



CONTENTS

COMPANY INFORMATION	_____	2
DIRECTORS' REPORT (English / أردو)	_____	3
AUDITORS' REPORT	_____	5
CONDENSED INTERIM BALANCE SHEET	_____	6
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT	_____	8
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	—	8
CONDENSED INTERIM CASH FLOW STATEMENT	_____	9
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	_____	10
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION	—	11



COMPANY INFORMATION

BOARD OF DIRECTORS

CHAIRMAN	MR. MANSOOR IRFANI	
MANAGING DIRECTOR	MR. OMER BAIG	
	MR. MOHAMMAD BAIG	
	MR. SAAD IQBAL	
	MS. RUBINA NAYYAR	
	MR. TAJAMMAL HUSSAIN BOKHAREE	INDEPENDENT DIRECTOR

CHIEF FINANCIAL OFFICER MR. WAQAR ULLAH

COMPANY SECRETARY MR. MOHSIN ALI

HUMAN RESOURCE & REMUNERATION COMMITTEE MR. TAJAMMAL HUSSAIN BOKHAREE CHAIRMAN
MR. OMER BAIG MEMBER
MR. MANSOOR IRFANI MEMBER

AUDIT COMMITTEE MR. TAJAMMAL HUSSAIN BOKHAREE CHAIRMAN
MS. RUBINA NAYYAR MEMBER
MR. MANSOOR IRFANI MEMBER

AUDITORS KPMG TASEER HADI & CO.
CHARTERED ACCOUNTANTS

LEGAL ADVISOR KASURI AND ASSOCIATES
LAHORE

CORPORATE CONSULTANTS MR. RASHID SADIQ, M/S R.S. CORPORATE ADVISORY

TAX CONSULTANTS YOUSAF ISLAM ASSOCIATES
LAHORE

BANKERS NATIONAL BANK OF PAKISTAN BANK ALFALAH LTD
HABIB BANK LTD FAYSAL BANK LTD
UNITED BANK LTD J.S. BANK LTD
THE BANK OF PUNJAB BANKISLAMI PAKISTAN LTD
MCB BANK LTD BANK ALHABIB LTD
THE BANK OF KHYBER SAMBA BANK LTD
ASKARI BANK LTD ALBARAKA BANK (PAK) LTD
MEEZAN BANK LTD STANDARD CHARTERED BANK (PAK) LTD

SHARES REGISTRAR SHEMAS INTERNATIONAL (PVT) LTD.
533 - Main Boulevard, Imperial Garden Block,
Paragon City, Barki Road, Lahore.
Ph: +92-42-37191262
E-mail: info@shemasinternational.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



DIRECTORS' REPORT

On behalf of all the members, it is informed with deep sorrow and grief that respected Mr. Tariq Baig, Managing Director of the Company passed away on January 18, 2018 **إِنَّا لِلّٰهِ وَإِنَّا إِلَيْهِ رَاجِعُونَ**. May Allah rest his soul in eternal peace.

The directors of the Company present before you their report together with the un-audited financial statements of the company duly reviewed by the external auditors with limited scope review for the six months period ended December 31, 2017.

Operational & Financial Performance

By the grace of Almighty Allah, the Company with significant improvement is upholding the level of its sales and profitability for the period under report. The Company has recorded net sales of Rs. 5,517 million with a profit before tax of 727 million as compared to the corresponding period's figure of Rs. 4,655 million and 543 million respectively. The profit after tax to sales ratio and EPS for the period under review reported as 8.99% and Rs. 6.75 whereas figures of same period of last year were 8.41% and Rs. 5.33 respectively. The improving liquidity position and sound measures undertaken by the Management resulted in lowering of the finance cost by 45% during the period under report as compared to the similar period of previous year.

The brief of financial results for the six months period ended on December 31, 2017 is as under:

	(Million Rupees)	
	Half Year Ended December 31	
	FY2017-18	FY2016-17
Net Sales	5,517	4,655
Gross Profit	1,150	953
Profit before Tax	727	543
Profit after Tax	496	391
Earnings per share (Rupees)	6.75	5.33

By the grace of Allah Almighty, the Company has lightening up / fired the furnace for the manufacturing of opal glass dinnerware products with a capacity of 35 tons per day on January 10, 2018. The opal glass dinnerware products will be promoted with the brand name of "**ROCKWARE**".

The following changes took place on the Board of Directors of the Company after the date of financial statements under review but before dissemination of this report:

Mr. Omer Baig has been appointed as Managing Director / Chief Executive Officer of the Company w.e.f January 25, 2018 in place of Mr. Tariq Baig (Late). Further, Mr. Omer Baig has also been appointed as member of Human Resource & Remuneration Committee in place of Mr. Tariq Baig (Late). Mr. Tajammal Hussain Bokharee being an independent director has also been appointed as Chairman of the Human Resource & Remuneration Committee in place of Mr. Mansoor Irfani. However, Mr. Mansoor Irfani is a continuing member of Human Resource & Remuneration Committee.

