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COMPANY INFORMATION

BOARD OF DIRECTORS		
CHAIRMAN & MANAGING DIRECTOR	MR. TARIQ BAIG	
DIRECTORS:	MR. OMER BAIG MRS. NAIMA SHAHNAZ BAIG MR. MANSOOR IRFANI MR. AKBAR BAIG MR. DAVID JULIAN MR. SYED TUFAIL HUSSAIN	
SECRETARY	MR. MOHSIN ALI	
HUMAN RESOURCES & REMUNERATION COMMITTEE	MR. MANSOOR IRFANI MR. TARIQ BAIG MR. DAVID JULIAN	CHAIRMAN MEMBER MEMBER
AUDIT COMMITTEE	MR. OMER BAIG MR. AKBAR BAIG MR. DAVID JULIAN	CHAIRMAN MEMBER MEMBER
AUDITORS	KPMG TASEER HADI & CO. CHARTERED ACCOUNTANTS	
LEGAL ADVISOR	MUBASHAR LATIF AHMAD LAHORE	
TAX CONSULTANTS	YOUSAF ISLAM ASSOCIATES LAHORE	
INFORMATION TECHNOLOGY CONSULTANTS	CHARTAC BUSINESS SERVICES (PVT) LTD. LAHORE	
BANKERS	NATIONAL BANK OF PAKISTAN HABIB BANK LTD UNITED BANK LTD THE BANK OF PUNJAB MCB BANK LTD THE BANK OF KHYBER	BANK ALFALAH LTD FAYSAL BANK LTD SINDH BANK LTD BANK ISLAMI PAKISTAN LTD NIB BANK LTD STANDARD CHARTERED BANK LTD
SHARE REGISTRAR	SHEMAS INTERNATIONAL (PVT) LTD. Suite No. 31, 2nd Floor, Sadiq Plaza, 69 - The Mall Lahore. Ph: 042 - 36280067, Fax: 042 - 36280068 E-mail: info@shemas.com	
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 orgnaization of international standards and repute, offering innovative value-added products, tailored receptively to the customers needs and satisfaction, while optimizing the shareholder's value through meeting their expectations, making Tariq Glass Industries Limited an "investor preferred institution" amply justifying its claim of "glassware supermarket" by catering all household and industrial needs of the customers 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, high performance people, excellent business processes and synergetic organizational culture.

NOTICE OF ANNUAL GENERAL MEETING

The Notice is hereby given that the 35th Annual General Meeting of the members of the Company will be held on Wednesday, the October 30, 2013 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 34th Annual General Meeting of the members held on October 29, 2012.

2. To receive, consider and adopt the Audited Financial Statements of the company for the year ended June 30, 2013 together with the Reports of the Auditors and Directors thereon.

3. To appoint Auditors of the company for the year ending June 30, 2014 and fix their Remuneration. The retiring Auditors M/s KPMG Taseer Hadi & Co.,Chartered Accountants being eligible offer themselves for re-appointment.

OTHER BUSINESS:

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

BY ORDER OF THE BOARD

October 05, 2013
Lahore

(MOHSIN ALI)
COMPANY SECRETARY

NOTES

1. The Register of Members and Share Transfer Books of the Company will remain closed from October 24, 2013 to October 30, 2013 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s Shemas International Pvt. Limited, Suit # 31, 2nd Floor, Sadiq Plaza, 69-Shahra-e-Quaid-e-Azam (The Mall), Lahore at the close of business hours on Wednesday the October 23, 2013 will be treated in time for the purpose of transfer of shares.
2. 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 cognizant with 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.
3. A member of the Company entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote. Votes may be given personally or by proxy or by Attorney or in case of corporation by representative. The instrument of proxy duly executed should be lodged at the Registered Office of the Company not later than 48 hours before the time of meeting.
4. The members are requested to notify the Company of the change in their address, if any.

DIRECTORS' REPORT

On behalf of the Board of Directors of Tariq Glass Industries Limited I present before you the performance report together with annual audited financial statements of the company along-with the auditors' reports thereon, for the year ended June 30, 2013.

Economy Review:

Though all the sectors of Pakistan's economy have trajectory potential of growth and excellence but the worsen energy crisis, blood drenched law and order situation, mismanaged economy, and deteriorating public sector enterprises hemorrhaged the evolvement of economic progression. The newly elected Government is attempting to overwhelm the obscure path of progress by having framed the national energy policy, economic policy and the anti-terrorism policy which if implemented will contribute towards endurance of industrial sector and correction of overall business environment of Pakistan. The recent uptrend in the stock exchanges' index and the positivity of foreign investment portfolio rehabilitating the confidence of project financiers and the capital market investors has been witnessed.

Business Review:

The financial year 2010-2011 was the most fragile time when foreign direct investment was almost negative and even the local investors were reluctant to invest due to economic deprivation and law & order situation in the Country. In those fragile circumstances the Board of Directors of the Company endorsed the investment proposal with a capital expenditure of Rs. 3.50 billion for the new state of the art Float Glass plant with a capacity of 550 tons per day of molten glass.

We bow our heads to Allah Almighty with whose blessings our Company achieved a significant milestone with the successful commencement of commercial production from the float glass project in April-2013 under the brand name of ***"Tariq Float"***.

The financial year 2012-2013 continued with the problems of power and gas shortages which forced us to use expensive alternate fuels i.e. Furnace oil, Diesel, and LPG coupled with depreciation cost of new unit resulting in hike in the cost of production thus resulting decrease in gross profit margin by 5.37% which is recorded at 15.10% as compared to 20.47% of the last year. The net sales of Rs. 3,889 million for the period under report includes net sales of Rs. 433 million of float glass. The Company's profit before tax declined to Rs. 153 million mainly because of lower gross profit and substantial financial cost of Rs. 93.71 million which includes long term loans and working capital financing facilities utilized for the new float glass project. However the profit after taxation is bolted at Rs. 367 million registering an increase of 25.48% from the corresponding figures of the last year, which is inferable under the tax credit provisions of Income Tax Ordinance 2001. Thus EPS for the reporting period has increased to Rs. 5.30 as compared to Rs. 4.22 of the same period of the last 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:

		2013	2012
		Rs in million	
Sales - net		3,889	3,411
Gross profit		587	698
Operating profit		258	496
Profit before tax		153	423
Profit after tax		367	293
Earnings per share – basic	- Rupees	5.30	4.22
– diluted	- Rupees	5.05	4.22

Anticipating high liquidity requirements because of the new Float Glass Project the Board of Directors of the Company has not recommended the dividend or bonus for the year ended June 30, 2013.

