Annual General Meeting of the members held on October 28, 2015.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2016 together with the Reports of the Auditors and Directors thereon.
3. To approve the payment of cash dividend @ 27% (i.e., Rs. 2.70 per share) for the year ended June 30, 2016 as recommended by the Board of Directors.
4. To appoint Auditors of the company for the year ending June 30, 2017 and fix their remuneration. The retiring Auditors M/S KPMG Taseer Hadi & Co., Chartered Accountants being eligible offer themselves for re-appointment.

OTHER BUSINESS:

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

BY ORDER OF THE BOARD

September 28, 2016
Lahore

(MOHSIN ALI)
COMPANY SECRETARY

NOTES

1. The Share Transfer Books of the Company will remain closed from October 21, 2016 to October 27, 2016 (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 Thursday the October 20, 2016 will be treated in time for the purpose of transfer of shares and payment of cash dividend, if approved by the shareholders.
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 applicable tax laws 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 rate (i.e., 20%) as compared to filers of Income Tax returns who will be taxed at normal rate (i.e., 12.50%). Shareholders are therefore requested to send the information related to their National Tax Number in compliance with the active tax payer list (ATL)` 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

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 June 30, 2016.

Economy Review:

Pakistan's economy continues to maintain its growth momentum as the real GDP growth rate for the FY 2016 is measured at 4.71 percent. The GDP growth could be higher but major setback in agriculture sector neutralized the impact of remarkable growth in industrial and services sectors during the year. Inflation is controlled to some extent and the current deficit narrowed with favorable prices for oil and other commodities The country's FX reserves have reached above US$ 21 billion which enables the country to finance its 5 months import bill. We believe that the social and economic prospects will improve further if Government successfully implements its plans to alleviate the energy crisis and improve security situation in the country.

Business Review:

By the Grace of Allah Almighty, the Company has magnificently achieved lucrative profitability for the period under report despite closure of one of the furnaces for major repair from December-2015 to April-2016. The Company has upholded the level of its sales volume for the period under report by registering net sales of Rs. 8,076 million. The profit after tax and EPS for the period under report are Rs. 490 million and Rs. 6.67 as compared to corresponding figures of last year of Rs. 408 million and Rs. 5.56 respectively.

The lucrative profitability is attributable to implementation of effective marketing plans, promotional schemes and media campaigns to secure volumes of tableware as well as float glass products. Consequently, the Company succeeded in increased consumption of its goods through demand pull strategy, subsequently the selling and distribution expenses reduced in shape of lower distribution costs for the year under report to Rs. 226 million as compared to Rs. 423 million of the previous year.

The key operating and financial data in summarized form is also annexed for the consideration of shareholders. The financial results in brief are as under:

	FY - 2016 (Rupees in Million)	**FY - 2015** (Rupees in Million)
Sales – net	**8,076**	8,040
Gross profit	**1,694**	1,613
Operating profit	**1,018**	787
Profit before tax	**649**	362
Profit after tax	**490**	408
Earnings per share – basic and diluted - Rupees	**6.67**	5.56

By the grace of Allah Almighty, the furnace which was closed for scheduled rebuild in December – 2015 was put back to production in April - 2016 with enhanced capacity of 140 metric tons per day (Before Rebuild: 110 metric tons per day).

The Company has entered in the manufacturing of Blue colored and Sand Blasted Float Glass, the stocks of which are also being maintained in addition to Clear, Green, Bronze and Mirror Float Glass. The major increase in stocks is due to the additional inventories of Blue colored and Sand Blasted Float Glass.

With the blessings of Allah Almighty, the Company has prepaid in full its Long Term Syndicated LTFF Loan on April 14, 2016. The pricing of the said loan was frozen at 10.90% per annum with an outstanding amount of Rs. 420.217 million at the date of prepayment. This became possible due to better liquidity position and efficient funds management.

The Board of Directors is pleased to recommend the payment of cash dividend at the rate of @ 27% (i.e. Rs. 2.70 per share) for the year ended June 30, 2016.

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 Meetings:

During the year, no casual vacancy occurred on the Board of Directors, and 7 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	7
2.	Mr. Omer Baig	7
3.	Mrs. Naima Shahnaz Baig	7
4.	Mr. Mansoor Irfani	7
5.	Mr. Akbar Baig	7
6.	Mr. David Julian	7
7.	Mr. Naeem Nazir	7

Authorization to Sign Directors' Report:

Pursuant to the provisions of Section 236 of the Companies Ordinance 1984, Mr. Tariq Baig, Managing Director be and 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 constituted the Audit Committee and Human Resources & Remuneration Committee for its assistance from the 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***

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:

Mr. Akbar Baig, Mr. David Julian and Mr. Naeem Nazir have completed the certification for the Directors' Training Program conducted by University of Lahore under the supervision of Mr. Muhammad Maqbool, FCA. Now the Board constitutes of three certified directors while four directors of the Company fulfilled the criteria for exemption from directors' training program under the provisions of CCG. However, all the Directors have been provided with copies of the Rule Book of the Pakistan Stock Exchange, the Company's Memorandum and Articles of Association, developments in the prevailing laws thus 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.

Number of Employees:

The number of permanent employees as on June 30, 2016 were 757 (2015: 715).

Value of Investments of Provident Fund:

The fair value of total investment of provident fund as at June 30, 2016 was Rs. 83.044 million (2015: Rs. 69.239 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, 2016.

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 Best Practices of 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:

In order to have uninterrupted and cheaper power supply for manufacturing activities at factory premises, the Company has imported HFO based 3 units of Gensets with a total generation capacity of 10.5 MW financed by The Bank of Punjab. The Gensets have been installed and are ready for operations.

As a part of the Company's value addition strategy for its tableware products the Jug Making Machine and Toughening Lehr for manufacturing of light weight tempered plates and bowls useable in microwave ovens have been imported by the Company during the year under report. Both the above mentioned new machines have been installed and are in commercial production.

Competition in the tableware and float market will remain tough as the major players have invested on channel partners and influencers by offering higher discounts and lucrative promotional schemes. Your Company will capture the market (Insha Allah) by promoting sales of value added products like variety of jugs of international quality, toughened light weight plates and bowls useable in microwave ovens, different colours of float glass (blue, green & bronze), mirror and sand blasted float glass. The focus will also be on introduction of fresh promotional schemes to engage the trade channels in order to support volumetric sales. Our media campaign will continue from time to time on television and radio channels to motivate people and increase brand loyalty.

In the month of May – 2016, the Company opted for RLNG arrangement offered by the SNGPL by contemplating the assurance given by SNGPL that uninterrupted supply of gas will be available under RLNG arrangement. However, the unit price of RLNG is increasing every month which at present is 25% higher than the unit price initially offered by SNGPL. In view of this increasing trend in RLNG prices there could be abnormal increase in the cost of energy. Notwithstanding, the RLNG prices are linked with international oil prices which are expected to remain lower in future which may compensate the higher energy cost on the other side.

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 reappointment. As suggested by the audit committee the board of directors has recommended their reappointment as auditors of the company for the financial year ending June 30, 2017 at a fee to be mutually agreed.

Acknowledgement:

We would like to thank our valued distributors, clients, suppliers, banks and financial institutions and also 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 the higher goals.

For and on behalf of the Board

September 28, 2016
Lahore

TARIQ BAIG
MANAGING DIRECTOR

ڈائریکٹروں کی رپورٹ

طارق گلاس انڈسٹریز لمیٹڈ کے ڈائریکٹران آپکی خدمت میں 30 جون 2016 کو ختم ہونے والے مالی سال سے متعلق کارکردگی رپورٹ بمعہ کمپنی کے سالانہ آڈیٹڈ مالی گوشوارہ جات بشمول آڈیٹرز رپورٹس پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

موجودہ معاشی حالات۔ پاکستان کی معاشی ترقی کا سلسلہ امسال بھی جاری رہا۔ ملک کی اصل جی ڈی پی کی افزائش برائے مالی سال 2016-2015 4.76 فیصد رہی۔ جی ڈی پی کی شرح افزائش اس سے بلند ہو سکتی تھی چونکہ صنعتی اور خدمات کے شعبوں میں شرح افزائش بہترین تھی لیکن زرعی شعبہ میں ہونے والی تنزلی نے صنعتی اور خدمات کے شعبوں میں ہونے والے اضافے کو متوازن کر دیا۔ مہنگائی اور جاری خسارہ میں کمی تیل اور دیگر مصنوعات کے مزید سستہ ہونے کی وجہ سے ممکن ہوئی۔ ملکی زرمبادلہ کے ذخائر 21 ارب ڈالر سے تجاوز کر چکے ہیں۔ جو ملک کی پانچ ماہ کی درآمدات کے لیے کافی ہیں۔ ہم اس بات پر یقین رکھتے ہیں کہ سماجی اور معاشی شعبہ جات میں ترقی کو مزید پروان چڑھایا جا سکتا ہے اگر حکومت توانائی اور سیکورٹی سے متعلق اپنے لائحہ عمل کو تیزی سے عملی جامہ پہنائے اور ان میں مزید بہتری لائے۔

کاروباری حالات۔ اللہ تعالیٰ کے فضل و کرم سے کمپنی نے موجودہ مالی سال 16-2015 میں منافع کی مد میں خاطر خواہ کامیابی حاصل کی ہے باوجود اس کے ایک فرنس دسمبر 2015 سے لے کر اپریل 2016 تک مرمت کے لیے بند رہی۔ کمپنی نے خالص فروختگی کے حوالے سے اچھی صورت حال واضح و مستحکم رکھی۔ کمپنی نے زیر غور مدت کے دوران 8,076 ملین روپے کی خالص فروخت کی جبکہ ٹیکس کی ادائیگی کے بعد مذکورہ مدت کا خالص منافع 490 ملین روپے اور ای پی ایس 6.67 روپے فی حصص رہا۔ جس کا اگر پچھلے سال کی مدت سے موازنہ کیا جائے تو وہ رقم 408 ملین روپے اور 5.56 روپے فی حصص تھی۔ خالص منافع کی یہ خطیر رقم مارکیٹنگ کی منصوبہ بندی، پروموشنل اسکیموں اور میڈیا کی اشتہار بازی کی مرہون منت ہے۔ اس کی بدولت کمپنی اپنی مصنوعات کی طلب کو بڑھانے میں کامیاب رہی (جو پہلے ڈسٹری بیوٹروں کو بھاری کمیشن / رعایات دے کر ممکن ہوتا تھا۔) بعد ازاں فروخت اور تقسیم کے اخراجات کم لاگت کی شکل میں وقوع پذیر ہوئے۔ جو مالی سال 16-2015 میں کم ہو کر 226 ملین روپوں تک آ گئے جس کا اگر گزشتہ سال سے موازنہ کریں تو وہ 423 ملین روپے تھے۔ کمپنی کے آپریٹنگ اور مالی اعداد و شمار کا خلاصہ اس رپورٹ کے آخر میں لف کر دیا گیا ہے جو کہ حصہ داران اپنی سہولت کے مطابق دیکھ سکتے ہیں مختصر مالی نتائج مندرجہ ذیل ہیں:۔

	مالی سال 2016	مالی سال 2015
خالص فروختگی	8,076	8,040
مجموعی منافع	1,694	1,613
استعمالی منافع	1,018	787
ٹیکس کی ادائیگی سے پہلے کا منافع	649	362
ٹیکس کی ادائیگی سے بعد کا منافع	490	408
ہر حصہ دار کی آمدنی بنیادی اور مجموعی روپوں میں	6.67	5.56