Future Outlook

Alhamdulillah, the production of opal glass dinnerware products has started and will be commercialized soon with a brand name of "**ROCKWARE**". The quality and colour of derived production of opal glass meets the international quality standards and the Company will efficiently compete the imported opal glass products as far as the quality and pricing is concerned. The Management is confident enough that the import of opal glass dinnerware products in the Country will minimize in near future.

The Board of Directors has approved in principle the enhancement of production capabilities of Float Glass by adding a new state of the art Float Glass Plant with a capacity of 500 tons per day for which the Company has already purchased / negotiated the land measuring 18 acres (approximately) adjacent with the existing production facilities of the Company.

The Management of the Company is optimistic about the future with further improved profitability in consideration of higher sales volumes, higher return from the sale of value added products and in house availability of low cost power.

For and on behalf of the Board

MANSOOR IRFANI
CHAIRMAN

OMER BAIG
MANAGING DIRECTOR

Lahore: February 21, 2018

ڈائریکٹروں کی رپورٹ

تمام اراکین بورڈ کی جانب سے، مگر سب سے پہلے، اس سال کے ساتھ مل کر کیا جا رہا ہے کہ مقررہ سالانہ ایک صاحب کھیتی کے بیچنگ ڈائریکٹرز مورخہ 18 جنوری 2018 کو اعلان فرمائے ہیں (بہار اللہ، ڈاکٹر زبیر زبیر)۔ اللہ تعالیٰ ان کی مسرت فرمائیں اور جنت الفردوس میں اعلیٰ مقام عطا فرمائیں۔ آمین

مارچ گلاس انڈسٹریز لمیٹڈ کے ڈائریکٹرز 31 دسمبر 2017 کو ختم ہونے والی پہلی ششماہی برائے مالی سال 2017-2018 کیلئے اپنی جائزہ رپورٹ مع کھیتی کے غیر آڈٹ شدہ عبوری مالیاتی گوشوارے جو کہ ڈائریکٹرز کے محدود جائزہ پر مشتمل ہیں پیش کرتے ہیں۔

کاروباری اور مالیاتی کارکردگی سے متعلق نقطہ نظر:

اللہ تعالیٰ کے فضل و کرم سے تمام کاروباری حوالے نے شرکت کا توازن مثبت طریقے سے استوار رکھا۔ جس کے نتیجے میں کھیتی نے اپنی مجموعی فروختگی اور خالص منافع کے حوالے سے اپنی صورت حال میں خاطر خواہ اضافہ کیا۔ زیر جائزہ مدت کے دوران کھیتی نے 5,517 ملین روپے کی خالص فروختگی حاصل کی اور ٹیکس کی ادائیگی سے پہلے کا منافع 727 ملین رہا۔ جبکہ گزشتہ سال کی اسی مدت میں حاصل ہونے والی خالص فروختگی 4,655 ملین روپے اور ٹیکس کی ادائیگی سے پہلے کا منافع 543 ملین تھا۔ ٹیکس کی ادائیگی کے بعد مذکورہ مدت کے خالص منافع کی شرح 8.99 فیصد اور آمدنی فی حصص 6.75 روپے رہی۔ جس کا اگر پچھلے سال کی اسی مدت سے موازنہ کیا جائے تو وہ نسبتاً 4.41 فیصد اور 33.33 روپے فی حصص تھی۔ چونکہ کھیتی کی سابقہ صورت حال بہتر ہوئی ہے اور اس کے علاوہ کھیتی کی انتظامیہ نے بڑھتے ہوئے مالیاتی اخراجات کو کم کرنے کے لیے موثر اقدامات بھی اٹھائے ہیں جن کی وجہ سے مذکورہ مدت کے دوران ہونے والے مالیاتی اخراجات میں خاطر خواہ کمی واقع ہوئی ہے۔ جس کا موازنہ اگر پچھلے سال کی اسی مدت سے کیا جائے تو ان میں 45 فیصد کمی عمل پیر ہوئی۔ کھیتی کی پہلی ششماہی جو کہ 31 دسمبر 2017 کو اختتام پزیر ہوئی ہے اس میں مالیاتی کارکردگی کا ذیل میں خلاصہ پیش ہے۔

(رقم ملین روپوں میں)

ششماہی اختتام 31 دسمبر	ششماہی اختتام 31 دسمبر
2016-2017	2017-2018
4,655	5,517
953	1,150
543	727
391	496
5.33	6.75

خالص فروختگی
مجموعی منافع
ٹیکس کی ادائیگی سے پہلے کا منافع
ٹیکس کی ادائیگی کے بعد کا خالص منافع
آمدنی فی حصص بنیادی و مجموعی (روپوں میں)