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 departures 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 9 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	9
2.	Mr. Omer Baig	9
3.	Mrs. Naima Shahnaz Baig	9
4.	Mr. Mansoor Irfani	9
5.	Mr. Akbar Baig	9
6.	Mr. David Julian	9
7.	Mr. Syed Tufail Hussain	9

Committees of the Members of the Board of Directors:

The Board has constituted the Audit Committee and Human Resources & Remuneration Committee for its assistance. The details of its members and scope are as under:

Audit Committee

1.	Mr. Omer Baig	Chairman
2.	Mr. Akbar Baig	Member
3.	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 Resource & Remuneration Committee

1.	Mr. Mansoor Irfani	Chairman
2.	Mr. Tariq Baig	Member
3.	Mr. David Julian	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.

Pattern of Shareholding:

The pattern of shareholding and additional information as per requirement of code of corporate governance under listing regulations is attached separately. No trading in the shares of the Company were carried out by the Directors, the Chief Financial Officer, the Company Secretary and their spouses and minor children for the period under report except Mr. Omer Baig, the Director who has purchased 808,574 ordinary shares during the period under report.

Number of Employees:

The number of permanent employees as on June 30, 2013 were 736 (2012: 461). The major increase is attributable to the addition of float glass production unit.

Value of Investments of Provident Fund:

The value of total investment of provident fund as at June 30, 2013 was Rs. 48.07 million (2012: Rs. 40.29 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 October 5, 2013.

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 and date of the Directors' Report to which the attached financial statements relate.

Future Outlook:

By the Grace of Allah Almighty the optimum quality of float glass produce as per the approved standards of M/S Yaohua Glass – China (one of the world's largest suppliers of Float Glass Plant and the turn key partner of “Tariq Float” glass project) has been made available for sale and response of the market regarding acceptability of our float glass products is indeed amiable. This marvel will Insha`Allah lead to achieve significant higher sales volume for the next financial year.

The management has focused approach to further penetrate and explore new markets of Sub Continent, Middle East, and Central Asia for its float glass and value added tableware range of products to earn more foreign exchange so to ensure its contribution towards the exuberant economy of Pakistan.

It is anticipated that economic activities will flourish and the Company shall continue its path in further improving its performance in consideration of energy and anti-terrorism roadmap announced by the Government.

Auditors:

The present auditors M/s KPMG Taseer Hadi & Co., Chartered Accountants retire and being eligible 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, 2014 at a fee to be mutually agreed.

Acknowledgement:

We would like to thank our valued distributors, clients, 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 higher goals.

For and on behalf of the Board

October 05, 2013
Lahore

TARIQ BAIG
CHAIRMAN & MANAGING DIRECTOR

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2013

Name of Company: Tariq Glass Industries Limited

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in the Listing Regulations of the Stock Exchanges of Pakistan for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Directors:	NIL (Applicable on next election of BOD)
Executive Directors:	Mr. Tariq Baig Mr. Mansoor Irfani Mr. Akbar Baig
Non-Executive Directors:	Mr. Omer Baig Mrs. Naima Shahnaz Baig Mr. David Julian Mr. Syed Tufail Hussain

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred in the board of directors of the Company during the year. The Nominee Director of M/s Industrial Products Investments Limited namely Mr. Mujahid Eshai has resigned and no further appointment made in this respect by M/s Industrial Products Investments Limited.
5. The company has prepared a “Code of Conduct” and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the 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, in his absence, by a director elected by the board for this purpose and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. The directors of the Company having 14 years of education and 15 years of experience on the board of listed company are exempted from the requirement of directors' training program. All the board members except three directors qualify for exemption under the provisions of CCG. The Company will, however, arrange training programs for the directors as provided under the CCG.
10. The board ratified the appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.
11. The directors' report for the 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 CEO and CFO before approval of the board.
13. The directors, 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 two are non-executive directors and one member is executive director. The appointment of independent director as chairman of the audit committee will be adjudicated in the next election of the BOD.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed an HR and Remuneration Committee. It comprises of three members, of whom two are non-executive directors and the chairman of the committee is an executive director.
18. The board has set up an effective internal audit function for the Company and the staff is fully 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 Accountnats 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 can materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that all other material principles enshrined in the CCG have been complied with except for the Independent Director, towards which reasonable progress is being made by the company to seek compliance by the next election of Board of Directors.

October 5, 2013
Lahore

TARIQ BAIG
CHAIRMAN & MANAGING DIRECTOR

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

We have reviewed the statement of compliance with the best practices contained in the Code of Corporate Governance (”Statement of Compliance”) prepared by the Board of Directors of **Tariq Glass Industries Limited (“the Company”)** to comply with the Listing Regulations of Islamabad, Karachi and Lahore Stock Exchanges, where the company is listed.

The responsibility for compliance with the Code of Corporate Governance 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 of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board’s statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Companies corporate governance procedures and risks.

Further, Sub- Regulation (x) of Listing Regulation No. 35 of the respective Stock Exchanges, where the Company is listed, requires the Company to place before the Board of Directors for their consideration and approval of 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 recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Company the year ended 30 June 2013.

KPMG Taseer Hadi & Co.
Chartered Accountants
(Bilal Ali)

October 5, 2013
Lahore

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Tariq Glass Industries Limited ("the Company")** as at 30 June 2013 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:

   i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
   ii) the expenditure incurred during the year was for the purpose of the Company's business; and
   iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2013 and of the profit, its comprehensive income, 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
(Bilal Ali)

October 5, 2013
Lahore

BALANCE SHEET

	Note	2013 Rupees	2012 Rupees --Restated--
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
100,000,000 (2012: 100,000,000) ordinary shares of Rs 10 each		**1,000,000,000**	**1,000,000,000**
Issued, subscribed and paid-up capital			
69,300,000 (2012: 69,300,000) ordinary shares of Rs 10 each	5	**693,000,000**	693,000,000
Share premium	6	**263,697,120**	263,697,120
Equity portion of shareholders loan	7	**244,169,568**	120,150,117
Unappropriated profit		**968,191,016**	600,833,834
		2,169,057,704	1,677,681,071
Surplus on revaluation of land	8	**355,002,638**	355,002,638
		2,524,060,342	2,032,683,709
Non current liabilities			
Long term finances			
Secured	9	**1,191,949,344**	469,318,424
Unsecured	10	**375,157,251**	160,998,235
		1,567,106,595	630,316,659
Liabilities against assets subject to finance lease	11	**43,695,545**	-
Long term deposits	12	**252,568,437**	85,034,136
Long term payable to supplier - unsecured	13	**197,600,000**	-
Deferred taxation	14	**-**	143,775,508
		2,060,970,577	859,126,303
Current liabilities			
Trade and other payables	15	**760,551,613**	482,533,106
Accrued markup	16	**47,126,695**	35,821,752
Short term borrowings - secured	17	**669,399,178**	43,274,840
Current maturity of long term finances	9	**288,977,000**	246,708,047
Current portion of liabilites against asset subject to financae lease	11	**6,304,455**	-
Provision for taxation		**3,838,970**	131,058,653
		1,776,197,911	939,396,398
Contingencies and commitments	18	**-**	-
		6,361,228,830	3,831,206,410