ایک فرنس جو دسمبر 2015 میں بند کی گئی تھی اللہ تعالیٰ کے فضل و کرم سے وہ اپریل 2016 میں دوبارہ پیداوار کے لیے شروع کی گئی۔ اس مرمت شدہ فرنس سے یومیہ 140 میٹرک ٹن کے حساب سے پیداوار حاصل کی جا سکتی ہے جبکہ دوبارہ آغاز سے پہلے اس فرنس کی یومیہ پیداواری صلاحیت 110 میٹرک ٹن تھی۔

کمپنی نے نیلے اور سینڈ بلاسٹڈ شیشے کی پیداوار بھی شروع کر دی ہے۔ جبکہ اس اضافی پیداوار کے ساتھ بھی ذخیرہ کیے جا رہا ہے جو کہ پہلے سے بنائے جانے والے گلاس کلیئر، سبز، براؤن اور آئینہ کے علاوہ ہیں۔ شیشہ کے اسٹاک کی مجموعی لیت میں اضافہ اسی اضافی پیداوار کی وجہ سے ہے۔ اللہ تعالیٰ کے کرم سے کمپنی نے اپنا بینک کا طویل مدتی قرضہ اپریل 2016 میں قبل از وقت ادا کر دیا تھا۔ پیشگی ادائیگی کی وجہ اس کی شرح منافع کا مہنگا ہونا تھا جو کہ تقریباً 10.90 فیصد تھا۔ پیشگی ادائیگی کی مجموعی مالیت 420.217 ملین روپے تھی جو کہ سرمائے کے بہتر انتظام کی وجہ سے ممکن ہو سکا۔

ہم اپنے زیر غور مدت کے مالی نتائج پر مکمل غور و خوض کرتے ہوئے ڈیویڈنڈ کا تعین کرتے ہیں۔ بورڈ آف ڈائریکٹرز 30 جون 2016 کو ختم ہونے والے مالی سال کے لیے کیش ڈیویڈنڈ 2.70 روپے فی حصص کی سفارش کرتے ہیں۔

کارپوریٹ اور سرمایہ کی رپورٹنگ کا فریم ورک۔ اسٹاک ایکسچینج لسٹنگ ریگولیشنز کی دفعات کی تعمیل میں بورڈ آف ڈائریکٹرز نہایت مسرت کے ساتھ مندرجہ ذیل بیانات کی تصدیق کرتے ہیں:۔

۱۔ اس سال کے مالی گوشوارے کمپنی کے اسٹیٹ آف افیئرز، آپریشنز کے نتائج، مالی بہاؤ اور ایکویٹی میں تبدیلی کو بالکل منصفانہ پیش کرتے ہیں۔
۲۔ امسال کے مالی گوشوارے کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ اندازے معقول اور دانشمندانہ فیصلے کی بنیاد پر مبنی ہیں۔
۳۔ کھاتہ جات کو مناسب طریقے سے رکھا گیا ہے۔
۴۔ مالی گوشواروں کی تیاری میں پاکستان میں لاگو انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز کا استعمال کیا گیا ہے۔
۵۔ اندرونی کنٹرول کا نظام نہایت بہترین ہے اور اس پر موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
۶۔ کمپنی کے منصوبوں اور امور کی انجام دہی کے لیے اس کی بہترین صلاحیت پر کوئی شک نہیں ہے۔
۷۔ محصولات سے متعلق معلومات مالی گوشواروں کے نوٹس میں درج ہیں۔
۸۔ کوڈ آف کارپوریٹ گورننس (جو کہ اسٹاک ایکسچینج کی رول بک میں درج ہے) کے بہترین طریقوں سے متصادم کوئی بے ضابطگی عمل میں نہیں آئی ہے۔

بورڈ آف ڈائریکٹرز:۔

۱۔ اس مالی سال کے دوران بورڈ آف ڈائریکٹرز کی کوئی عبوری آسامی نہیں نکلی بورڈ کی سات میٹنگز ہوئیں جن میں تمام ممبرز کی حاضری 100 فیصد رہی۔
۲۔ بورڈ کی جانب سے ڈائریکٹرز رپورٹ کو دستخط کرنے کا اختیار کمپنیز آرڈیننس مجریہ 1984 کی دفعہ 236 کے مطابق جناب طارق بیگ (مینیجنگ ڈائریکٹر) کو دیا گیا ہے۔
۳۔ بورڈ آف ڈائریکٹرز کے ممبران نے دو کمیٹیاں بھی ترتیب دی ہیں جن کے نام پڑتال کنندہ کمیٹی اور انسانی وسائل اور معاوضے کی کمیٹی ہیں۔ یہ کمیٹیاں اپنی متعین کردہ حدود کے اندر رہتے ہوئے بورڈ کو معاونت مہیا کرتی ہیں اور مینجمنٹ کو رہنمائی بہم پہنچاتی ہیں تاکہ وہ اپنی روزمرہ ذمہ داریوں کو احسن طریقے سے ادا کر سکیں۔

پڑتال کنندہ (آڈٹ) کمیٹی:۔ تین ممبران پر مشتمل ہے بشمول ایک آزاد ڈائریکٹرز کے۔ جن کے نام مندرجہ ذیل ہیں:۔

۱۔ جناب نعیم منذیر	چیئرمین (آزاد ڈائریکٹر)	۲۔ جناب عمر بیگ	ممبر	۳۔ جناب ڈیوڈ جیولین	ممبر

انسانی وسائل اور معاوضے کی کمیٹی:۔ اس میں بھی تین ممبران ہیں جن کے نام مندرجہ ذیل ہیں:۔

۱۔ جناب منصور عرفانی	چیئرمین	۲۔ جناب طارق بیگ	ممبر	۳۔ جناب نعیم منذیر	ممبر

ڈائریکٹرز کا تربیتی پروگرام:۔ کمپنی کے تین ڈائریکٹرز جن کے نام جناب عمر بیگ، جناب ڈیوڈ جیولین اور جناب نعیم منذیر ہیں انہوں نے یونیورسٹی آف لاہور کے منعقد کردہ ڈائریکٹرز تربیتی پروگرام میں شرکت کر کے سند حاصل کی ہوئی ہے۔ جبکہ کمپنی کے باقی 4 ڈائریکٹرز کو کوڈ آف کارپوریٹ گورننس کی دفعات کے حوالے سے استثنیٰ حاصل ہے۔ بہرحال تمام ڈائریکٹرز کو اسٹاک ایکسچینج کی رول بک، کمپنی کے میمورنڈم اور آرٹیکلز اور قوانین میں تبدیلیوں کے حوالے سے مکمل آگاہی ہے اور وہ اپنے فرائض احسن طریقے سے انجام دے سکتے ہیں۔

حصص داران کا پیٹرن:۔ 30 جون 2016 کو ختم شدہ سال کے حصص داران کا پیٹرن اور اس کی تفصیل جو کہ کوڈ آف کارپوریٹ گورننس کی جانب سے درکار ہے اس رپورٹ کے ساتھ منسلک ہے۔ ڈائریکٹران کی جانب سے کمپنی کے حصص میں کسی قسم کی کوئی تجارت عمل میں نہیں لائی گئی۔

ملازموں کی تفصیل:۔ 30 جون 2016 کو ختم شدہ سال پر کمپنی کے مستقل ملازموں کی تعداد 757 تھی۔

پروویڈنٹ فنڈ کی تفصیل:۔ 30 جون 2016 کو ختم ہونے والے مالی سال پر پروویڈنٹ فنڈ کی مجموعی سرمایہ کاری کی مالیت 83.044 ملین روپے تھی۔

مالی گوشواروں سے متعلق:۔ کوڈ آف کارپوریٹ گورننس کے عین مطابق کمپنی کے مینیجنگ ڈائریکٹر اور چیف فنانشل آفیسر نے اپنے دستخط شدہ مالی گوشوارے کمپنی بورڈ آف ڈائریکٹرز کو پیش کیے۔ بورڈ آف ڈائریکٹرز نے مکمل غور کرنے کے بعد ان کو مورخہ 28 ستمبر 2016 کو منظور کیا اور ان کی اشاعت کی اجازت دی۔ کمپنی کے مالی گوشواروں کو میسرز KPMG تاثیر ہادی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے آڈٹ کیا ہے اور بغیر کسی اعتراض کے اپنی مندرجہ ذیل رپورٹس جاری کی ہیں۔

۱۔ آڈیٹرز رپورٹ

• نظرثانی رپورٹ بحوالہ تعمیل بیسٹ پریکٹسز آف کوڈ آف کارپوریٹ گورننس

مزید یہ کہ اس مالی سال جو کہ 30 جون 2016 کو اختتام پذیر ہوا تھا سے لے کر اس رپورٹ کی جاری کردہ تاریخ یعنی 28 ستمبر 2016 تک کوئی ایسی بڑی تبدیلی رونما نہیں ہوئی جو کمپنی کی مالی صورت حال میں کسی بڑی تبدیلی کا موجب بنی ہو۔

مستقبل کے حوالے سے نقطہ نظر:۔ کمپنی کی پیداواری سرگرمیوں کو باتسلسل جاری رکھنے اور سستی بجلی کے حصول کو یقینی بنانے کے لیے کمپنی نے 10.5 میگا واٹ کا بجلی گھر لگایا ہے۔ جس کے لیے فرنس آئل سے چلنے والے 3 عدد جنریٹرز درآمد کیے ہیں جن کا سرمایہ دی بینک آف پنجاب نے مہیا کیا ہے۔ ان جنریٹرز کی تنصیب کا عمل مکمل کر لیا گیا ہے اور یہ آپریشن کے لیے تیار ہیں۔ کمپنی کی ری لائبلڈ نٹ عمل کو مدنظر رکھتے ہوئے ایک عدد جگ بنانے والی مشین اور ایک عدد مشین جو کہ گھریلو شیشے کی مصنوعات کو مائیکروویو اوون میں استعمال کے قابل بناتی ہے کو امسال درآمد کیا گیا ہے اور یہ دونوں مشینیں نصب کر دی گئی ہیں اور تجارتی پیداوار میں حصہ دار ہیں۔

شیشے کے برتن اور فلوٹ گلاس میں مصنوعات کی فروخت کے حوالے سے سخت مسابقت کی توقع ہے۔ چونکہ مد مقابل ڈسٹری بیوٹرز اور تقسیمی نظام کی فروغ پر توجہ مرکوز کیے ہوئے ہیں۔ جن میں منافع بخش اسکیموں اور بھاری رعایتوں کی بھرمار شامل ہے۔ آپ کی کمپنی بھی اپنا مارکیٹ شیئر نہ صرف برقرار رکھنے بلکہ اس کو بڑھانے کے لیے پرعزم ہے۔ جیسا کہ کمپنی ویلیو ایڈڈ مصنوعات متعارف کروا رہی ہے جن میں اعلیٰ معیار کے جگ، پلیٹیں، باؤلز، پیالیاں وغیرہ شامل ہیں جو مائیکروویو اوون میں استعمال کی جا سکتی ہیں۔ فلوٹ گلاس کی مصنوعات میں نیلے رنگ کا شیشہ، سینڈبلاسٹڈ شیشے کا اضافہ کیا گیا ہے۔ جبکہ آپ کی کمپنی سبز اور براؤن رنگ کا شیشہ پہلے سے ہی تیار کر رہی ہے۔ کمپنی بھی اپنے ٹریڈرز کے لیے اسکیمیں ترتیب دے گی اور ٹی۔ وی، ریڈیو وغیرہ پر اپنی اشتہار بازی کی مہم جاری رکھے گی۔