اللہ تعالیٰ کے فضل و کرم سے کھیتی نے 10 جنوری 2018 کو اوپل گلاس ڈیزائن کی مصنوعات کی میٹریل پیکریج کے لیے فرس کو فائز کر دیا ہے۔ جس کی پیداواری صلاحیت 35 ٹن روزانہ ہے۔ اوپل گلاس ڈیزائن کی مصنوعات کو راک ویئر (Rockware) کے برائڈٹیم سے مارکیٹ میں متعارف کروایا جا رہا ہے۔

مذکورہ مدت کے بعد اور اس ڈائریکٹروں کی رپورٹ کی تاریخ کے دوران کھیتی کے ہیروڈ آف ڈائریکٹرز میں تبدیلیاں برپا ہوئی ہیں۔ جناب طارق بیگ صاحب کے انتقال کے بعد جناب عمر بیگ صاحب کو مورخہ 25 جنوری 2018 سے بلور نیٹنگ ڈائریکٹر / چیف ایگزیکٹو آفسر مقرر کیا گیا ہے۔ اس کے علاوہ جناب عمر بیگ صاحب کو جناب طارق بیگ صاحب (مرحوم) کی جگہ انسانی وسائل اور مواد شعبے کی کھیتی کا ممبر بھی مقرر کیا گیا ہے۔ اس کے علاوہ مورخہ 25 جنوری 2018 کو جناب تاج سمن بخاری صاحب جو کہ ایک آزاد ڈائریکٹر ہیں انھیں جناب منصور عرفانی صاحب کی جگہ انسانی وسائل اور مواد شعبے کی کھیتی کا چیئر مین بھی مقرر کیا گیا ہے۔ جبکہ جناب منصور عرفانی صاحب بدستور انسانی وسائل اور مواد شعبے کی کھیتی کے ممبر ہیں۔

مستقبل کے حوالے سے نقطہ نظر:

انجمنہ اللہ کھیتی "راک ویئر (Rockware) براڈ کی مصنوعات کی ٹرانل پروڈکشن کا آغاز کر چکی ہے اور جلد ہی کرٹھلا نئی نئی کر دی جائے گی۔ اوپل گلاس ڈیزائن کی حاصل کردہ پروڈکشن رگ اور معیار کے اعتبار سے بین الاقوامی معیار سے مماثلت رکھتی ہے۔ اور کھیتی اوپل گلاس پروڈکٹ کے معیار اور قیمت کی بنا پر درآمد ہونے والی اوپل گلاس ڈیزائن کی مصنوعات سے خوش مقابلہ کرے گی۔ کھیتی کی بیجنگ ہڈ امیڈ ہے کہ مستقبل قریب میں اوپل گلاس ڈیزائن کی مصنوعات کی کھلی درآمدات میں حدود پر کمی واقع ہو جائے گی۔

کھیتی کے ہیروڈ آف ڈائریکٹرز نے قوت گلاس کی پیداواری صلاحیت میں اضافے کا اصولی فیصلہ کیا ہے۔ اس سلسلے میں ہیروڈ آف ڈائریکٹرز نے ایک بے حد عزم و جوش کے ساتھ گلاس پلانٹ لگانے کی منظوری دی ہے۔ جس کی پیداواری صلاحیت 500 ٹن فی مہینہ ہوگی۔ اسے پلانٹ کی تعمیر کے لیے کھیتی نے اپنی موجودہ بیجنگ سے بڑھ کر 118 ایکڑ زمین کی خریداری مکمل کر لی ہے۔

کھیتی کی بیجنگ کھیتی کے مستقبل کے حوالے سے منافع کی صورت حال سے کافی بڑھ امید ہے اس کی وجہ سے کھیتی کی تھی ویلیو ڈیویڈنڈ مصنوعات سے متعلق مارکیٹ کی مثبت آراء اور کھیتی کے پاور پلانٹ سے سستی کھلی کا حصول ہے۔

ہیروڈ آف ڈائریکٹرز کی جانب سے

عمر بیگ
چیئر مین ڈائریکٹرز

منصور عرفانی
چیئر مین

تاریخ: 21 فروری 2018ء، لاہور



AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Tariq Glass Industries Limited ("the Company") as at 31 December 2017 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the six month period then ended (here-in-after referred as the "interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended 31 December 2017, have not been reviewed and we do not express a conclusion on them.