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

October 5, 2013
Lahore

TARIQ BAIG
CHAIRMAN & MANAGING DIRECTOR

AS AT 30 JUNE 2013

	Note	2013 Rupees	2012 Rupees --Restated--
ASSETS			
Non-current assets			
Property, plant and equipment	*19*	**4,451,424,803**	2,781,832,980
Long term deposits	*20*	**42,767,022**	32,042,092
Deferred taxation	*14*	**43,028,633**	-
Current assets			
Stores and spares	*21*	**708,817,116**	163,174,592
Stock-in-trade	*22*	**605,900,900**	278,749,957
Trade debts, considered good	*23*	**218,370,100**	35,649,534
Advances, deposits, prepayments and other receivables	*24*	**223,809,833**	208,182,779
Cash and bank balances	*25*	**67,110,423**	331,574,476
		1,824,008,372	1,017,331,338
		6,361,228,830	3,831,206,410

OMER BAIG
DIRECTOR

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2013

		Note	2013 Rupees	2012 Rupees
Sales - net		26	**3,888,972,818**	3,411,057,174
Cost of sales		27	**(3,301,655,157)**	(2,712,574,562)
Gross profit			**587,317,661**	698,482,612
Operating expenses				
Administrative		28	**(76,845,899)**	(74,608,293)
Selling and distribution		29	**(260,154,677)**	(189,296,072)
			(337,000,576)	(263,904,365)
			250,317,085	434,578,247
Other income		30	**7,890,321**	61,306,632
Operating profit			**258,207,406**	495,884,879
Finance cost		31	**(93,714,327)**	(41,085,863)
Other expenses		32	**(11,938,931)**	(31,305,444)
Profit before taxation			**152,554,148**	423,493,572
Taxation		33	**214,803,034**	(130,733,297)
Profit after taxation			**367,357,182**	292,760,275
Earnings per share	**- basic**	40	**5.30**	4.22
	- diluted	40	**5.05**	4.22

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

October 5, 2013	**TARIQ BAIG**	**OMER BAIG**
Lahore	**CHAIRMAN & MANAGING DIRECTOR**	**DIRECTOR**

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	2013 **Rupees**	2012 Rupees
Profit after taxation	**367,357,182**	292,760,275
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**367,357,182**	292,760,275

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

October 5, 2013	**TARIQ BAIG**	**OMER BAIG**
Lahore	**CHAIRMAN & MANAGING DIRECTOR**	**DIRECTOR**

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 Rupees	2012 Rupees
Cash flows from operating activities			
Profit before taxation		**152,554,148**	423,493,572
Adjustments for:			
Depreciation		**208,627,592**	119,358,531
Profit on disposal of property, plant and equipment		**(886,388)**	(6,372,053)
Ijara rentals		**31,726,843**	5,845,622
Finance costs		**93,714,327**	41,085,863
Exchange fluctuation loss - net		**3,360,800**	-
Provision for workers' profit participation fund		**8,029,166**	22,769,654
Provision for workers' welfare fund		**-**	8,048,128
		344,572,340	190,735,745
Operating profit before working capital changes		**497,126,488**	614,229,317
(Increase)/decrease in current assets			
Stores and spares		**(545,642,524)**	(545,006)
Advances, deposits, prepayments and other receivables		**(47,305,842)**	(49,308,418)
Stock in trade		**(327,150,943)**	(91,538,208)
Trade debtors		**(182,720,566)**	1,188,089
Increase in current liabilities			
Trade and other payables		**291,850,029**	106,292,841
		(810,969,846)	(33,910,702)
Cash (used)/generated in/from operations		**(313,843,358)**	580,318,615
Finance cost paid		**(82,045,788)**	(39,501,684)
Payments to Workers Profit Participation Fund		**(21,512,011)**	(11,316,688)
Ijara rentals paid		**(32,050,819)**	(5,521,646)
Income tax paid		**(67,905,598)**	(66,155,648)
		(203,514,216)	(122,495,666)
Net cash (used)/generated in/from operating activities		**(517,357,574)**	457,822,949
Cash flows from investing activities			
Fixed capital expenditure		**(1,684,448,827)**	(1,538,828,680)
Proceeds from sale of property, plant and equipment		**1,355,000**	13,321,990
Long term deposits - net		**(10,724,930)**	(19,063,370)
Net cash used in investing activities		**(1,693,818,757)**	(1,544,570,060)
Cash flows from financing activities			
Proceeds from long term finances - net		**1,103,078,340**	869,355,789
Proceeds from sale and lease back transaction		**50,000,000**	-
Proceeds from short term borrowings - net		**626,124,338**	32,525,489
Proceeds from long term deposits		**167,534,301**	79,751,070
Dividend paid		**(24,701)**	(26,583,830)
Net cash generated from financing activities		**1,946,712,278**	955,048,518
Net decrease in cash and cash equivalents		**(264,464,053)**	(131,698,593)
Cash and cash equivalents at the beginning of the year		**331,574,476**	463,273,069
Cash and cash equivalents at the end of the year	*25*	**67,110,423**	331,574,476

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

October 5, 2013
Lahore

TARIQ BAIG
CHAIRMAN & MANAGING DIRECTOR

OMER BAIG
DIRECTOR

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Share capital	Share premium	Equity portion of shareholders loan	Unappropriated profit	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 30 June 2011	**693,000,000**	**263,697,120**	**-**	**334,332,745**	**1,291,029,865**
Total comprehensive income for the year					
Profit for the year after taxation	-	-	-	292,760,275	292,760,275
Transactions with the owners					
Final dividend for the year ended 30 June 2011 at the rate of Rs. 1 (10%) per share	-	-	-	(26,259,186)	(26,259,186)
Balance as at 30 June 2012 - as previously reported	**693,000,000**	**263,697,120**	**-**	**600,833,834**	**1,557,530,954**
Equity portion of shareholders loan received during the year (note 7)	-		125,440,638	-	125,440,638
Notional interest on shareholders' loan	-	-	(5,290,521)	-	(5,290,521)
Balance as at 30 June 2012 - restated	**693,000,000**	**263,697,120**	**120,150,117**	**600,833,834**	**1,677,681,071**
Total comprehensive income for the year					
Profit for the year after taxation	-	-	-	**367,357,182**	367,357,182
Transactions with the owners					
Equity portion of shareholders loan received during the year	-	-	152,429,423	**-**	152,429,423
Notional interest on shareholders' loan	-	-	(28,409,972)	**-**	(28,409,972)
Balance as at 30 June 2013	**693,000,000**	**263,697,120**	**244,169,568**	**968,191,016**	**2,169,057,704**