کمپنی نے مئی 2016 میں سوئی نادرن کی طرف سے کی گئی پیشکش جو RLNG سے متعلقہ تھی کو بہتر سمجھتے ہوئے اختیار کیا۔ اس پیشکش میں یہ بات یقینی بنائی گئی تھی کہ سوئی گیس بلاتعطل فراہم کی جائے گی۔ البتہ RLNG کے ایک یونٹ کی موجودہ قیمت سوئی نادرن کی جانب سے پیش کردہ یونٹ سے تقریباً 25 فیصد زیادہ ہے۔ جس میں ہر ماہ اضافہ ہو رہا ہے۔ RLNG کی قیمتوں میں اس بڑھتے ہوئے رجحان کے پیش نظر کمپنی کی توانائی کی مجموعی لاگت میں غیر معمولی اضافہ ہو سکتا ہے۔ چونکہ RLNG کے یونٹ کی قیمت بین الاقوامی تیل کی قیمتوں سے منسلک ہے جس میں مستقبل میں کمی ہونے کی توقع ہے جو کہ دوسری طرف توانائی کی مجموعی لاگت میں خاطر خواہ کمی کا موجب بھی بن سکتی ہے۔ یہ توقع کی جاتی ہے کہ اقتصادی سرگرمیاں مستقبل میں خاطر خواہ بڑھ جائیں گی اور کمپنی اپنی کارکردگی کو بڑھانے کا سفر جاری رکھے گی۔

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آڈیٹرز:۔ کمپنی کے موجودہ آڈیٹرز میسرز KPMG تاثیر ہادی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس جو کہ ریٹائر ہوئے ہیں انہوں نے اپنی دوبارہ تقرری کی درخواست کی ہے۔ کمپنی کی پڑتال کنندہ کمیٹی نے ان کی دوبارہ تقرری کے لیے بورڈ آف ڈائریکٹرز کو اپنی سفارشات بھیجی ہیں۔ لہذا بورڈ آف ڈائریکٹرز بھی ان کی دوبارہ تقرری برائے مالی سال 2016-17 کے لیے سفارش کرتے ہیں۔ جبکہ ان کا مشاہرہ بعد میں طے کیا جائے گا۔

اظہار تشکر:۔ ہم تہہ دل سے اپنے معزز صارفین کا شکریہ ادا کرنا چاہتے ہیں جنہوں نے کمپنی کی مصنوعات پر اپنا اعتماد اور یقین قائم رکھا۔ اس کے ساتھ ساتھ ہم اپنے تمام ڈسٹری بیوٹرز، ڈیلرز، وینڈرز، بینکرز، حصص داران اور کمپنی کے تمام ملازمین کا بھی شکریہ ادا کرتے ہیں جنہوں نے ہمیشہ اس کمپنی کی مدد اور حمایت کی اور کمپنی کے اہداف کو حاصل کرنے میں مددگار ثابت ہوئے۔

تاریخ:۔ ۲۸ ستمبر ۲۰۱۶ لاہور

طارق بیگ
مینیجنگ ڈائریکٹر

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2016

Name of Company: **Tariq Glass Industries Limited**
Year Ended: **June 30, 2016**

This statement is being presented to comply with the Code of Corporate Governance ("CCG") contained in Regulation No. 5.19. of the Rule Book of the Pakistan Stock Exchange Limited (PSX) 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. At present the Board includes the following:

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

   The independent director meets the criteria of independence under clause 5.19.1. (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.
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 Pakistan Stock Exchange, has been declared as a defaulter by the stock exchange.
4. No casual vacancy occurred in the board of directors of the Company during the year ended June 30, 2016.
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 determination of remuneration terms and conditions of employment of the Managing Director/CEO, other executive and non-executive directors, have been taken by the board/shareholders.
8. The meetings of the board were presided over by the Chairman 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 Rule Book of PSX, the Company's Memorandum and Articles of Association and are well conversant with their duties and responsibilities. The Board constitutes of three certified directors under Directors Training Program 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. However, all such appointments including their remuneration and terms and conditions of employment are duly approved by the Board.
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 and 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 exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

September 28, 2016
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 2016 to comply with the requirements of Listing Regulation No. 5.19.23 of the Rule Book of Pakistan Stock Exchange 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's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of the 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 Directors' 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 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 this 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 undertaken 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 2016.

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

Lahore
September 28, 2016

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Tariq Glass Industries Limited ("the Company")** as at 30 June 2016 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 except for the change as stated in note 3.1 with which we concur;

   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 2016 and of the profit, its cash flows and changes in equity for the year then ended; and

d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

Lahore
September 28, 2016

BALANCE SHEET AS AT 30 JUNE 2016

EQUITY AND LIABILITIES	Note	2016 Rupees	2015 Rupees
Share capital and reserves			
Authorized share capital 100,000,000 (2015: 100,000,000) ordinary shares of Rs 10 each		**1,000,000,000**	1,000,000,000
Issued, subscribed and paid-up capital	5	**734,580,000**	734,580,000
Share premium	6	**410,116,932**	410,116,932
Equity portion of shareholders' loan	7	**76,048,284**	135,008,111
Unappropriated profit		**1,961,364,217**	1,421,943,134
		3,182,109,433	2,701,648,177
Surplus on revaluation of freehold land	8	**766,482,138**	355,002,638
		3,948,591,571	3,056,650,815
Non current liabilities			
Long term finances:			
- Secured	9	**324,103,615**	517,922,514
- Unsecured	10	**608,286,497**	610,449,765
		932,390,112	1,128,372,279
Liabilities against assets subject to finance lease	11	**15,288,080**	28,894,893
Long term deposits / advances	12	**252,415,023**	263,239,437
Deferred taxation	13	**164,221,224**	48,196,463
		1,364,314,439	1,468,703,072
Current liabilities			
Trade and other payables	14	**707,013,580**	683,620,647
Short term borrowings - *secured*	15	**2,450,876,905**	1,899,914,518
Accrued mark-up	16	**72,080,535**	68,293,715
Current portion of long term liabilities	17	**100,748,252**	345,008,877
		3,330,719,272	2,996,837,757
		8,643,625,282	7,522,191,644
Contingencies and commitments	18		

ASSETS	Note	2016 Rupees	2015 Rupees
Non-current assets			
Property, plant and equipment	19	**4,864,745,021**	4,233,476,883
Intangibles	20	**5,222,147**	6,614,720
Long term deposits	21	**66,771,431**	44,659,957
Current assets			
Stores and spare parts	22	**618,537,598**	610,956,489
Stock in trade	23	**1,492,207,643**	1,260,778,593
Trade debts - *considered good*	24	**852,939,050**	756,203,935
Advances, deposits, prepayments and other receivables	25	**479,994,107**	434,670,644
Cash and bank balances	26	**263,208,285**	174,830,423
		3,706,886,683	3,237,440,084
		8,643,625,282	7,522,191,644

The annexed notes from 1 to 45 form an integral part of these financial statements.

September 28, 2016
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 Rupees	2015 Rupees
Sales - *net*	27	**8,076,014,589**	8,040,166,922
Cost of sales	28	**(6,381,996,587)**	(6,426,456,631)
Gross profit		**1,694,018,002**	1,613,710,291
Administrative expenses	29	**(148,352,895)**	(119,803,714)
Selling and distribution expenses	30	**(527,246,599)**	(707,316,540)
		(675,599,494)	(827,120,254)
		1,018,418,508	786,590,037
Other income	31	**7,495,160**	12,837,774
Finance cost	32	**(336,301,008)**	(418,957,619)
Other expenses	33	**(40,136,768)**	(18,381,621)
Profit before taxation		**649,475,892**	362,088,571
Taxation	34	**(159,409,568)**	46,131,690
Profit after taxation		**490,066,324**	408,220,261
Earnings per share - *basic and diluted*	35	**6.67**	5.56

The annexed notes from 1 to 45 form an integral part of these financial statements.

September 28, 2016
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	2016 Rupees	2015 Rupees
Profit after taxation	**490,066,324**	408,220,261
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**490,066,324**	408,220,261

The annexed notes from 1 to 45 form an integral part of these financial statements.

September 28, 2016 **Lahore**	**OMER BAIG** **CHAIRMAN**	**TARIQ BAIG** **MANAGING DIRECTOR**

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 Rupees	2015 Rupees
Cash flows from operating activities			
Profit before taxation		**649,475,892**	362,088,571
Adjustments for:			
Depreciation	*19.1*	**463,989,535**	459,934,285
Amortization of intangibles	*20.1*	**1,392,573**	348,143
Gain on disposal of property, plant and equipment	*31*	**(3,384,152)**	(7,648,397)
Finance cost		**336,301,008**	418,957,619
Provision for Workers' Welfare Fund		**5,863,723**	-
Provision for Workers' Profit Participation Fund		**34,105,875**	18,381,621
		838,268,562	889,973,271
Operating profit before working capital changes		**1,487,744,454**	1,252,061,842
Changes in :			
Stores and spare parts		**(7,581,109)**	130,298,334
Advances, deposits, prepayments and other receivables		**25,363,034**	(26,141,232)
Stock in trade		**(231,429,050)**	(31,860,754)
Trade debts - *considered good*		**(96,735,115)**	(55,992,212)
Trade and other payables		**4,820,931**	(143,349,626)
		(305,561,309)	(127,045,490)
Cash generated from operating activities		**1,182,183,145**	1,125,016,352
Payments to Workers' Profit Participation Fund	*14.1*	**(18,590,485)**	(3,598,783)
Income tax paid		**(114,112,979)**	(124,828,596)
		(132,703,464)	(128,427,379)
Net cash generated from operating activities		**1,049,479,681**	996,588,973
Cash flows from investing activities			
Fixed capital expenditure		**(687,089,021)**	(239,962,294)
Intangibles		**-**	(3,877,757)
Proceeds from sale of property, plant and equipment	*19.1.2*	**6,695,000**	13,147,000
Long term deposits		**(22,111,474)**	4,700,738
Net cash used in investing activities		**(702,505,495)**	(225,992,313)
Cash flows from financing activities			
Repayments of long term finances - secured - net		**(453,514,002)**	(404,886,000)
Repayments of long term finances - unsecured		**(88,593,567)**	-
Liabilities against assets subject to finance lease		**(12,015,438)**	(10,146,951)
Proceeds from / (repayments of) short term borrowings - *net*		**519,653,454**	(181,905,531)
(Repayment of) / proceeds from long term deposits		**(10,824,414)**	4,269,560
Finance cost paid		**(244,611,290)**	(359,658,895)
Dividend paid		**-**	(11,960,536)
Net cash used in financing activities		**(289,905,257)**	(964,288,353)
Net increase / (decrease) in cash and cash equivalents		**57,068,929**	(193,691,693)
Cash and cash equivalents at beginning of year		**(1,238,332,280)**	(1,044,640,587)
Cash and cash equivalents at end of year	*26.2*	**(1,181,263,351)**	(1,238,332,280)

The annexed notes from 1 to 45 form an integral part of these financial statements.