CONDENSED INTERIM BALANCE SHEET AS AT 31 DECEMBER 2017 (UN-AUDITED)

	(Un-audited) 31 December 2017	Note	(Audited) 30 June 2017
	Rupees		Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 150,000,000 (30 June 2017: 100,000,000) ordinary shares of Rs. 10 each	5 <u>1,500,000,000</u>		<u>1,000,000,000</u>
Issued, subscribed and paid-up capital	734,580,000		734,580,000
Share premium	410,116,932		410,116,932
Unappropriated profit	2,760,184,824		2,569,318,501
	<u>3,904,881,756</u>		<u>3,714,015,433</u>
Surplus on revaluation of land	766,482,138		766,482,138
	<u>4,671,363,894</u>		<u>4,480,497,571</u>
Non-current liabilities			
Long term finances - secured Liabilities against assets subject to finance lease - secured	6 <u>653,089,113</u>		<u>336,014,044</u>
Deferred taxation	7 <u>2,274,720</u>		<u>3,707,386</u>
	<u>455,247,723</u>		<u>466,003,181</u>
	<u>1,110,611,556</u>		<u>805,724,611</u>
Current liabilities			
Trade and other payables	<u>891,997,956</u>		<u>895,425,768</u>
Accrued mark-up / profit	<u>36,146,479</u>		<u>27,534,642</u>
Short term borrowings	<u>1,812,034,878</u>		<u>2,154,261,108</u>
Current portion of long term liabilities	<u>9 2,840,397,572</u>		<u>3,204,437,767</u>
	<u>8,622,373,022</u>		<u>8,490,659,949</u>
Contingencies and commitments	10		

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

February 21, 2018
Lahore

MANSOOR IRFANI
CHAIRMAN

OMER BAIG
MANAGING DIRECTOR

WAQAR ULLAH
CHIEF FINANCIAL OFFICER

ASSETS	(Un-audited) 31 December 2017	Note	(Audited) 30 June 2017
	Rupees		Rupees
Non-current assets			
Property, plant and equipment	5,293,953,159	11	4,916,952,801
Intangibles	3,133,288		3,829,574
Long term deposits	<u>35,656,650</u>		<u>37,660,233</u>
	<u>5,332,743,097</u>		<u>4,958,442,608</u>

Current assets	(Un-audited) 31 December 2017	(Audited) 30 June 2017
	Rupees	Rupees
Stores and spares	817,609,047	733,317,189
Stock-in-trade	1,352,045,336	1,425,994,416
Trade debts - considered good	832,960,501	675,717,625
Advances, deposits, prepayments and other receivables	183,766,801	475,690,271
Cash and bank balances	<u>103,248,240</u>	<u>221,497,840</u>
	<u>3,289,629,925</u>	<u>3,552,217,341</u>
	<u>8,622,373,022</u>	<u>8,490,659,949</u>



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2017

	Half year ended 31 December 2017	Half year ended 31 December 2016	Quarter ended 31 December 2017	Quarter ended 31 December 2016
----- Rupees -----				
Sales - net	5,517,039,756	4,654,693,766	2,938,451,746	2,541,314,242
Cost of sales	(4,367,082,000)	(3,701,893,131)	(2,344,119,725)	(2,023,412,635)
Gross profit	1,149,957,756	952,800,635	594,332,021	517,901,607
Administrative expenses	(97,524,567)	(87,049,727)	(49,030,057)	(42,331,477)
Selling and distribution expenses	(197,327,450)	(158,047,757)	(97,636,918)	(78,260,351)
	(294,852,017)	(245,097,484)	(146,666,975)	(120,591,828)
Other income	2,450,164	6,506,582	564,217	2,864,933
Finance cost	(75,386,065)	(137,715,234)	(36,877,006)	(68,196,049)
Other expenses	(55,020,925)	(33,502,139)	(29,931,164)	(16,272,848)
Profit before taxation	727,148,913	542,992,360	381,421,093	315,705,815
Taxation	(231,431,890)	(151,658,329)	(133,218,258)	(112,475,417)
Profit after taxation	495,717,023	391,334,031	248,202,835	203,230,398
Earnings per share - basic and diluted	6.75	5.33	3.38	2.77

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

February 21, 2018
Lahore

MANSOOR IRFANI
CHAIRMAN

OMER BAIG
MANAGING DIRECTOR

WAQAR ULLAH
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2017

	Half year ended 31 December 2017	Half year ended 31 December 2016	Quarter ended 31 December 2017	Quarter ended 31 December 2016
----- Rupees -----				
Profit after taxation	495,717,023	391,334,031	248,202,835	203,230,398
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	495,717,023	391,334,031	248,202,835	203,230,398