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

October 5, 2013
Lahore

TARIQ BAIG
CHAIRMAN & MANAGING DIRECTOR

OMER BAIG
DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

1 Nature and status of the Company

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

2 Statement of compliance

2.1 These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of Companies Ordinance, 1984. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standard Board and Islamic Financial Reporting 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 New Standards and amendments to published approved accounting standards that are relevant but 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 2013:

- IAS 19 Employee Benefits (amended 2011) - (effective for annual periods beginning on or after 1 January 2013). The amended IAS 19 includes the amendments that require actuarial gains and losses to be recognized immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognize all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19; and that the expected return on plan assets recognized in profit or loss is calculated based on the rate used to discount the defined benefit obligation. The amendments have no impact on financial statements of the Company.

- IAS 27 Separate Financial Statements (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 27 (2011) supersedes IAS 27 (2008). Three new standards IFRS 10 - Consolidated Financial Statements, IFRS 11- Joint Arrangements and IFRS 12- Disclosure of Interest in Other Entities dealing with IAS 27 would be applicable effective 1 January 2013. IAS 27 (2011) carries forward the existing accounting and disclosure requirements for separate financial statements, with some minor clarifications. The amendments have no impact on financial statements of the Company.

- IAS 28 Investments in Associates and Joint Ventures (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 28 (2011) supersedes IAS 28 (2008). IAS 28 (2011) makes the amendments to apply IFRS 5 to an investment, or a portion of an investment, in an associate or a joint venture that meets the criteria to be classified as held for sale; and on cessation of significant influence or joint control, even if an investment in an associate becomes an investment in a joint venture. The amendments have no impact on financial statements of the Company.

- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) – (effective for annual periods beginning on or after 1 January 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 Financial Instruments: Presentation. The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement. The amendments have no impact on the financial statements of the Company.

- Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) – (effective for annual periods beginning on or after 1 January 2013). The amendments to IFRS 7 contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting agreement or similar arrangement. The amendments have no impact on the financial statements of the Company.

Annual Improvements 2009–2011 (effective for annual periods beginning on or after 1 January 2013). The new cycle of improvements contains amendments to the following standards, with consequential amendments to other standards and interpretations.

- IAS 1 Presentation of Financial Statements is amended to clarify that only one comparative period – which is the preceding period – is required for a complete set of financial statements. If an entity presents additional comparative information, then that additional information need not be in the form of a complete set of financial statements. However, such information should be accompanied by related notes and should be in accordance with IFRS. Furthermore, it clarifies that the 'third statement of financial position', when required, is only required if the effect of restatement is material to statement of financial position.

- IAS 16 Property, Plant and Equipment is amended to clarify the accounting of spare parts, stand-by equipment and servicing equipment. The definition of 'property, plant and equipment' in IAS 16 is now considered in determining whether these items should be accounted for under that standard. If these items do not meet the definition, then they are accounted for using IAS 2 Inventories.

- IAS 32 Financial Instruments: Presentation - is amended to clarify that IAS 12 Income Taxes applies to the accounting for income taxes relating to distributions to holders of an equity instrument and transaction costs of an equity transaction. The amendment removes a perceived inconsistency between IAS 32 and IAS 12.

- IAS 34 Interim Financial Reporting is amended to align the disclosure requirements for segment assets and segment liabilities in interim financial reports with those in IFRS 8 Operating Segments. IAS 34 now requires the disclosure of a measure of total assets and liabilities for a particular reportable segment. In addition, such disclosure is only required when the amount is regularly provided to the chief operating decision maker and there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.

- IAS 39 Financial Instruments: Recognition and Measurement- Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39) (effective for annual periods beginning on or after 1 January 2014). The narrow-scope amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met (in this context, a novation indicates that parties to a contract agree to replace their original counterparty with a new one).

- Amendment to IAS 36 "Impairment of Assets" Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after 1 January 2014). These narrow-scope amendments to IAS 36 Impairment of Assets address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

- IFRIC 20 - Stripping cost in the production phase of a surface mining (effective for annual periods beginning on or after 1 January 2013). The interpretation requires production stripping cost in a surface mine to be capitalized if certain criteria are met.

- IFRIC 21- Levies 'an Interpretation on the accounting for levies imposed by governments' (effective for annual periods beginning on or after 1 January 2014). IFRIC 21 is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

- The amendments have no impact on financial statements of the Company.

3 Basis of preparation

3.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain items of property, plant and equipment measured at revalued amounts and certain financial instruments measured at fair value. All the transactions reflected in these financial statements are on accrual basis except for those reflected in cash flow statement.

3.2 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

3.3 Use of estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

	Note
- Revalued amounts, depreciation method, residual values and useful lives of depreciable assets	*4.1*
- Taxation	*4.11*
- Provisions	*4.13*
- Provision for doubtful debts	*4.6*
- Contingent liabilities	*4.14*
- Financial instruments	*4.12*

4 Significant accounting policies

The significant accounting policies adopted on the preparation of these financial statements are set out below. These policies have been consistantly applied for all the years presented, unless otherwise stated.

4.1 Property, plant and equipment

Owned

Property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and any identified impairment losses, if any. Freehold land is stated at revalued amount less accumulated impairment losses. 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, errection and installation of items of property, plant and equipment.

Major renewals and improvements to an item of property, plant and equipment are recognized in the carrying amount of the item if it is probable that the embodied future economic benefits will flow to the Company and the cost of renewal or improvement can be measured reliably. The cost of day-to-day servicing of property, plant and equipment are recognized in profit and loss account as and when incurred.

Depreciation on all property, plant and equipment is charged to profit 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 annual rates mentioned in note 19 after taking into account their residual values. Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed off.

Residual values and the useful lives of the assets are reviewed at least at each financial year end and adjusted if impact on depreciation charge is significant.

An item of property, plant and equipment is de-recognized when permanently retired from use. Any gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in profit and 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 the leased assets.

Depreciation on leased assets is charged 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 lease term.