September 28, 2016
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	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 2014	**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**
Total comprehensive income						
Profit after tax for the year	-	-	-	-	490,066,324	490,066,324
Total comprehensive income	-	-	-	-	**490,066,324**	**490,066,324**
Transactions with the owners of the Company						
Transferred on unwinding - net of tax	-	-	(49,354,759)	(49,354,759)	49,354,759	-
Adjustment due to repayment - net of tax	-	-	(9,605,068)	(9,605,068)	-	(9,605,068)
Balance as at 30 June 2016	**734,580,000**	**410,116,932**	**76,048,284**	**486,165,216**	**1,961,364,217**	**3,182,109,433**

The annexed notes from 1 to 45 form an integral part of these financial statements.

September 28, 2016
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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 Pakistan Stock Exchange (formerly 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 (IFAS) 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 there against 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 except as mentioned in note 3.1 have been applied consistently to all periods presented in these financial statements.

3.1 Change in accounting policy

During the year the Company has adopted IFRS 13 'Fair Value Measurement' which became effective for the financial periods beginning on or after 01 January 2015. IFRS 13 Fair Value Measurement establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRSs. It unifies the definition of fair values as the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7 Financial Instruments Disclosures. As a result, the Company has included the additional disclosure in this regard in note 36.5 to the financial statements. In accordance with the transitional provisions of IFRS 13, the Company has applied the new fair value measurement guidance prospectively and has not provided any comparative information for new disclosures. Notwithstanding the above, the change has no such significant impacts on the measurements of the Company's financial assets and liabilities.

The Company has also adopted IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements' and IFRS 12 'Disclosure of Interests in Other Entities' that became applicable from 01 January 2015, as per the adoption status of IFRS in Pakistan. The application of IFRS 10, IFRS 11 and IFRS 12 did not have any impact on the financial statements of the Company.

3.2 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.

3.3 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.

3.4 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 lease 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 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 lease / 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.

3.5 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.

3.6 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.

3.7 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.

3.8 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.

3.9 Property, plant and equipment

3.9.1 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.

3.9.2 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.

3.10 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.

3.11 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 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.

3.12 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.

3.13 Cash and cash equivalents

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

3.14 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 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.

3.14.1 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. However, the Company has no such financial assets at the year end.

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. However, the Company has no such financial assets at the year end.

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. However, the Company has no such financial assets at the year end.

3.14.2 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, liabilities against assets subject to finance lease, trade and other payables, accrued mark-up and short term borrowings.

3.15 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.

3.16 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.

3.17 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.

3.18 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.

3.19 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.

3.20 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.

3.21 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.

3.22 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.

3.23 Mark-up bearing borrowings

Mark-up bearing borrowings are recognized initially at cost representing the fair value of consideration received less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at original cost less subsequent repayments, while the difference between the original recognized amounts (as reduced by periodic payments) and redemption value is recognized in the profit and loss account over the period of borrowings on an effective rate basis. The borrowing cost on qualifying asset is included in the cost of related asset.

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

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, amendments to published accounting standards, and interpretations that are not yet effective.

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 July 2016.

- 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.

- Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures) [effective for annual periods beginning on or after 1 January 2016) clarifies (a) which subsidiaries of an investment entity are consolidated; (b) exemption to present consolidated financial statements is available to a parent entity that is a subsidiary of an investment entity; and (c) how an entity that is not an investment entity should apply the equity method of accounting for its investment in an associate or joint venture that is an investment entity. The amendments are not likely to have an impact on Company's financial statements.

- Accounting for Acquisitions of Interests in Joint Operations – Amendments to IFRS 11 'Joint Arrangements' (effective for annual periods beginning on or after 1 January 2016) clarify the accounting for the acquisition of an interest in a joint operation where the activities of the operation constitute a business. They require an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a business. The amendments are not likely to have an impact on Company's financial statements.

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

- Agriculture: Bearer Plants [Amendment 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 amendments are not likely to have an impact on Company's financial statements.

- Amendments to IAS 12 'Income Taxes' are effective for annual periods beginning on or after 1 January 2017. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments are not likely to have an impact on Company's financial statements.

- Amendments to IAS 7 'Statement of Cash Flows' are part of IASB's broader disclosure initiative and are effective for annual periods beginning on or after 1 January 2017. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes.

- Amendments to IFRS 2 - Share-based Payment clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after 1 January 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are 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 on continuing involvement in transferred financial assets in cases when they are derecognized in their entirety are in the scope of its disclosure requirements. 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.

The above improvements are not likely to have an impact on Company's financial statements.

5 Issued, subscribed and paid-up capital

2016 (Number of shares)	2015 (Number of shares)		2016 Rupees	2015 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 (2015: 7,733,760) ordinary shares comprising 10.53% of total paid up share capital of the Company.

5.2 Directors and Executives hold 29,983,822 (2015: 29,983,822) ordinary shares comprising 40.82% of total paid up share capital of the Company.

6 Share premium

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

7 Equity portion of shareholders' loan

		2016 Rupees	2015 Rupees
Industrial Products Investment Limited (IPIL)		**2,210,685**	3,794,233
Loan from Sponsor Directors		**73,837,599**	131,213,878
	7.1	**76,048,284**	135,008,111

7.1 This represents amount included in equity on recognizing low interest loan from Sponsor Directors and IPIL (major shareholder) at present value using discount rate of 12% per annum and 9.49% per annum respectively.

8 Surplus on revaluation of freehold land

This represents surplus arisen on revaluation of freehold land. The latest revaluation of freehold land has been carried out by independent valuer, M/S Hamid Mukhtar & Co. (Private) Limited as at 11 February 2016. This revaluation resulted in increase in revaluation surplus of land by Rs. 411,479,500 during the year.

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	2016 Rupees	2015 Rupees
Markup bearing finances from conventional bank:			
Bank of Punjab - Term finance 1	*9.1*	**112,500,000**	193,750,000
Bank of Punjab - Term finance 2	*9.2*	**300,000,000**	-
Less: Transaction cost	*9.3*	**(896,385)**	(1,517,743)
		411,603,615	192,232,257
Syndicate facility	*9.4*	**-**	672,264,002
Less: Transaction cost	*9.3*	**-**	(13,221,745)
		-	659,042,257
		411,603,615	851,274,514
Less: Current maturity	*17*	**(87,500,000)**	(333,352,000)
		324,103,615	517,922,514

9.1 This represents term finance facility availed from Bank of Punjab for purchase of plant and machinery and to partially refinance the purchase of plant and machinery for the Company. The sanctioned limit of the facility is Rs. 300 million (2015: 300 million) and is secured by way of joint pari passu charge over present and future fixed assets of the Company and personal guarantees of sponsor directors of the Company. The outstanding principal is repayable in 18 equal monthly installments ending on 31 December 2017. This facility carries mark up at the rate of 3 months KIBOR plus 200 bps per annum (2015: 3 months KIBOR plus 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 term finance facility availed during the year from Bank of Punjab to meet the capital expenditure requirements of the Company. The sanctioned limit of facility is Rs. 300 million (2015: Nil) and is secured by way of ranking charge (to be upgraded to joint parri passu charge) over present and future fixed assets 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. This facility carries mark up at the rate of 3 months KIBOR plus 150 bps per annum (2015: Nil). As long as any installment payable under this facility has not been paid to the full satisfaction of the bank, the Company shall not without prior written approval of the bank, pay any dividends or make any other capital distributions.

9.3 Transaction cost	**2016 Rupees**	2015 Rupees
Balance as at 01 July	**14,739,488**	21,951,960
Amortized during the year	**(13,843,103)**	(7,212,472)
Balance as at 30 June	**896,385**	14,739,488

9.4 This represented 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 applicable markup was 10.9 % per annum (2015: 10.9% per annum). The facility has been fully repaid by the Company during the year.

10 Long term finances - *unsecured*

	Note	**2016 Rupees**	2015 Rupees
Industrial Products Investment Limited (IPIL)	*10.1*	**30,269,420**	27,626,241
Loan from sponsor directors	*10.2*	**578,017,077**	582,823,524
		608,286,497	610,449,765

10.1 This represents loan obtained from Industrial Products Investment Limited (IPIL), a shareholder, originally in foreign currency, however, the repayment of this loan is fixed at exchange rate prevailing on 31 December 1993. The loan was repayable in 16 equal quarterly installments commencing 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 plus 150 bps per annum (2015: LIBOR plus 150 bps per annum) which is payable in Pak Rupees on demand. The loan was received at a below market rate of interest and is therefore recognized at present value using discount rate of 9.49% per annum. The resulting difference is transferred to equity as referred to in note 7. Change 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 using discount rate of 12% per annum. The resulting difference has been transferred to equity as referred to in note 7. Change during the year is due to unwinding and repayment of loan.

	Note	2016 Rupees	2015 Rupees
11 Liabilities against assets subject to finance lease			
Present value of minimum lease payments		**28,536,332**	40,551,770
Less: Current portion	17	**(13,248,252)**	(11,656,877)
		15,288,080	28,894,893

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

	2016		
	Minimum lease payments	**Future finance charge**	**Present value of minimum lease payments**
		Rupees	
Not later than one year	**15,037,972**	**1,789,720**	**13,248,252**
Later than one year and not later than five years	**15,957,779**	**669,699**	**15,288,080**
	30,995,751	**2,459,419**	**28,536,332**

	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

Salient features of the leases are as follows:

	2016	2015
Discount factor	**8.60% -11.32%**	10.69% -12.44%
Period of lease	**5 years**	5 years
Security deposits	**5%**	5%

11.1 The Company has entered into a lease agreement under mark up arrangement with a financial institution for lease of machinery and an air compressor. The liabilities under these arrangements are payable in quarterly installments. 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 / advances

These represent amounts received from dealers 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

	2016		
	Opening balance	**Charge / (reversal)**	**Closing balance**
Taxable temporary difference		**- - - - Rupees - - - -**	
Accelerated tax depreciation allowances	**252,124,062**	**37,959,017**	**290,083,079**
Equity portion of shareholders' loan	**61,003,168**	**(27,470,472)**	**33,532,696**
Deductible temporary difference			
Unused tax losses	**(77,507,679)**	**77,507,679**	**-**
Unused tax credits	**(187,423,088)**	**28,028,537**	**(159,394,551)**
	48,196,463	**116,024,761**	**164,221,224**

	2015		
	Opening balance	Charge / (reversal)	Closing balance
		- - - - Rupees - - - -	
Taxable temporary difference			
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

14 Trade and other payables

	Note	2016 Rupees	2015 Rupees
Trade creditors		**337,122,443**	320,872,296
Advances from customers		**143,269,708**	127,041,529
Accrued expenses		**146,015,799**	160,444,588
Sales tax payable - net		**-**	14,407,020
Unclaimed dividend		**15,591,131**	15,591,001
Payable to Workers' Profit Participation Fund	*14.1*	**35,585,142**	18,590,485
Payable to Workers' Welfare Fund	*14.2*	**18,183,039**	12,319,316
Payable to Provident Fund - unsecured		**2,913,653**	2,519,900
Withholding tax payable		**6,549,063**	10,835,441
Retention money payable		**843,601**	-
Others		**940,001**	999,071
		707,013,580	683,620,647

14.1 Payable to Workers' Profit Participation Fund

	Note	2016 Rupees	2015 Rupees
Balance as at 01 July		**18,590,485**	3,598,783
Provision for the year	*33*	**34,105,875**	18,381,621
Interest for the year	*32*	**1,479,267**	208,864
Paid during the year		**(18,590,485)**	(3,598,783)
Balance as at 30 June		**35,585,142**	18,590,485

14.2 Payable to Workers' Welfare Fund

	Note	2016 Rupees	2015 Rupees
Balance as at 01 July		**12,319,316**	12,319,316
Provision for the year	*33*	**5,863,723**	-
Balance as at 30 June		**18,183,039**	12,319,316

15 Short term borrowings - *secured*

	Note	2016 Rupees	2015 Rupees
Mark-up based borrowings from conventional banks			
Short term running finance and cash finance	*15.1*	**1,777,080,507**	1,469,927,631
Finance against imported merchandise	*15.2*	**-**	2,034,725
Islamic mode of financing			
Short term Islamic finance	*15.3*	**673,796,398**	427,952,162
		2,450,876,905	1,899,914,518

15.1 Short term running finance and cash 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. 2,805 million (2015: Rs. 2,610 million). Mark up on these facilities ranges from 3 months KIBOR plus 75 bps to 250 bps. (2015: 3 months KIBOR plus 110 bps to 250 bps and 13.5% fixed rate) per annum payable quarterly.