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

February 21, 2018
Lahore

MANSOOR IRFANI
CHAIRMAN

OMER BAIG
MANAGING DIRECTOR

WAQAR ULLAH
CHIEF FINANCIAL OFFICER



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Six months ended	
	31 December 2017	31 December 2016
	Rupees	Rupees
<u>Cash flows from operating activities</u>		
Profit before taxation	727,148,913	542,992,360
<i>Adjustments for:</i>		
Depreciation	246,196,210	254,924,984
Amortization	696,286	696,286
Gain on disposal of property, plant and equipment - net	(1,541,299)	(4,948,393)
Finance cost	75,386,065	137,715,234
Provision for Workers' Welfare Fund	15,139,430	5,002,743
Provision for Workers' Profit Participation Fund	39,108,492	28,499,396
	<u>374,985,184</u>	<u>421,890,250</u>
Operating profit before working capital changes	1,102,134,097	964,882,610
<i>Changes in :</i>		
Stores and spares parts	(84,291,858)	(72,362,955)
Advances, deposits, prepayments and other receivables	77,279,201	27,688,266
Stock in trade	73,949,080	(195,726,965)
Trade debtors - considered good	(157,242,876)	183,918,161
Trade and other payables	26,820,555	29,835,690
	<u>(63,485,898)</u>	<u>(26,647,803)</u>
Cash generated from operations activities	1,038,648,199	938,234,807
Payments to Workers' Profit Participation Fund	(67,643,842)	-
Payments to Workers' Welfare Fund	(18,959,218)	-
Income tax paid	(27,543,079)	(57,396,649)
	<u>(114,146,139)</u>	<u>(57,396,649)</u>
Net cash generated from operating activities	924,502,060	880,838,158
<u>Cash flows from investing activities</u>		
Fixed capital expenditure	(624,305,269)	(150,258,179)
Proceeds from disposal of property, plant and equipment	2,650,000	9,360,000
Long term deposits	2,003,583	20,398,448
Net cash used in investing activities	(619,651,686)	(120,499,731)
<u>Cash flow from financing activities</u>		
Net receipts from / (repayment of) long term finances - secured	295,965,011	(120,160,728)
Repayment of liabilities against assets subject to finance lease	(7,597,323)	(2,815,555)
(Repayments of) / proceeds from short term borrowings - net	(475,655,736)	136,241,145
Finance cost paid	(66,497,503)	(98,350,341)
Dividend paid	(302,743,929)	(181,664,917)
Net cash used in financing activities	(556,529,480)	(266,750,396)
Net (decrease) / increase in cash and cash equivalents	(251,679,106)	493,588,031
Cash and cash equivalents at beginning of the period	(355,776,787)	(1,181,263,351)
Cash and cash equivalents at end of the period	(607,455,893)	(687,675,320)
<i>Cash and cash equivalents comprise of the following:</i>		
- Cash and bank balances	103,248,240	304,826,681
- Running finances	(710,704,133)	(992,502,001)
	<u>(607,455,893)</u>	<u>(687,675,320)</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

February 21, 2018
Lahore

MANSOOR IRFANI
CHAIRMAN

OMER BAIG
MANAGING DIRECTOR

WAQAR ULLAH
CHIEF FINANCIAL OFFICER



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Share capital	Capital Reserve			Revenue Reserve	Total
		Share premium	Equity portion of shareholders' loan	Subtotal	Unappropriated profit	
Balance as at 30 June 2016 - audited	734,580,000	410,116,932	76,048,284	486,165,216	1,961,364,217	3,182,109,433
<u>Total comprehensive income</u>						
Profit for the six months period ended 31 December 2016	-	-	-	-	391,334,031	391,334,031
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	391,334,031	391,334,031
<u>Transactions with the owners of the Company:</u>						
Final dividend for the year ended 30 June 2016 at the rate of Rs 2.7(27%) per ordinary share	-	-	-	-	(198,336,750)	(198,336,750)
Transferred on unwinding for the period ended 31 December 2016 - net of tax	-	-	(25,183,061)	(25,183,061)	25,183,061	-
Tax rate adjustment for the year - net of tax	-	-	(5,968,438)	(5,968,438)	-	(5,968,438)
Balance as at 31 December 2016 - un-audited	734,580,000	410,116,932	44,896,785	455,013,717	2,179,544,559	3,369,138,276
<u>Total comprehensive income</u>						
Profit for the six months period ended 30 June 2017	-	-	-	-	368,356,407	368,356,407
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	368,356,407	368,356,407
<u>Transactions with the owners of the Company:</u>						
Transferred on unwinding for the period - net of tax	-	-	(21,417,535)	(21,417,535)	21,417,535	-
Adjustment due to repayment - net of tax	-	-	(23,479,250)	(23,479,250)	-	(23,479,250)
Balance as at 30 June 2017 - audited	734,580,000	410,116,932	-	410,116,932	2,569,318,501	3,714,015,433
<u>Total comprehensive income</u>						
Profit for the six months period ended 31 December 2017	-	-	-	-	495,717,023	495,717,023
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	495,717,023	495,717,023
Final dividend for the year ended 30 June 2017 at the rate of Rs 4.15 (41.5%) per ordinary share	-	-	-	-	(304,850,700)	(304,850,700)
Balance as at 31 December 2017 - un-audited	734,580,000	410,116,932	-	410,116,932	2,760,184,824	3,904,881,756

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2017

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 Limited. 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 preparation and statement of compliance

This condensed interim financial information comprises the condensed interim balance sheet of the Company as at 31 December 2017 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof.