4.2 Leases

Finance leases

Leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. At inception, finance leases are capitalized at the lower of present value of minimum lease payments under the lease agreements and the fair value of the assets, less accumulated depreciation and impairment loss, if any.

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.

Each lease payment is allocated between the liability and finance costs so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to income over the lease term.

Assets acquired under a finance lease are depreciated over the estimated useful life of the assets on reducing balance method at the rates mentioned in note 19. Depreciation of leased assets is charged to profit.

Residual values and the useful lives of the assets are reviewed at least at each financial year-end and adjusted if impact of depreciation is significant.

Depreciation on additions to leased assets is charged from the month in which an asset is acquired while no depreciation is charged for the month in which the asset is disposed off.

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.

4.3 Surplus on revaluation of property, plant and equipment

Surplus on revaluation is credited to the surplus on revaluation of property, plant and equipment account except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, if any, in which case surplus is recognized in profit or loss account. A revaluation deficit is recognized in profit or loss, except for a deficit directly offsetting a previous surplus on the same asset, in which case the deficit is taken to surplus on revaluation of fixed assets account. The surplus on revaluation of property, plant and equipment to the extent of the annual incremental depreciation based on the revalued carrying amount of the assets and the depreciation based on the assets' original cost is transferred annually to retained earnings net of related tax. The Company recognizes deferred tax liability on surplus on revaluation of property, plant and equipment which is adjusted against the related surplus. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the assets and the net amount is restated to the revalued amount of the assets.

Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to retained earnings.

4.4 Capital work-in-progress

Capital work in progress is stated at cost less any identified impairment loss. Cost comprise of expenditure incurred on construction, errection and installation of items of property, plant and equipment in respect of acquisition of items of property, plant and equipment and the cost of borrowings at effective interest rate incurred for borrowings obtained for specific projects up to the commencement of commercial production as referred to in note 4.17. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

4.5 Employee benefits

Post-employment benefits - Defined contribution plan

The Company operates an approved defined contributory provident fund for all its eligible employees, in which the Company and the employees make equal monthly contributions at the rate of 10 % of basic salary.

4.6 Trade debts

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

4.7 Stores and spares

These are valued at lower of weighted average cost or net realizable value except for items in transit, which are valued at cost comprising invoice value and related expenses incurred thereon up to the date of balance sheet. Obsolete and used items are recorded at nil value.

4.8 Stock in trade

Stock of raw materials, except for those in transit, work in process and finished goods are valued principally at the lower of weighted average cost and net realizable value. Cost of work in process and finished goods comprises cost of direct materials, labour and appropriate manufacturing overheads.

Materials in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

4.9 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 risks and rewards of ownership are transferred i.e. on dispatch in case of local sales and on preparation of bill of lading/ goods declaration in case of exports and when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue, and the associated cost incurred, or to be incurred, can be measured reliably.

Sales of products is recorded when the risks and rewards are transferred.

Interest / mark-up is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

4.10 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, demand deposits and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4.11 Taxation

Income tax expense comprises current and deferred tax. Income tax is recognized in profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are calculated at the rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) 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 equity in which case it is included in equity.

4.12 Borrowings

Borrowings are recognized initially at fair value less attributable transaction cost. Subsequent to initial recognition, these are stated at amortized cost with any difference between cost and redemption value being recognized in the profit and loss/ equity over the period of the borrowings on an effective interest basis.

4.13 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

4.14 Contingent liabilities

A contingent liability is disclosed:

- 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.

4.15 Financial assets and liabilities

Financial assets

Significant financial assets include advances and receivables, long term deposits and cash and bank balances. Finances and receivables from clients are stated at their nominal value as reduced by provision for doubtful finances and receivable, while other financial assets are stated at cost.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities include short and long term finances, lease finances, interest and mark up accrued and trade and other payables. Markup based financial liabilities are recorded at gross proceeds received. Other liabilities are stated at their nominal value.

Recognition and derecognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

4.16 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 set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.17 Borrowing costs

Borrowing costs incurred on project specific borrowings obtained for the construction of qualifying assets are capitalized up to the date the respective assets are available for the intended use. All other borrowing costs are taken to the profit and loss account currently.

4.18 Trade and other payables

Financial liabilities are initially recognized at fair value plus directly attributable cost, if any, and subsequently at amortized cost using effective interest rate method.

Other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

4.19 Foreign currencies

All monetary assets and liabilities in foreign currencies are translated into rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into rupees at exchange rates prevailing at the date when fair values are determined. Exchange gains and losses are included in the income currently.

4.20 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.21 Impairment

Financial assets (including receivables)

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired may include default or delinquency by a debtor indications that a debtor or issuer will enter bankruptcy.

All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

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 asset's original effective interest rate. Losses are recognized in profit and loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss account.

Non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax asset, 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 costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash generating unit, or CGU”).

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit and loss account.

Impairment loss recognized in prior periods is 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 the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.22 Dividend

Dividend distribution to the Company's shareholders is recognized as a liability in the period in which the dividends are approved.

5 Issued, subscribed and paid-up capital

2013	2012		**2013**	2012
(Number of shares)			**Rupees**	**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
69,300,000	69,300,000		**693,000,000**	693,000,000

5.1 Ordinary shares of the Company held by associated undertakings as at year end are as follows:

	2013	2012
	(Number of shares)	
Omer Glass Industries Limited	**7,733,760**	7,733,760

6 Share premium reserve

The share premium reserve 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

	2013 Rupees	2012 Rupees --Restated--
Industrial Products Investment Limited (IPI)	**10,092,358**	12,099,957
Loan from Sponsor Directors	**234,077,210**	108,050,160
	244,169,568	120,150,117

Loans from Sponsor Directors and IPI (major shareholder) have been discounted using market related interest on loans with similar terms and conditions and the resulting credit is transferred to equity in the current year. These loans have been adjusted retrospectively in accordance with International Accounting Standards 8 (IAS 8) "Accounting Policies, Changes in Accounting Estimates and Errors" and the resulting adjustment is made retrospectively in the said year. Consequently, Sponsor Directors loan including loans from IPI as at 30 June 2012 have decreased by Rs. 120.15 million with a corresponding increase in equity portion of loan from shareholders by Rs. 120.15 million. This classification has no impact on basic or diluted earning per share of the Company for the year ended 30 June 2012. Please refer to note 10.1 and 10.2.

8 Surplus on revaluation of land

This represents surplus arising on revaluation of freehold land carried out in the year ended 30 June 2011. The revaluation was conducted by an independent valuer i.e. M/S Iqbal A. Nanjee & Co. not connected with the Company.