These facilities are secured by way of charge of Rs. Nil (2015: Nil) on fixed assets of the Company and charge of Rs. 3,648 million (2015: Rs. 3,482 million) on current assets of the Company. These facilities are also secured by personal guarantees of sponsor directors of the Company and have various expiry dates up to 31 January 2017.

15.2 Finance against imported merchandise - secured

This represents facility of finance against imported merchandise availed from various commercial banks having cumulative sanctioned limit of Rs. 120 million (2015: Rs. 120 million). Mark up on the facility range from 3 months KIBOR plus 100 bps to 125 bps (2015: 3 months KIBOR plus 150 bps 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 facility has various expiry dates up to 31 Dec 2016.

15.3 Short term islamic finance - secured

This represents facilities of murabaha, finance against imported merchandise istisna, tijarah and karobar finance having cumulative sanctioned limit of Rs. 1,100 million (2015: 1000 million). Profit on these facilities ranges from respective KIBOR plus 85 bps to 200 bps (2015: respective KIBOR plus 125 bps to 200 bps) per annum. These facilities are secured by way of charge of Rs. 1,291 million (2015: Rs. 1,157 million) on current assets of the Company, charge of Rs. Nil (2015: Rs. Nil) on fixed assets of the Company and personal guarantees of sponsor directors of the Company. These facilities have various expiry dates up to 31 March 2017.

	Note	2016 Rupees	2015 Rupees
16 Accrued mark-up			
Mark-up based borrowings from conventional banks			
Long term finances - *secured*		**6,748,367**	5,258,989
Long term finances - *unsecured*		**32,056,146**	31,292,922
Short term borrowings - *secured*		**29,037,731**	25,165,048
Finance lease		**247,021**	440,743
Islamic mode of financing			
Short term borrowings - *secured*		**3,991,270**	6,136,013
		72,080,535	68,293,715
17 Current portion of long term liabilities			
Long term finances - *secured*	*9*	**87,500,000**	333,352,000
Liabilities against assets subject to finance lease	*11*	**13,248,252**	11,656,877
		100,748,252	345,008,877

18 Contingencies and commitments

18.1 Contingencies

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

- Sui Northern Gas Pipelines Limited against supply of gas for furnace amounting to Rs.360.2 million (2015: 326.5 million)

- Sui Northern Gas Pipelines Limited against supply of gas for captive power amounting to Rs.18.8 million (2015: Rs.18.8 million).

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

18.1.2 The commercial bank has also issued a bank guarantee on behalf of the Company in favour of Collector of Customs, Karachi against import of gas cylinders amounting to Rs. 1.39 million (2015: NIL). The said guarantee is secured by way of 100% cash margin.

18.1.3 An insurance company has issued an insurance guarantee amounting to Rs. 25 million (2015: 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.

18.1.4 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. 46.54 million (2015: Rs. 32.8 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.

18.1.5 During the last 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 was clarified that GIDC was 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 challenged the legality and validity of levy and demand of GIDC in Honourable Lahore High Court which is pending adjudication.

18.2 Commitments

- Letter of credit for capital expenditure amounting to Rs. 9.74 million (2015: Rs. 51.99 million).
- Letter of credit for other than capital expenditure amounting to Rs. 28.80 million (2015: Rs. 23.99 million).
- The amount of future ijarah rentals for ijarah financing and the period in which these payments will become due are as follows:

	2016 Rupees	2015 Rupees
Not later than one year	**76,833,078**	43,090,824
Later than one year but not later than five years	**102,069,167**	43,340,052
	178,902,245	86,430,876

19 Property, plant and equipment

	Note		
Operating fixed assets	*19.1*	**4,824,401,360**	4,232,875,943
Capital work in progress	*19.2*	**40,343,661**	600,940
		4,864,745,021	4,233,476,883

19.1 Operating fixed assets

	Owned assets											Leased assets	
	Freehold 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 at 1 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 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
Balance at 1 July 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**
Additions	**51,549,836**	**51,961,140**	**-**	**475,362,243**	**429,340**	**-**	**5,804,243**	**5,734,900**	**54,871,717**	**1,632,881**	**647,346,300**	**-**	**647,346,300**
Revaluation surplus	**411,479,500**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**411,479,500**	**-**	**411,479,500**
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(10,382,370)**	**-**	**-**	**(10,382,370)**	**-**	**(10,382,370)**
Write off	**-**	**-**	**-**	**(225,298,590)**	**-**	**-**	**-**	**-**	**-**	**-**	**(225,298,590)**	**-**	**(225,298,590)**
Balance at 30 June 2016	**865,653,836**	**1,461,162,015**	**49,281,810**	**4,558,291,599**	**7,719,239**	**5,132,536**	**40,131,103**	**74,562,715**	**186,823,858**	**1,813,762**	**7,250,572,473**	**57,302,277**	**7,307,874,750**
Rate of depreciation - %	-	10%	5%	10% - 20%	10%	10%	10%	20%	30%	10%		10%	
Accumulated depreciation													
Balance at 1 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 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
Balance at 1 July 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**
Depreciation	**-**	**106,086,895**	**459,553**	**333,552,222**	**344,892**	**372,609**	**2,092,403**	**9,934,956**	**6,491,237**	**88,040**	**459,422,807**	**4,566,728**	**463,989,535**
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(7,071,522)**	**-**	**-**	**(7,071,522)**	**-**	**(7,071,522)**
Write off	**-**	**-**	**-**	**(225,298,590)**	**-**	**-**	**-**	**-**	**-**	**-**	**(225,298,590)**	**-**	**(225,298,590)**
Balance at 30 June 2016	**-**	**464,505,405**	**40,550,306**	**1,780,841,049**	**4,555,040**	**1,779,057**	**18,559,049**	**34,954,573**	**121,378,565**	**148,624**	**2,467,271,668**	**16,201,722**	**2,483,473,390**
Carrying amounts													
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
At 30 June 2016	**865,653,836**	**996,656,610**	**8,731,504**	**2,777,450,550**	**3,164,199**	**3,353,479**	**21,572,054**	**39,608,142**	**65,445,293**	**1,665,138**	**4,783,300,805**	**41,100,555**	**4,824,401,360**

Depreciation charge for the year has been allocated as follows:

	Note	**2016 Rupees**	2015 Rupees
Cost of sales	*28*	**452,674,303**	452,717,157
Administrative expenses	*29*	**3,692,237**	2,553,936
Selling and distribution expenses	*30*	**7,622,995**	4,663,192
		463,989,535	459,934,285

19.1.1 During the year Company has purchased land amounting to Rs. 51.5 million, tittle of which is in process of transferring in the name of the Company.

19.1.2 Disposal of operating fixed assets

Particular of assets	Particulars of Purchasers	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain	Mode of disposal
		Rupees					
Vehicles							
Suzuki Cultus LED-09-6843	Azhar Mahmood	159,000	(76,687)	82,313	500,000	417,687	Negotiation
Honda City LEJ-07-7940	Aftab Khan Jadoon	872,000	(729,309)	142,691	695,000	552,309	Negotiation
Mercedes Benz LEB-11-3	M. Muzammal Khan	9,351,370	(6,265,526)	3,085,844	5,500,000	2,414,156	Negotiation
2016		**10,382,370**	**(7,071,522)**	**3,310,848**	**6,695,000**	**3,384,152**	
2015		12,938,510	(7,439,907)	5,498,603	13,147,000	7,648,397	

19.1.3 Freehold land revaluation has been carried out under the market value basis. The latest revaluation has been carried out on 11 February 2016.

Had there been no revaluation, carrying value of land would have been Rs 99.17 million (2015: Rs. 47.62 million).

	Note	2016 Rupees	2015 Rupees
19.2 Capital work in progress			
Plant and machinery		**15,307,697**	600,940
Advances		**25,035,964**	-
	19.2.1	**40,343,661**	600,940
19.2.1 Movement in capital work in progress			
Balance as at 01 July		**600,940**	3,686,046
Additions during the year		**566,065,585**	134,972,485
Capitalized during the year		**(526,322,864)**	(138,057,591)
Balance as at 30 June		**40,343,661**	600,940

20 Intangibles

	2016	2015
ERP software		
Cost	**6,962,863**	6,962,863
Accumulated amortization	**(1,740,716)**	(348,143)
	5,222,147	6,614,720
Amortization rate (%)	**20%**	20%

	Note	2016 Rupees	2015 Rupees
20.1 Amortization charge has been allocated as follows:			
Administrative expense	*29*	**1,392,573**	348,143

21 Long term deposits

	2016	2015
Deposit with leasing companies	**35,432,004**	18,637,030
Guarantee margin deposits	**10,513,000**	5,288,000
Others	**20,826,427**	20,734,927
	66,771,431	44,659,957

22 Stores and spare parts

	2016	2015
Stores	**144,476,616**	109,374,094
Spare parts	**474,060,982**	501,582,395
	618,537,598	610,956,489

		Note	2016 Rupees	2015 Rupees
23	**Stock in trade**			
	Raw materials		**304,857,504**	240,176,883
	Chemical and ceramic colors		**47,667,302**	25,382,859
	Packing material		**42,274,665**	31,649,032
	Work in process		**69,331,510**	73,942,836
	Finished goods		**1,028,076,662**	889,626,983
			1,492,207,643	1,260,778,593
24	**Trade debts - considered good**			
	Local debtors	*24.1*	**829,171,971**	741,979,997
	Foreign debtors		**23,767,079**	14,223,938
			852,939,050	756,203,935

24.1 This includes unsecured receivable from Omer Glass Industries Limited, an associated undertaking, amounting to Rs. 4.82 million (2015: Rs. 4.19 million) against sale of glass lids.