This condensed interim financial information of the Company for the half year ended 31 December 2017 has been prepared in accordance with the requirements of International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

On 30 May 2017, the Companies Act, 2017 (the Act) was enacted which replaced and repealed the Companies Ordinance, 1984. However, the Securities and Exchange Commission of Pakistan (SECP) through its Circular No. 23 of 2017 dated 04 October 2017 and ICAP through clarificatory Circular No. 17 dated 06 October 2017 has advised that the Companies whose financial year and interim period close on or before 31 December 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended 30 June 2017. Comparative condensed interim balance sheet is stated from annual audited financial statements as of June 30, 2017, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statements of changes in equity and interim cash flow statements and related notes are extracted from condensed interim financial information of the Company for the six months' period ended 31 December 2016.

This condensed interim financial information is presented in Pakistan Rupees which is the Company's functional currency and all financial information presented has been rounded off to the nearest rupees, except otherwise stated.

3 Judgments and estimates

The preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the condensed interim financial information, the significant judgments made by the management in applying accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of annual audited financial statements for the year ended 30 June 2017.



4 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are significantly those which are applied in the preparation of annual audited financial statements for the year ended 30 June 2017 except that pursuant to the requirement of IAS 7 "Statement of cash flows" a disclosure of reconciliation of movements of liabilities to cash flows arising from financing activities has been given in note 16 to the condensed interim financial information. This change does not have any impact on the figures reported in the condensed interim financial information.

There were certain other new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed.

The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

Standard	Effective date (accounting periods beginning on or after)
- IFRS 2 - Share-based payments	01 January 2018
- IAS 40 - Investment property	01 January 2018
- IAS 28 - Investment in associate and joint ventures	01 January 2018
- IFRIC 22 - Foreign currency transactions and advance consideration	01 January 2018
- IFRIC 23 - Uncertainty over income tax treatment	01 January 2019
- IFRS 15 - Revenue from contracts with customers	01 July 2018
- IFRS 9 - Financial Instrument	01 July 2018
- IFRS 4 - Insurance contract	01 July 2018
- IFRS 3 Business Combinations and IFRS 11 Joint Arrangements.	01 January 2019
- IAS - 12 Income Taxes	01 January 2018
- IAS - 23 Borrowing Costs	01 January 2018

In addition, the Companies Act, 2017 was enacted on 30 May 2017 and SECP vide its circular No. 23 of 2017 dated 04 October 2017 has clarified that the companies whose financial year, including quarterly and other interim period, closes on or before 31 December 2017, shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

The Companies Act, 2017 applicable for financial year ending on or after 1 January 2018 requires certain additional disclosures and Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017. This would require change in accounting policy relating to surplus on revaluation of fixed assets to bring it in line with the requirements of IAS 16 – Property, plant and equipment. This would have resulted in reclassification of surplus on revaluation of land to equity by restating the corresponding figures which would result in increase in equity by Rs. 766.48 million as at 30 June 2016, 30 June 2017 and 31 December 2017 respectively.

**5 Authorised share capital**

During the period, subsequent to the Board of Directors and Shareholder's approval dated 27 July 2017 and 30 August 2017 respectively, the Company has increased its authorized share capital to Rs. 1,500,000,000 (30 June 2017: Rs 1,000,000,000)

	Note	Un-audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
6 Long term finances - secured			
<i>Markup bearing finances from conventional bank:</i>			
The Bank of Punjab - Term finance 1	6.1	-	37,500,000
The Bank of Punjab - Term finance 2	6.2	256,250,000	293,750,000
The Bank of Punjab - Term finance 3	6.3	288,505,780	117,540,769
Bank Alfalah Limited - Term finance 1	6.4	200,000,000	-
Less: Transaction cost		-	(276,725)
		744,755,780	448,514,044
Less: Current maturity	9	(91,666,667)	(112,500,000)
		653,089,113	336,014,044

- 6.1** This represented term finance facility availed from The 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 was Rs. 300 million and was 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. This facility carried mark up at the rate of 3 months KIBOR plus 90 bps per annum (30 June 2017: 3 months KIBOR plus 200 bps per annum). This loan has been fully repaid during the period.
- 6.2** This represents term finance facility availed from The Bank of Punjab to meet the capital expenditure requirements of the Company. The sanctioned limit of facility is Rs. 300 million (30 June 2017: Rs. 300 million) and is secured by way of joint parri 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 41 equal monthly installments ending on 23 May 2021. This facility carries mark up at the rate of 3 months KIBOR plus 90 bps per annum (30 June 2017: 3 months KIBOR plus 90 bps per annum). In case, the Company is not regular in payment to bank, it shall not without prior written approval of the bank, pay any dividends or make any other capital distributions.
- 6.3** This represents term finance facility availed from The Bank of Punjab for the purpose of purchase of plant and machinery for setting up a new Borosilicate Opal Glass manufacturing unit and including but not limited to finance of civil works / machinery installation, advance payment etc. The sanctioned limit of facility is Rs. 300 million (30 June 2017: 300 million) 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 after last draw down date over a period of four years (including grace period of one year) in 36 equal monthly instalments. This facility carries mark up at the rate of 3 months KIBOR plus 90 bps per annum (30 June 2017: 3 months KIBOR plus 90 bps per annum).