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

9 Long term finances - secured

	Note	2013 Rupees	2012 Rupees
From banking companies and other financial institutions			
United Bank Limited - Demand finance			
NIDF - II		**-**	3,166,660
NIDF - III		**-**	12,588,995
NIDF - IV		**10,000,016**	20,000,000
	9.1	**10,000,016**	35,755,655
Bank of Punjab - Demand finance	*9.2*	**150,000,000**	-
Less: Transaction cost	*9.5*	**(2,755,367)**	-
		147,244,633	-
Habib Bank Limited			
Demand finance - II	*9.3*	**5,000,004**	11,666,670
Syndicate facility	*9.4*	**1,344,536,002**	706,196,918
Less: Transaction costs	*9.5*	**(25,854,311)**	(37,592,772)
		1,318,681,691	668,604,146
		1,480,926,344	716,026,471
Less: Current maturity		**(288,977,000)**	(246,708,047)
		1,191,949,344	469,318,424

9.1 NIDF-II and NIDF III have been fully repaid during the year. NIDF-IV represents demand finance facilities availed from United Bank Limited (UBL) against a cumulative sanctioned limit of Rs. 40.95 million (2012: Rs. 41.88 million). The facility is repayable in 60 equal monthly installments with last installment ending on June 2014. The facility is secured by way of first equitable mortgage ranking pari passu charge of Rs. 70 million on land and building including future constructions of the Company and hypothecation charge on other fixed assets amounting to Rs. 240 million and personal guarantees of the Sponsor Directors of the Company. It carries markup at the rate of 3 months KIBOR + 150 bps (2012: KIBOR + 150 bps).

9.2 This represents demand finance facility availed from Bank of Punjab for purchase of plant and machinery and to partially refinance the recently purchased plant and machinery for the Company. The sanctioned limit of the facility is Rs. 300 million and is secured by first pari pasu charge over present and future fixed assets of the Company with a 25% margin and personal guarantees of Sponsor Directors of the Company. The facility is repayable over a period of 5 years including grace period of 1 year in 48 equal monthly installments. The facility carries mark up rate of 3 months KIBOR + 250bps (2012: Nil).

9.3 This represents demand finance facility availed form Habib Bank Limited (HBL) for the purpose of financing 3rd production line of tableware glass against a cumulative sanctioned limit of Rs. 30 million. This facility is repayable in 54 equal monthly installments ending on March 2014. The facility is secured by way of first equitable ranking pari passu charge of Rs. 70 million on land and building including all future constructions of the Company and hypothecation charge amounting to Rs. 75 million on all plants, machinery, equipment, air conditioning plants and units of the Company. The facility carry markup at the rate of 3 months KIBOR + 200 bps (2012: KIBOR + 200 bps).

9.4 This represents syndicate financing facilty availed from Habib Bank Limited led syndicate of banks comprising Habib Bank Limited, MCB Bank Limited, United Bank Limited, The Bank of Punjab, Bank of Khyber and Pak China Investement Company Limited for the purpose of construction and import of machinery and equipment for float glass plant of the Company. The sactioned limit of the facility is Rs. 1,500 million including Rs. 900 million through conventional lending and Rs. 600 million through Musharikah agreement. On April 4, 2013, after obtaining approval of State Bank of Pakistan (SBP), the outstaning facilty has been converted into long term financing facility for plant and machinery scheme (LTFF), as set out by SBP through MFD circular no. 7 dated December 31, 2007. As per the LTFF agreement, the remanining amount as at June 30, 2013 is repayable in 16 equal quarterly installments ending on 1 July 2017. The facility is secured by first pari passu mortgage over the project properties with 25% margin and first pari passu hypothecation charge over all present and future fixed assets (excluding land and building) of the Company with a 25% margin, establishment of lien over collection accounts of float glass unit and personal guarantees of Sponsor Directors of the Company.

As per LTFF agreement the applicable markup is revised to fixed rate of 10.9 % (2012: 3 months KIBOR + 280 bps).

	Note	2013 Rupees	2012 Rupees

9.5 Transaction costs

	Note	2013 Rupees	2012 Rupees
Balance as at 01 July		**37,592,772**	15,567,473
Incurred during the year	*9.5.1*	**3,100,000**	23,917,138
Amortized during the year	*9.5.2*	**(12,083,094)**	(1,891,839)
Balance as at 30 June		**28,609,678**	37,592,772

9.5.1 This represents transaction costs incurred on obtaining finance facility from Bank of Punjab.

9.5.2 Transaction cost amounting to Rs. 11.44 million (2012: 1.89 million) has been capitalized.

10 Long term finances - unsecured

	Note	2013 Rupees	2012 Rupees --Restated--
Industrial Products Investment Limited (IPI)	*10.1*	**23,297,092**	21,289,493
Loan from Sponsor Directors	*10.2*	**351,860,159**	139,708,742
		375,157,251	160,998,235

10.1 Industrial Products Investment Limited (IPI)

	Note	2013 Rupees	2012 Rupees
Loan obtained		**33,389,450**	33,389,450
Present value adjustment	*10.1.1*	**(10,092,358)**	(12,099,957)
Present value of loan from IPI		**23,297,092**	21,289,493

10.1.1 This represents loan obtained from Industrial Products Investment Limited (IPI) 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 has been rescheduled by the lender and now the repayment will start from 01 July 2017 with same terms and conditions. This loan carries markup at the rate of LIBOR + 150 bps (2012: LIBOR + 150 bps). The loan is received at a below market rate of interest and is therefore recognized at amortized cost using interest rate of 12%. The resulting difference is transferred to equity as referred to in note 7.

		2013 Rupees	2012 Rupees --Restated--
10.2 Loan from Sponsor Directors			
Interest free loan		**585,937,369**	247,758,902
Present value adjustment		**(234,077,210)**	(108,050,160)
Present value of interest free loan from Sponsor Directors	*10.2.1*	351,860,159	139,708,742

10.2.1 These represent unsecured subordinated interest free loans obtained from the Sponsor Directors of the Company and are repayable after 30 June 2017 through internal cash generation from operations. These have been recognized at amortized cost using discount rate of 12% per annum. The resulting difference has been transferred to equity and will be amortized over the remaining term of the loan as referred to in note 7.

11 Liabilities against assets subject to finance lease

The Company has entered into lease agreement with Pak Kuwait Investment Company Private Limited for sale and lease back of machinery for tableware plant of the Company. Lease rentals are payable on quarterly basis in arrears in five years. The rate applicable on the lease agreement is 6 months KIBOR + 225 bps. The Company has the option to purchase the assets after expiry of the lease term and has the intention to exercise such option. There are no financial restrictions imposed by lessors.