		Note	2016 Rupees	2015 Rupees
25	**Advances, deposits, prepayments and other receivables**			
	Advances to suppliers - unsecured, considered good		**28,002,132**	91,898,151
	Advances to staff - unsecured, considered good	*25.1*	**3,120,291**	3,032,456
	Prepaid expenses		**4,255,375**	2,651,811
	Advance income tax	*25.2*	**375,010,223**	304,323,726
	Sales tax - net		**39,173,117**	-
	Security deposits		**16,879,765**	18,939,593
	Prepaid rent and insurance		**11,131,838**	13,429,603
	Due from associated companies - unsecured	*25.3*	**2,421,366**	395,304
			479,994,107	434,670,644

25.1 Advances to staff include amounts due from executives amounting to Rs. 2.17 million (2015: Rs 1.64 million).

		2016 Rupees	2015 Rupees
25.2	**Advance income tax**		
	Advance income tax	**414,150,327**	304,323,726
	Provision for tax	**(39,140,104)**	-
		375,010,223	304,323,726
25.3	**Due from associated companies**		
	Omer Glass Industries Limited	**420,304**	390,304
	M & M Glass (Private) Limited *(Formerly M & M Fiber (Private) Limited)*	**2,001,062**	5,000
		2,421,366	395,304
25.3.1	**Aging of related party balance**		
	Past due 0 - 60 days	**15,000**	-
	Past due 61 - 90 days	**-**	-
	Past due 91 - 120 days	**-**	-
	Past due 120 days	**2,406,366**	395,304
		2,421,366	395,304

		Note	2016 Rupees	2015 Rupees
26	**Cash and bank balances**			
	Cash in hand		**3,979,902**	3,877,715
	Cash at bank			
	Local currency			
	- Current accounts		**149,457,288**	142,822,576
	Interest based deposits with conventional banks			
	- Deposit and saving accounts	*26.1*	**103,809,744**	26,438,186
	Profit based deposits with islamic banks			
	- Deposit and saving account	*26.1*	**116,423**	113,651
			253,383,455	169,374,413
	Foreign currency - current accounts		**5,844,928**	1,578,295
			263,208,285	174,830,423

26.1 Interest / profit on deposit accounts ranges from 3.15% to 4.60% (2015: 4.15% to 5.50%) per annum.

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

	2016 Rupees	2015 Rupees
Cash and bank balances	**263,208,285**	174,830,423
Running finance	**(1,444,471,636)**	(1,413,162,703)
	(1,181,263,351)	(1,238,332,280)

		Note	2016 Rupees	2015 Rupees
27	**Sales - net**			
	Local		**8,958,069,033**	8,309,255,153
	Export		**649,333,397**	1,175,668,009
	Gross sales		**9,607,402,430**	9,484,923,162
	Less: Sales tax		**1,379,874,527**	1,177,645,057
	Trade discounts		**151,513,314**	267,111,183
			1,531,387,841	1,444,756,240
			8,076,014,589	8,040,166,922
28	**Cost of sales**			
	Raw material consumed		**1,918,519,520**	1,787,105,522
	Salaries, wages and other benefits	*28.1*	**980,621,379**	813,772,298
	Fuel and power		**2,058,309,404**	2,276,385,504
	Packing material consumed		**502,864,445**	410,339,044
	Stores and spares consumed		**410,243,843**	472,436,048
	Carriage and freight		**35,910,508**	40,590,329
	Repair and maintenance		**28,527,972**	22,604,349
	Travelling and conveyance		**16,912,705**	17,411,200
	Insurance		**13,107,190**	14,927,773
	Ijarah rentals		**41,549,327**	38,801,733
	Postage and telephone		**1,653,444**	1,642,179
	Rent, rates and taxes		**30,169,096**	32,638,050
	Printing and stationery		**547,655**	430,420
	Depreciation	*19.1*	**452,674,303**	452,717,157
	Others		**24,224,149**	18,637,407
			6,515,834,940	6,400,439,013
	Work in process			
	Opening stock	*23*	**73,942,836**	67,883,522
	Closing stock	*23*	**(69,331,510)**	(73,942,836)
			4,611,326	(6,059,314)
			6,520,446,266	6,394,379,699
	Finished goods			
	Opening	*23*	**889,626,983**	921,703,915
	Closing	*23*	**(1,028,076,662)**	(889,626,983)
			(138,449,679)	32,076,932
			6,381,996,587	6,426,456,631

28.1 Salaries, wages and other benefits include Rs. 11.27 million (2015: Rs. 10.22 million) in respect of staff retirement benefit.

	Note	2016 Rupees	2015 Rupees
29 Administrative expenses			
Salaries, wages and other benefits / remuneration	*29.1*	**85,557,623**	61,858,684
Travelling expenses		**2,355,634**	4,191,387
Motor vehicle expenses		**3,270,720**	4,437,419
Postage and telephone		**3,963,038**	3,186,872
Printing and stationery		**1,053,013**	934,100
Rent, rates and taxes		**6,591,040**	5,835,719
Repair and maintenance		**4,301,267**	1,690,042
Legal and professional charges		**11,376,626**	10,458,601
Auditors' remuneration	*29.2*	**1,141,000**	1,085,200
Advertisement		**680,530**	1,112,594
Utilities		**3,590,299**	3,523,734
Entertainment		**898,471**	2,075,258
Insurance		**1,735,804**	1,391,564
Subscription, news papers and periodicals		**1,559,735**	1,696,585
Depreciation	*19.1*	**3,692,237**	2,553,936
Ijarah rentals		**3,161,497**	3,629,766
Donations	*29.3*	**3,350,699**	2,485,061
Amortization	*20.1*	**1,392,573**	348,143
Miscellaneous		**8,681,089**	7,309,049
		148,352,895	119,803,714

29.1 Salaries, wages and other benefits include Rs. 2.24 million (2015: Rs. 1.83 million) in respect of staff retirement benefit.

	2016 Rupees	2015 Rupees
29.2 Auditors' remuneration		
Audit fee	**800,000**	800,000
Half yearly review fee	**121,000**	121,000
Out of pocket expenses	**220,000**	164,200
	1,141,000	1,085,200

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

30	**Selling and distribution expenses**	*Note*	**2016 Rupees**	2015 Rupees
	Salaries, wages and other benefits / remuneration	*30.1*	**84,770,282**	78,826,050
	Local freight and forwarding		**76,176,152**	69,899,829
	Export freight and forwarding		**41,146,100**	59,406,535
	Distribution expenses		**225,905,493**	422,541,355
	Travelling expenses		**23,655,792**	22,612,707
	Motor vehicle expenses		**15,135,272**	12,728,977
	Postage and telephone		**3,467,869**	2,286,731
	Printing and stationery		**711,907**	328,607
	Advertisement, exhibitions and sales promotion		**30,376,086**	16,406,904
	Rent and utilities		**5,356,633**	3,933,810
	Depreciation	*19.1*	**7,622,995**	4,663,192
	Ijarah rentals		**1,999,109**	4,383,275
	Breakage and incidental charges		**9,385,771**	5,333,035
	Miscellaneous		**1,537,138**	3,965,533
			527,246,599	707,316,540

30.1 Salaries, wages and other benefits include Rs. 2.89 million (2015: Rs. 2.32 million) in respect of staff retirement benefit.

31	**Other income**	*Note*	**2016 Rupees**	2015 Rupees
	Income from non-financial assets			
	Gain on disposal of property, plant and equipment	*19.1.2*	**3,384,152**	7,648,397
	Others		**-**	2,269,599
			3,384,152	9,917,996
	Income from financial assets			
	- Markup from deposits with conventional banks			
	Interest income on bank deposits		**4,107,610**	2,913,259
	- Profit from deposits with islamic banks			
	Profit income on bank deposits		**3,398**	6,519
			7,495,160	12,837,774

32	**Finance cost**			
	Mark-up based loans from conventional banks			
	Long term finances		**83,586,791**	131,896,448
	Short term borrowings		**131,781,781**	151,106,875
	Finance leases		**2,994,767**	5,151,050
	Islamic mode of financing			
	Short term borrowings		**34,328,424**	53,234,485
			252,691,763	341,388,858
	Notional interest on unwinding of shareholders' loan		**72,580,528**	64,858,144
	Interest on Workers' Profit Participation Fund		**1,479,267**	208,864
	Bank charges		**5,168,674**	10,605,481
	Guarantee commission charges		**4,380,776**	1,896,272
			336,301,008	418,957,619

33	**Other expenses**			
	Workers' Profit Participation Fund	*14.1*	**34,105,875**	18,381,621
	Workers' Welfare Fund	*14.2*	**5,863,723**	-
	Foreign exchange loss - net	*33.1*	**167,170**	-
			40,136,768	18,381,621

33.1 This represents loss on actual currency conversion.

		2016 Rupees	2015 Rupees
34	**Taxation**		
	Income tax		
	- *current year*	**39,140,104**	-
	- *prior years*	**-**	(3,838,970)
	Deferred tax expense / (income) including prior year adjustments	**120,269,464**	(42,292,720)
		159,409,568	(46,131,690)

34.1 Relationship between the tax expense and accounting profit

	2016 Rupees	2015 Rupees
Profit before taxation	**649,475,892**	362,088,571
Tax calculated at the rate of 32.00% / 33.00%	**207,832,285**	119,489,228
Tax effect of:		
- income under Final Tax Regime	**(14,953,815)**	(65,598,314)
- tax on undistributed reserves	**-**	68,736,313
- super tax	**16,967,347**	-
- change in proportion of local and export sales	**-**	352,585
- tax rate adjustments	**(2,365,268)**	(8,034,919)
- prior year adjustments	**(4,212,973)**	(70,940,042)
- tax credits	**(47,536,224)**	(86,326,739)
- others	**3,678,216**	(3,809,802)
	159,409,568	(46,131,690)

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.

As explained in note 44 to the financial statements, the Board of Directors in their meeting held on 28 September 2016 has recommended a final cash dividend of Rs. 2.70 per ordinary share for the year ended 30 June 2016 which complies with the above stated requirements. Accordingly, no provision for tax on undistributed reserves has been made in these financial statements.

			2016	2015
35	**Earnings per share - basic and diluted**			
	Profit attributable to ordinary shareholders	***Rupees***	**490,066,324**	408,220,261
	Weighted average number of ordinary shares outstanding during the year	***Numbers***	**73,458,000**	73,458,000
	Earnings per share	***Rupees***	**6.67**	5.56

35.1 No figure for diluted earnings per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

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 failed 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:

	2016 Rupees	2015 Rupees
Long term deposits	**66,771,431**	44,659,957
Trade debts - considered good	**852,939,050**	756,203,935
Security deposits	**16,879,765**	18,939,593
Bank balances	**259,228,383**	170,952,708
	1,195,818,629	990,756,193

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, leasing companies and financial 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 as follows:

		2016 Rupees	2015 Rupees
Foreign		**23,767,079**	14,223,938
Domestic		**829,171,971**	741,979,997
		852,939,050	756,203,935
The aging of trade receivables at the reporting date is:			
Not past due		**776,174,536**	688,145,581
Past due 0 - 60 days		**25,588,172**	22,686,118
Past due 61 - 90 days		**42,646,953**	37,810,197
Past due 91 - 120 days	*36.2.1*	**4,605,871**	4,083,501
Past due 120 days	*36.2.2*	**3,923,518**	3,478,538
		852,939,050	756,203,935

Customer credit risk is managed subject to the Company's established policy, 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 0.14 million (2015: 1.44 million) due from an associated company, Omer Glass Industries Limited.