- 6.4** This represents term finance facility availed during the period from Bank Alfalah Limited for the purpose of financing new production line for setting up a new Borosilicate Opal Glass manufacturing unit. The sanctioned limit of facility is Rs. 200 million (30 June 2017: Nil) and is secured by way of ranking charge (to be upgraded to joint pari passu charge) over present and future fixed assets of the Company and personal guarantees of sponsor directors of the Company. The facility is repayable in 12 equal quarterly instalments starting from 14 July 2018. This facility carries mark up at the rate of 3 months KIBOR plus 85 bps per annum.
- 6.5** During the period, the Company has obtained Rs. 370.96 million and repaid Rs. 75 million in respect of long term Finances.

7 Liabilities against assets subject to finance lease

During the period, the Company has repaid principal amount of lease liability of Rs. 7.59 million.

	Note	Un-audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
8 Short term borrowings			
<i>Mark-up based borrowings from conventional banks</i>			
Short term running finance and cash finance - secured		1,404,567,536	980,825,958
Short term loan - secured		60,000,000	30,000,000
Finance against imported merchandise - secured		-	2,483,966
Loan from directors - unsecured		18,210,555	581,848,206
<i>Islamic mode of financing</i>			
Short term Islamic finance - secured		329,256,787	559,102,978
		<u>1,812,034,878</u>	<u>2,154,261,108</u>
9 Current portion of long term liabilities			
Long term finances - secured	6	91,666,667	112,500,000
Liabilities against assets subject to finance lease - secured		8,551,592	14,716,249
		<u>100,218,259</u>	<u>127,216,249</u>

10 Contingencies and commitments

10.1 Contingencies

There has been no significant changes in contingencies as reported in the annual audited financial statements of the Company for the year ended 30 June 2017.

10.2 Commitments

- Letters of credit for capital expenditure amounting to Rs. 24.49 million (30 June 2017: Rs. 204.03 million).
- Letters of credit for other than capital expenditure amounting to Rs. 57.47 million (30 June 2017: Rs. 85.26 million).
- The amount of future ljarah rentals for ljarah financing and the period in which these payments will become due are as follows:

	Un-audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
Not later than one year	55,255,982	58,223,623
Later than one year and not later than five years	55,953,460	74,797,767
	<u>111,209,442</u>	<u>133,021,390</u>



	Note	Un-audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
11 Property, plant and equipment			
Operating fixed assets	11.1	4,566,825,913	4,593,594,512
Capital work in progress		727,127,246	323,358,289
		<u>5,293,953,159</u>	<u>4,916,952,801</u>
11.1 Operating fixed assets			
Net book value at the beginning of the period / year		4,593,594,512	4,824,401,360
<u>Additions (cost)</u>			
Freehold land		175,140,594	2,132,750
Factory building - freehold		5,605,175	44,741,421
Plant and machinery		34,130,535	149,166,828
Furniture and fixtures		246,603	402,632
Tools and Equipment		801,640	-
Electric installation		818,370	11,402,702
Vehicles		3,793,395	46,485,711
Moulds		-	43,716,873
Fire fighting equipment		-	26,000
		<u>220,536,312</u>	298,074,917
<u>Disposals (net book value)</u>			
Vehicles		(1,108,701)	(10,296,126)
Depreciation charge for the period / year		(246,196,210)	(518,585,639)
Closing written down value		<u>4,566,825,913</u>	<u>4,593,594,512</u>

- 12** The Finance Act, 2015 introduced a 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 dividend within six months of the end of said tax year through cash or bonus shares. However, this tax on undistributed profits is not applicable to a public company which distributes profit equal to either 40 percent of its after tax profits within six months of the end of the said tax year.

The Board of Directors of the Company intends to distribute sufficient cash dividend for the year ended 30 June 2018 to comply with the above stated requirements. Accordingly, no provision for tax on undistributed profits has been made in this condensed interim financial information.