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

	2013		
	Minimum lease payments	**Finance cost for future periods**	**Present value**
	Rupees	**Rupees**	**Rupees**
Not later than one year	**11,694,890**	**5,390,435**	**6,304,455**
Later than one year and not later than five years	**54,009,760**	**10,314,215**	**43,695,545**
	65,704,650	**15,704,650**	**50,000,000**

	2012		
	Minimum lease payments	Finance cost for future periods	Present value
	Rupees	Rupees	Rupees
Not later than one year	-	-	-
Later than one year and not later than five years	-	-	-
	-	-	-

12 Long term deposits

These represent security deposits received against dealership contracts and by virtue of contract can be utilized in the Company's buisness. Security deposits from float glass dealers are interest free subsequent to the commencement of commercial production of float glass. However, prior to commencement of commercial production of float glass these carry interest rate of 1 % per month (2012: 1% per month). These are adjustable against the amount due at the time of termination of dealership contracts.

13 Long term payable to supplier - unsecured

This represents the balance amount payable of USD 2 million out of the total contract amount of USD 15 million to Qinhuangdao Yaohua Glass Machine Manufacture Company Ltd. ("the Supplier") for supply of equipment and material for the float glass plant of the Company. By virtue of the agreement the Company has an option to issue 4,158,000 fully paid ordinary shares of the Company after 31 December 2013 subject to regulatory approvals or alternatively pay USD 2 million in cash subsequent to 30 June 2014. The prospective issue of share capital to the Supplier is approved by the shareholders in their Annual General Meeting held on 24 October 2012, and the Company is in the process of obtaining regulatory approval in this regard.

	Note	**2013**	2012
		Rupees	Rupees
14 Deferred taxation			
Deferred taxation	*14.1*	**43,028,633**	(143,775,508)
		43,028,633	(143,775,508)

14.1 The liability for deferred taxation comprises timing differences relating to:

	2013	2012
Deferred tax liability		
Accelerated tax depreciation	**(644,732,654)**	(143,775,508)
Deferred tax assets		
Unabsorbed depreciation	**473,416,530**	-
Unabsorbed tax credits	**214,344,757**	-
	43,028,633	(143,775,508)

		Note	2013 Rupees	2012 Rupees
15	**Trade and other payables**			
	Trade creditors		**407,767,330**	224,821,766
	Advances from customers		**128,346,381**	100,361,522
	Accrued expenses		**161,306,848**	102,457,712
	Sales tax payable		**21,144,740**	4,843,335
	Unclaimed dividend		**13,140,307**	13,165,008
	Workers' profit participation fund payable	*15.1*	**9,072,883**	22,555,728
	Workers welfare fund		**12,319,316**	12,319,316
	Payable to provident fund		**1,892,495**	1,303,052
	Others		**5,561,313**	705,667
			760,551,613	482,533,106

15.1 Workers' profit participation fund payable

	2013 Rupees	2012 Rupees
Balance as at 01 July	**22,555,728**	10,508,690
Add: allocation for the year	**8,029,166**	22,769,654
interest for the year	**484,322**	594,072
Less: amount paid to the fund	**21,996,333**	11,316,688
Balance as at 30 June	**9,072,883**	22,555,728

		Note	2013 Rupees	2012 Rupees
16	**Accrued markup**			
	Long term finances - secured		**4,493,708**	42,591
	Long term finances - unsecured		**30,341,140**	29,020,279
	Short term borrowings - secured		**12,291,847**	4,054,166
	Interest on security deposits		**-**	2,704,716
			47,126,695	35,821,752
17	**Short term borrowings - secured**			
	From banking companies:			
	Short term running finance - secured	*17.1*	**353,646,708**	33,662,815
	Finance against imported merchandise	*17.2*	**19,920,363**	9,612,025
	Short term Murabaha finance - secured	*17.3*	**295,832,107**	-
			669,399,178	43,274,840

17.1 Short term running finance - secured

This represents running finance/cash finance facilities availed from various commercial banks to meet working capital requirements with a cumulative sanctioned limit of Rs. 1,160 million (2012: Rs. 210 million). The markup on the facilities range from 175 bps to 250 bps above 3 months KIBOR and 14% fixed rate per annum (2012: 175 bps to 200 bps above 3 Months KIBOR) payable quarterly.

The facility is secured by way of charges on fixed assets of the Company up to Rs. 1,262 million and Rs. 1,112 million over current assets of the Company. The facility is also secured by personal guarantees of Sponsor Directors of the Company. The facilities have various maturity dates upto 30 June 2014.

17.2 Finance against imported merchandise - secured

This represents facility of finance against imported merchandise availed from various commercial banks having cumulative sanctioned limit of Rs. 75 million (2012: Rs. 15 million). The rate of markup charged is 3 months KIBOR + 200 bps (2012: 3 months KIBOR + 200 bps) per annum. The facility is secured against lien over import documents, pledge of imported goods and personal guarantees of Sponsor Directors of the Company. The facilities have various maturity dates upto 30 June 2014.

17.3 Short term Murabaha finance - secured

This represents Murahaba finance facility obtained during the year from commercial banks to support the purchase of raw materials, the cumulative sanctioned limit amounts to Rs. 300 million. The rate of markup is 200 bps above 3 months KIBOR. The facility is secured by way of hypothecation charges on current assets amounting to Rs. 367 million and personal guarantees of Sponsor Directors of the Company. The facilities have various maturity dates upto 30 June 2014.

18 Contingencies and commitments

18.1 Contingencies

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

- Sui Northern Gas Pipelines Limited against supply of gas for furnace amounting to Rs. 230.20 million (2012: 226.70 million)
- Sui Northern Gas Pipelines Limited against supply of gas for captive power amounting to Rs. 16 million (2012: Rs. 16 million).
- The Deputy Commissioner Inland Revenue (Appeals) DCIR(A) amended

sections 21C, 24 and 39 of the Income Tax Ordinance, 2001 amounting to Rs. 36.8 million, resultantly reducing the assessed loss of the Company from Rs. 178.67 million to Rs. 141.86 million having tax impact of Rs. 12.88 million. However, the Company has challenged the impunged demand before the Commissioner Inland Revenue (Appeals) who after making various amendments in the order passed by CIR (A) directed the DCIR(A) to revise the demand order accordingly. However, the treatment meted out by the CIR(A) is assailed by the Company through appeals before the ATIR.