36.2.2 This includes amount of Rs 4.68 million (2015: 2.75 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:

	2016 Rupees	2015 Rupees
Local currency:		
- Current accounts	**149,457,288**	142,822,576
Markup based deposits with conventional banks		
- Deposits and saving accounts	**103,809,744**	26,438,186
Profit based deposits with islamic banks		
- Deposit and saving account	**116,423**	113,651
	253,383,455	169,374,413
Foreign currency:		
- Current accounts	**5,844,928**	1,578,295
	259,228,383	170,952,708

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

	Rating 2016			2016
	Short term	**Long term**	**Agency**	**Rupees**
Bank Alfalah Limited	**A1+**	**AA**	**PACRA**	**48,436,973**
The Bank of Khyber	**A1**	**A**	**PACRA**	**4,969,933**
The Bank of Punjab	**A1+**	**AA-**	**PACRA**	**40,859,515**
MCB Bank Limited	**A1+**	**AAA**	**PACRA**	**25,955,304**
National Bank of Pakistan	**A1+**	**AAA**	**PACRA**	**5,724,256**
United Bank Limited	**A-1+**	**AAA**	**JCR-VIS**	**31,019,973**
Habib Bank Limited	**A-1+**	**AAA**	**JCR-VIS**	**16,007,446**
Faysal Bank Limited	**A1+**	**AA**	**PACRA**	**57,873,510**
NIB Bank Limited	**A1+**	**AA-**	**PACRA**	**2,858,168**
Bank Islami Pakistan Limited	**A1**	**A**	**PACRA**	**27,204**
Meezan bank Limited	**A-1+**	**AA**	**JCR-VIS**	**14,344,134**
Askari Bank Limited	**A1+**	**AA+**	**PACRA**	**625**
Albarka Bank Limited	**A1**	**A**	**PACRA**	**2,441,798**
Bank Al Habib Limited	**A1+**	**AA+**	**PACRA**	**8,707,741**
Sindh Bank Limited	**A-1+**	**AA**	**JCR-VIS**	**1,803**
				259,228,383

	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 Limited	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

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:

	2016						
	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	412,500,000	646,762,370	53,061,059	85,395,257	198,355,507	309,950,547	-
Long term loan-unsecured	608,286,497	717,867,477	-	-	692,825,390	25,042,087	-
Liability against assets subject to finance lease	28,536,332	30,995,751	7,518,986	7,518,986	13,103,143	2,854,636	-
Trade and other payables	500,512,975	500,512,975	500,512,975	-	-	-	-
Accrued markup	72,080,535	72,080,535	72,080,535	-	-	-	-
Short term borrowings	2,450,876,905	2,450,876,905	2,450,876,905	-	-	-	-
	4,072,793,244	**4,419,096,013**	**3,084,050,460**	**92,914,243**	**904,284,040**	**337,847,270**	**-**

	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	806,461,044	-	-	-	798,113,682	8,347,362
Liability against assets subject to finance lease	40,551,770	47,287,052	7,627,451	7,627,451	15,462,976	16,569,174	-
Trade and other payables	497,906,956	497,906,956	497,906,956	-	-	-	-
Accrued markup	68,293,715	68,293,715	68,293,715	-	-	-	-
Short term borrowings	1,899,914,518	1,899,914,518	1,899,914,518	-	-	-	-
	3,983,130,726	4,295,718,134	2,629,374,486	250,462,103	467,560,385	939,973,798	8,347,362

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 and 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:

	2016 Rupees	2015 Rupees
Foreign debtors	**23,767,079**	14,223,938
Foreign currency bank accounts	**5,844,928**	1,578,295
Gross balance sheet exposure	**29,612,007**	15,802,233

The following significant exchange rates have been applied:

	Average rate		Reporting date rate	
	2016	2015	**2016**	2015
USD to PKR	**104.30**	101.51	**104.75**	101.70

Sensitivity analysis:

At reporting date, if the PKR had strengthened by 10% against the foreign currencies with all other variables held constant, profit before tax 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 and foreign currency bank account.

	2016 Rupees	2015 Rupees
Effect on profit and loss		
US Dollar	**(2,961,201)**	(1,580,223)

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

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:

	2016		2015	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
Non-derivative financial instruments	---------------------Rupees---------------------			
Long term loans	-	-	-	659,042,257
Short term borrowings	-	-	-	626
	-	-	-	659,042,883

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

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:

	2016		2015	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	-----------Rupees---------		-----------Rupees---------	
Long term loans from banking companies-secured	**-**	**411,603,615**	-	192,232,257
Long term finances - unsecured	**-**	**30,269,420**	-	27,626,241
Short term borrowings	**-**	**2,450,876,905**	-	1,899,913,892
Liabilities against assets subject to finance lease - secured	**-**	**28,536,332**	-	40,551,770
Bank balances at PLS accounts	**103,926,167**	**-**	26,551,837	-
	103,926,167	**2,921,286,272**	26,551,837	2,160,324,160

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	
	2016	2015
Increase of 100 basis points	**Rupees**	Rupees
Variable rate instruments	**(28,173,601)**	(21,337,723)

	Profit	
	2016	2015
	Rupees	Rupees
Decrease of 100 basis points		
Variable rate instruments	**28,173,601**	21,337,723

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.

36.5 Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial instruments and non-financial instruments including their levels in the fair value hierarchy:

Fair value measurement of financial instruments

		Carrying amount			Fair value		
		Loans and receivables at amortized cost	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3
On-Balance sheet financial instruments	*Note*	------ Rupees ------					
30 June 2016							
Financial assets not measured at fair value							
Long term deposits		66,771,431	-	66,771,431	-	-	-
Trade debts		852,939,050	-	852,939,050	-	-	-
Security deposits		16,879,765	-	16,879,765	-	-	-
Bank balances		259,228,383	-	259,228,383	-	-	-
	36.5.1	1,195,818,629	-	1,195,818,629	-	-	-
Financial liabilities not measured at fair value							
Long term loans - **secured**		-	412,500,000	412,500,000	-	-	-
Long term loans - **unsecured**		-	608,286,497	608,286,497	-	-	-
Liabilities against assets subject to finance lease		-	28,536,332	28,536,332	-	-	-
Trade and other payables		-	500,512,975	500,512,975	-	-	-
Accrued mark-up		-	72,080,535	72,080,535	-	-	-
Short term borrowing		-	2,450,876,905	2,450,876,905	-	-	-
	36.5.1	-	4,072,793,244	4,072,793,244	-	-	-

36.5.1 Fair value versus carrying amounts

The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or repriced over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

36.5.2 Fair value of freehold land

Freehold land has been carried at revalued amount determined by independent professional valuer (level 3 measurement) based on their assessment of the market values as disclosed in note 8. The valuation expert used a market based approach to arrive at the fair value of the Company's land. 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. The effect of changes in the unobservable inputs used in valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been prepared in these financial statements.

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.

3.8.1 Sales from glassware products represent 100% (2015: 100%) of total revenue of the Company.

3.8.2 The sales percentage by geographic region is as follows:

	2016	2015
	%	%
Pakistan	**92**	85
India	**5**	11
Afghanistan	**1**	2
Others	**2**	2
	100	100

38.3 All non-current assets of the Company as at 30 June 2016 are located in Pakistan.

39 Plant capacity and actual production

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

	2016 M. Tons	2015 M. Tons
Pulled production	**223,809**	213,101
Packed production	**168,263**	157,830

The capacity of plant is indeterminable because capacity of furnaces to produce glassware varies with the measurement / size of glass produced.

40 Provident Fund

	2016 Rupees	2015 Rupees
Size of the fund / trust	**86,571,410**	73,066,025
Cost of investment made	**69,105,420**	67,565,778

	2016 Percentage	2015 Percentage
Percentage of investment made %	**79.82%**	92.47%

	2016 Rupees	2015 Rupees
Fair value of investment	**83,043,912**	69,239,296
Break up of investments - based upon fair value		
UBL Term Deposit Receipt	**48,000,000**	33,500,000
UBL Al-Ameen Islamic PPF-IV	**4,507,559**	4,267,842
NBP Nafa Government Securities Saving Fund	**-**	9,869,423
NBP Nafa Islamic P.P.F	**16,101,355**	15,632,508
NBP Nafa Money Market Fund	**10,505,260**	-
Deposit and saving accounts	**3,929,738**	5,969,523
	83,043,912	69,239,296

	2016	2015
	---%age of size of fund-----	
Break up of investment		
UBL Term Deposit Receipt	**55%**	46%
UBL Al-Ameen Islamic PPF-IV	**5%**	6%
NBP Nafa Government Securities Saving Fund	**0%**	14%
NBP Nafa Islamic P.P.F	**19%**	21%
NBP Nafa Money Market Fund	**12%**	0%
Savings account	**5%**	8%

The figures for 2016 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.

41 Remuneration of Directors and Executives

The aggregate amounts charged in the accounts for the year for remuneration / consultancy fee, including all benefits to the chairman and managing director, directors and executives of the Company are as follows:

	Chief Executive Officer / Executive director		Non Executive Directors		Executives	
	2016 **Rupees**	2015 Rupees	**2016** **Rupees**	2015 Rupees	**2016** **Rupees**	2015 Rupees
Managerial remuneration	**6,420,000**	4,872,000	**-**	-	**65,885,127**	52,449,222
House rent	**2,592,000**	1,835,490	**-**	-	**28,845,318**	23,100,283
Conveyance	**12,000**	5,310	**-**	-	**532,800**	454,900
Contribution to provident fund	**-**	-	**-**	-	**6,343,173**	5,023,098
Medical and other allowances	**-**	-	**-**	-	**6,410,394**	5,121,702
Utilities	**576,000**	487,200	**-**	-	**6,410,394**	5,121,702
Remuneration to non-executive directors	**-**	-	**14,423,530**	13,938,444	**-**	-
	9,600,000	7,200,000	**14,423,530**	13,938,444	**114,427,206**	91,270,907
Number of persons	**1**	1	**4**	4	**94**	84

In addition to the above benefits, some of the directors are also provided with free use of company maintained cars. No meeting fee was paid to non executive directors during the year.

42 Transactions with related parties

Related parties comprises 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 41 for disclosure of remuneration to key management personnel. Significant transactions with related parties other than those disclosed elsewhere in the financial statements are as follows:

Name	Relationship	Nature of transactions	2016 Rupees	2015 Rupees
Industrial Products Investment Limited	Shareholder	Interest cost for the year	**763,224**	686,924
Omer Glass Industries Limited	Associated company	Sales	**671,169**	1,443,076
		Expense paid on behalf of the related party	**30,000**	198,946
M & M Glass (Private) Limited *(Formerly M & M Fiber (Private) Limited)*	Associated company	Expense paid on behalf of the related party	**1,996,062**	-
Provident fund	Employee benefit plan	Employer's contributions made during the year	**16,221,134**	14,247,379
Syed Tufail Hussain	Executive employee	Sale proceeds of vehicle	**-**	446,000
Tariq Baiq	Executive Director	Repayment of long term loan to director	**35,899,117**	-
Omer Baig	Non Executive Director	Repayment of long term loan to director	**52,694,450**	-

43 Number of Employees

The total average number of employees during the year and as at June 30, 2016 and 2015 respectively are as follows:

	2016 **No. of employees**	2015 No. of employees
Average number of employees during the year	**738**	717
Number of employees as at June 30	**757**	715

44 Event after Balance sheet date

The Board of Directors has proposed a final dividend of Rs. 2.70 per share (i.e. 27%) for the year ended 30 June 2016 in their meeting held on 28 September 2016 for approval of the members at the Annual General Meeting to be held on 27 October 2016. These financial statements do not reflect theses appropriations.