13 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 condensed interim financial information. Significant transactions with related parties other than those disclosed elsewhere in the condensed interim financial information are as follows:



		Six months ended (Un-audited)	
Name and nature of parties	Nature of transaction	31 December 2017	31 December 2016
		----- Rupees -----	
<u>Associated companies</u>			
Omer Glass Industries Limited	Purchase of Decorating Lehr with Accessories	-	3,068,610
	Dividend paid during the period	32,095,104	20,881,152
M & M Glass (Private) Limited	Dividend paid during the period	3,854,703	-
<u>Directors</u>			
	Dividend paid during the period	146,099,368	80,956,319
	Repayment of long term loan	563,637,651	82,660,728
<u>Employee benefit plan</u>			
Provident fund	Contributions	11,050,546	9,374,106
<u>Key management personnel</u>			
Remuneration		8,320,554	7,652,658
House rent		3,693,060	3,396,168
Conveyance		12,000	12,000
Contribution to provident fund		208,680	191,520
Medical and others		820,680	754,704
Utilities		820,680	754,704
		13,875,654	12,761,754

14 Fair value measurement of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying Amount			Fair Value		
	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
	----- Rupees -----					
On-Balance sheet financial instruments						
31 December 2017 (Un-audited)						
Financial assets measured at fair value						
	-	-	-	-	-	-
Financial assets not measured at fair value						
Long term deposits	35,656,650	-	35,656,650	-	-	-
Trade debts	832,960,501	-	832,960,501	-	-	-
Security deposit	21,179,293	-	21,179,293	-	-	-
Cash and Bank balances	103,248,240	-	103,248,240	-	-	-
14.1	993,044,684	-	993,044,684	-	-	-
Financial liabilities measured at fair value						
	-	-	-	-	-	-
Financial liabilities not measured at fair value						
Long term finances - secured	-	744,755,780	744,755,780	-	-	-
Liabilities against assets subject to finance lease	-	10,826,312	10,826,312	-	-	-
Trade and other payables	-	753,028,576	753,028,576	-	-	-
Accrued mark up	-	36,146,479	36,146,479	-	-	-
Short term borrowing	-	1,812,034,878	1,812,034,878	-	-	-
14.1	-	3,356,792,025	3,356,792,025	-	-	-



	Note	Carrying Amount			Fair value (Audited)		
		Loans and receivables at amortized cost	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3
On-Balance sheet financial instruments		Rupees					
30 June 2017 (Audited)							
Financial assets measured at fair value		-	-	-	-	-	-
Financial assets not measured at fair value		-	-	-	-	-	-
Long term deposits		37,660,233	-	37,660,233	-	-	-
Trade debts		675,717,625	-	675,717,625	-	-	-
Security deposits		29,298,473	-	29,298,473	-	-	-
Cash and Bank balances		221,497,840	-	221,497,840	-	-	-
	14.1	964,174,171	-	964,174,171	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-
Financial liabilities not measured at fair value		-	-	-	-	-	-
Long term finances - Secured		-	448,514,044	448,514,044	-	-	-
Liabilities against assets subject to finance lease		-	18,423,635	18,423,635	-	-	-
Trade and other payables		-	706,959,621	706,959,621	-	-	-
Accrued mark-up		-	27,534,642	27,534,642	-	-	-
Short term borrowing		-	2,154,261,108	2,154,261,108	-	-	-
	14.1	-	3,355,693,050	3,355,693,050	-	-	-

14.1 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 reprieve over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

15 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. 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 given in this condensed interim financial information.

16 Reconciliation of movements of liabilities to cash flows arising from financing activities.

	2017					
	Liabilities					
	Long term finances	Liabilities against assets subject to finance lease	Short term borrowings	Accrued finance cost	Unclaimed dividend	Total
	Rupees					
Balance as at 01 July 2017 (Audited)	448,514,044	18,423,635	2,154,261,108	27,534,642	4,145,933	2,652,879,362
Changes from financing activities						
Receipts from long term finances - net of repayment	295,965,011	-	-	-	-	295,965,011
Short term borrowings repaid net of receipts	-	-	(475,655,736)	-	-	(475,655,736)
Repayment of finance lease liabilities	-	(7,597,323)	-	-	-	(7,597,323)
Finance cost paid	-	-	-	(66,497,503)	-	(66,497,503)
Dividends paid	-	-	-	-	(302,743,929)	(302,743,929)
Total changes from financing cash flows	295,965,011	(7,597,323)	(475,655,736)	(66,497,503)	(302,743,929)	(556,529,480)
Other changes						
Change in running finance	-	-	133,429,506	-	-	133,429,506
Amortisation of transaction cost	276,725	-	-	-	-	276,725
Dividend for the year	-	-	-	-	304,850,700	304,850,700
Interest expense	-	-	-	75,109,340	-	75,109,340
Total liability related other changes	276,725	-	133,429,506	75,109,340	304,850,700	513,666,271
Closing as at 31 December 2017 (Un-audited)	744,755,780	10,826,312	1,812,034,878	36,146,479	6,252,704	2,610,016,153

17 Financial risk management

The Company's financial risk management objective and policies are consistent with that disclosed in the financial statements for the year ended 30 June 2017.

18 Date of authorization

This un-audited condensed interim financial information for the half year ended 31 December 2017 was authorized for issue by the Board of Directors on 21 February, 2018.