45 Date of authorization for issue

These financial statements were authorized for issue on 28 September 2016 by the Board of Directors of the Company.

September 28, 2016
Lahore

OMER BAIG
CHAIRMAN

TARIQ BAIG
MANAGING DIRECTOR

FINANCIAL STATISTICAL SUMMARY

Year		2016	2015	2014	2013	2012	2011	2010
Investment Measures								
Share capital	Million Rupees	**734.58**	734.58	734.58	693.00	693.00	693.00	231.00
Shareholders equity	Million Rupees	**3,182.11**	2,701.65	2,298.94	2,083.60	2,032.68	1,646.03	618.44
Profit before tax	Million Rupees	**649.48**	362.09	15.59	152.55	423.49	209.42	188.16
Profit/(Loss) after tax	Million Rupees	**490.07**	408.22	(17.32)	367.36	292.76	143.82	141.72
Dividend per share	Rs.	**2.70**	-	0.50	-	-	1.00	1.75
Earnings/(Loss) per share	Rs.	**6.67**	5.56	(0.24)	5.30	4.22	5.71	6.14
Break up value	Rs.	**53.75**	41.61	36.13	36.42	29.33	23.75	26.77
Price earning ratio	Rs.	**11.08**	10.53	(128.17)	4.15	3.79	2.63	2.45
Measure of financial status								
Current ratio	Ratio	**1.11:1**	1.08:1	1.00:1	1.03:1	1.08:1	1.99:1	1.05:1
Number of days stock	Time	**85**	72	68	67	38	32	32
Number of days trade debts	Time	**39**	34	33	21	4	5	6
Measure of performance								
Return on capital employed	%	**9.22%**	9.02%	(0.38%)	8.01%	10.12%	15.25%	22.42%
Gross profit ratio	%	**20.98%**	20.07%	14.53%	15.10%	20.48%	17.57%	19.28%
Profit before tax to sales ratio	%	**8.04%**	4.50%	0.20%	3.92%	12.42%	8.07%	9.08%
Profit/(Loss) after tax to sales ratio	%	**6.07%**	5.08%	(0.22%)	9.45%	8.58%	5.53%	6.84%
Debt equity ratio	%	**21.51%**	27.46%	36.23%	39.78%	34.66%	9.00%	31.04%

PATTERN OF SHAREHOLDING
As at June 30, 2016

Number of share holders	Share holding From	Share holding To	Total Shares Held	%age of Paid up
350	1	100	14,803	0.02%
700	101	500	165,128	0.22%
216	501	1,000	189,211	0.26%
335	1,001	5,000	883,976	1.20%
58	5,001	10,000	611,101	0.83%
38	10,001	15,000	500,706	0.68%
8	15,001	20,000	332,312	0.45%
7	20,001	25,000	354,658	0.48%
12	25,001	30,000	351,000	0.48%
2	30,001	35,000	169,500	0.23%
3	35,001	40,000	115,500	0.16%
5	40,001	45,000	220,500	0.30%
7	45,001	50,000	345,500	0.47%
3	50,001	55,000	160,500	0.22%
3	55,001	60,000	173,750	0.24%
4	60,001	65,000	246,700	0.34%
1	65,001	70,000	69,500	0.09%
2	70,001	75,000	146,375	0.20%
1	75,001	80,000	77,000	0.10%
2	80,001	85,000	165,500	0.23%
1	85,001	90,000	89,507	0.12%
1	95,001	100,000	196,500	0.27%
1	100,001	105,000	208,500	0.28%
2	105,001	110,000	216,401	0.29%
1	110,001	115,000	111,000	0.15%
1	115,001	120,000	120,000	0.16%
1	120,001	125,000	125,000	0.17%
2	145,001	150,000	299,660	0.41%
2	150,001	155,000	307,500	0.42%
3	165,001	170,000	504,500	0.69%
3	195,001	200,000	597,000	0.81%
1	200,001	205,000	204,000	0.28%
1	205,001	210,000	205,036	0.28%
1	220,001	225,000	225,000	0.31%
1	240,001	245,000	243,000	0.33%
1	295,001	300,000	300,000	0.41%
1	300,001	305,000	301,000	0.41%
1	340,001	345,000	343,500	0.47%
1	345,001	350,000	350,000	0.48%
1	355,001	360,000	357,000	0.49%
2	390,001	395,000	786,791	1.07%
1	395,001	400,000	400,000	0.54%
1	400,001	405,000	404,420	0.55%
1	420,001	425,000	424,000	0.58%
1	460,001	465,000	460,500	0.63%
1	495,001	500,000	500,000	0.68%
1	510,001	515,000	515,000	0.70%
1	525,001	530,000	528,000	0.72%
1	575,001	580,000	575,001	0.78%
1	640,001	645,000	640,396	0.87%
1	675,001	680,000	677,500	0.92%
1	680,001	685,000	685,000	0.93%
1	685,001	690,000	690,000	0.94%
1	1,035,001	1,040,000	1,039,500	1.42%
1	1,060,001	1,065,000	1,061,924	1.45%
1	1,120,001	1,125,000	1,122,000	1.53%
1	1,785,001	1,790,000	1,787,000	2.43%
1	2,565,001	2,570,000	2,568,500	3.50%
1	3,995,001	4,000,000	4,000,000	5.45%
1	6,925,001	6,930,000	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%
1,808			**734,580,000**	**100.00%**

Description	Number of Shareholders	Shareholding (Nos.)	Percentage
Individuals	1,741	37,640,172	51.24%
Joint Stock Companies	21	9,557,411	13.01%
Financial Institutions	5	4,612,500	6.28%
Insurance Companies	2	490,658	0.67%
Investment Companies	3	12,000	0.02%
Mutual Funds	23	9,763,915	13.29%
Foreign Company	3	10,536,844	14.34%
NIT and ICP	1	24,800	0.03%
Others	9	819,700	1.12%
	1,808	**73,458,000**	**100.00%**

CATEGORIES OF SHAREHOLDERS
AS AT 30 JUNE 2016

		Shareholding (No. of Shares)	Shareholding (Percentage)
A)	**Directors, CEO, Their Spouse and Minor Children**		
	Managing Director / CEO		
	- Mr. Tariq Baig	14,662,864	19.9609%
	Directors		
	- Mr. Omer Baig	14,669,676	19.9702%
	- Mrs. Naima Shahnaz Baig	640,396	0.8718%
	- Mr. Mansoor Irfani	3,462	0.0047%
	- Mr. Akbar Baig	3,462	0.0047%
	- Mr. David Jullian	3,462	0.0047%
	- Mr. Naeem Nazir	500	0.0007%
	- Directors' Spouses and their Children	-	-
		15,320,958	20.8568%
B)	**Associated Companies**		
	- M/s Omer Glass Industries Limited	7,733,760	10.5281%
C)	**NIT AND ICP**	24,800	0.0338%
D)	**Mutual Funds**	9,763,915	13.2918%
E)	**Financial Institutions**	4,612,500	6.2791%
F)	**Insurance Companies**	490,658	0.6679%
G)	**Investment Companies**	12,000	0.0163%
H)	**Joint Stock Companies**	12,360,495	16.8266%
I)	**Others - Provident / Pension Funds & Modarbas**	819,700	1.1159%
J)	**General Public**	7,656,350	10.4228%
	Total	**73,458,000**	**100.0000%**

List of Shareholders Holding 5% or More Shares

Mr. Tariq Baig	14,662,864	19.9609%
Mr. Omer Baig	14,669,676	19.9702%
M/s Industrial Products Investment Limited	6,928,844	9.4324%
M/s Omer Glass Industries Limited	7,733,760	10.5281%
M/s Summit Bank Limited	4,000,000	5.4453%

TRADES DONE BY CEO, DIRECTORS & ASSOCIATED COMPANIES **NIL**

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 Name
Cell/Land line Number of Shareholder
Bank Account No.
Branch Name and Address
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 will 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, 2016 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	Rate of Tax Deduction
For filers of income tax returns	12.5%
For non-filers of income tax returns	20%

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 proposed / any future cash dividend otherwise tax on their cash dividend will be deducted at higher rate (i.e., @ 20%) instead of normal rate (i.e., @ 12.5%).

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, at the earliest, 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.							

In another clarification by Federal Board of Revenue, valid tax exemption for claim of exemption U/S 150, 151 and 233 of the Income Tax Ordinance, 2001 is required where statutory exemption under Clause 47B of Part-IV of the Second Schedule is available. Such certificate U/S 159(1) of the Income Tax Ordinance, 2001 issued by concerned Commissioner of Inland Revenue is required to be produced to avail tax exemption.

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 its 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.

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**

Annual Accounts:

Annual Accounts of the Company for the financial year ended June 30, 2016 have been placed on the Company's website - www.tariqglass.com

Pursuant to SECP's SRO 787(I) 2014 dated September 8, 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

Encl: 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)

TARIQ GLASS INDUSTRIES LIMITED

128-J BLOCK, MODEL TOWN, LAHORE

FORM OF PROXY

Folio No. ____________________

No. of Shares ________________

I / We ____

of ____

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

Mr. ____

failing him Mr. ____________________________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 38th Annual General Meeting of the Members of the Company to be held at Defence Services Officers' Mess, 71 - Tufail Road, Lahore Cantt on Thursday the October 27, 2016 at 11:00 AM and at every adjournment thereof.

As withness my/our hand(s) this ____________________day of________________2016.

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.

پراکسی فارم

میں مسمی/مسماۃ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔ساکن۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔ضلع۔۔۔۔۔۔۔۔۔۔۔

بحیثیت ممبر/ شیئر ہولڈر/حصہ داران طارق گلاس انڈسٹریز لمیٹڈ، مسمی/مسماۃ۔۔۔۔۔۔۔۔۔۔۔۔۔۔ساکن۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

کوبطور مختار(پراکسی) مقرر کرتا/ کرتی ہوں تا کہ وہ میری جگہ اور میری طرف سے کمپنی کے اڑتیسویں (38) سالانہ اجلاسِ عام جو بتاریخ ۲۷ اکتوبر ۲۰۱۶ بروز جمعرات دن گیارہ بجے ڈیفنس سروسز آفیسرز میس، ۱۷ طفیل روڈ لاہور کینٹ میں منعقد ہو رہا ہے میں اور اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور ووٹ ڈالے۔

دستخط۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔بروز۔۔۔۔۔۔۔۔۔۲۰۱۶

گواہ

دستخط۔۔

نام:۔۔

پتہ:۔۔

شناختی کارڈ / پاسپورٹ نمبر:۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

دستخط بحیثیت ممبر/ شیئر ہولڈر/حصہ داران۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

نام:۔۔

پتہ:۔۔

شناختی کارڈ / پاسپورٹ نمبر:۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

دستخط
ریونیو سٹیمپ

نوٹ: انعقادِ اجلاس سے ۴۸ گھنٹے قبل پراکسی کا یہ فارم جو ہر لحاظ سے مکمل اور دستخط شدہ ہو کمپنی کے رجسٹرڈ آفس میں جمع کروا دیا جائے۔