- The Sindh High Court (the Court) in the case of 'Kasim textile' in its order of 24 April, 2013 has held that benefit of carry forward of minimum tax under section 113 of the Income Tax Ordinance, 2001 is only available if tax payable in a tax year is less than minimum tax paid. If in a tax year, a company has assessed losses on which no tax is payable, the company forgoes the right to carry forward minimum tax paid in that year. In the previous year the Company has made adjustments in its tax return amounting to Rs. 5.551 million for minimum tax paid in tax year 2008 against the tax payable and reduced the provision for taxation for this amount. In the light of this order, the Company may not be entitled to adjust minimum tax paid in the tax year 2008 against normal tax liability as there were assessed tax losses in that tax year. However, the management is of the view that the verdict has been challenged in the Supreme Court and that they are waiting for the final outcome and accordingly minimum tax is adjusted against provision for taxation in the current year.

- The Company is contesting the order passed by the Commissioner Inland Revenue (CIR) under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax year 2008 and under section 161/205 of the Income Tax Ordinanc, 2001 for the tax year 2006 before the Appeallate Tribunal Inland Revenue. The cummulative amount involved in these two cases is Rs. 1.485 million.

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

18.2 Commitments

- Letter of credit for capital expenditure amounting to Rs. 14.364 million (2012: Rs. 914.787 million)

- Letter of credit for other than capital expenditure amounting to Rs. 18.884 million (2012: Rs. 21.107 million)

- The amount of future Ijarah rentals for Ijarah financing and the period in which these payments will become due are as follows:

	Note	**2013 Rupees**	2012 Rupees
Not later than one year		**9,273,012**	8,439,319
Later than one year and not later than three years		**5,645,484**	13,800,432

19 Property, plant and equipment

	Note	**2013 Rupees**	2012 Rupees
Operating assets	*19.1*	**4,437,531,663**	1,254,022,710
Capital work in progress	*19.2*	**13,893,140**	1,527,810,270
		4,451,424,803	2,781,832,980

19.1 Operating assets

	Cost						Depreciation					Net book value as at 30 June 2013
	As at 01 July 2012	Additions during the year	Transfers/ adjustments	Disposals during the year	As at 30 June 2013	Depreciation Rate	As at 01 July 2012	Transfers/ adjustments	For the year	On Disposals	As at 30 June 2013	
	Rupees					%	Rupees					Rupees
Owned												
Freehold land	409,996,500	3,878,000	(11,250,000) [1]	-	402,624,500	-	-	-	-	-	-	**402,624,500**
Factory building -freehold	252,860,038	989,634,936	-	-	1,242,494,974	10	88,866,743	-	41,085,887	-	129,952,630	**1,112,542,344**
Office building - freehold	49,281,810	-	-	-	49,281,810	5	38,561,813	-	536,000	-	39,097,813	**10,183,997**
Plant and machinery	1,475,572,203	2,342,455,951	-	-	3,818,028,154	10 - 20	876,494,928	-	147,868,485	-	1,024,363,413	**2,793,664,741**
Furniture and fixtures	5,820,780	763,657	-	-	6,584,437	10	3,301,219	-	267,244	-	3,568,463	**3,015,974**
Tools and equipment	761,525	-	-	-	761,525	10	700,828	-	6,070	-	706,898	**54,627**
Electric installation	22,918,418	3,424,348	-	-	26,342,766	10	12,558,513	-	1,155,606	-	13,714,119	**12,628,647**
Vehicles	62,696,257	1,620,493	-	1,652,160	62,664,590	20	31,278,060	-	6,439,555	1,183,548	36,534,067	**26,130,523**
Moulds	114,642,549	12,077,772	-	-	126,720,321	30	88,770,901	-	9,601,514	-	98,372,415	**28,347,906**
Fire fighting equipment	39,606	-	-	-	39,606	10	33,971	-	564	-	34,535	**5,071**
	2,394,589,686	**3,353,855,157**	**(11,250,000)**	**1,652,160**	**5,735,542,683**		**1,140,566,976**	**-**	**206,960,925**	**1,183,548**	**1,346,344,353**	**4,389,198,330**
Leased												
Plant and machinery	-	50,000,000	-	-	50,000,000	10	-	-	1,666,667	-	1,666,667	**48,333,333**
2013	**2,394,589,686**	**3,403,855,157**	**(11,250,000)**	**1,652,160**	**5,785,542,683**		**1,140,566,976**	**-**	**208,627,592**	**1,183,548**	**1,348,011,020**	**4,437,531,663**

1 This represents refund received from Land Acquisition Collector Industries Punjab Lahore (the "Collector") in the current year. The amount was deposited in the year ended 30 June 2011 for acquisition of land near the factory premises of the Company, however on the directions of the Collector same land was subsequently purchased through auction in the year ended 30 June 2012 and capitalized in the same year.

	Cost						Depreciation					Net book
	As at 01 July 2011	Additions during the year	Transfers/ adjustments	Disposals during the year	As at 30 June 2012	Depreciation Rate	As at 01 July 2011	Transfers/ adjustments	For the year	On Disposals	As at 30 June 2012	value as at 30 June 2012
	Rupees					%	Rupees					Rupees
Owned												
Freehold land	397,145,000	12,851,500	-	-	409,996,500	-	-	-	-	-	-	**409,996,500**
Factory building -freehold	163,611,730	89,248,308	-	-	252,860,038	10	79,689,418	-	9,177,325	-	88,866,743	**163,993,295**
Office building - freehold	49,281,810	-	-	-	49,281,810	5	37,997,603	-	564,210	-	38,561,813	**10,719,997**
Plant and machinery	1,447,116,197	30,719,814	845,000	3,108,808	1,475,572,203	10 - 20	785,673,701	248,958	91,794,365	1,222,096	876,494,928	**599,077,275**
Furniture and fixtures	4,571,527	1,249,253	-	-	5,820,780	10	3,108,180	-	193,039	-	3,301,219	**2,519,561**
Tools and equipment	761,525	-	-	-	761,525	10	694,084	-	6,744	-	700,828	**60,697**
Electric installation	19,994,289	2,924,129	-	-	22,918,418	10	11,547,313	-	1,011,200	-	12,558,513	**10,359,905**
Vehicles	59,381,803	17,852,680	1,839,000	16,377,226	62,696,257	20	34,873,140	648,963	7,069,955	11,313,998	31,278,060	**31,418,197**
Moulds	110,311,559	4,330,990	-	-	114,642,549	30	79,229,834	-	9,541,067	-	88,770,901	**25,871,648**
Fire fighting equipment	39,606	-	-	-	39,606	10	33,345	-	626	-	33,971	**5,635**
2012	**2,252,215,046**	**159,176,674**	**2,684,000**	**19,486,034**	**2,394,589,686**		**1,032,846,618**	**897,921**	**119,358,531**	**12,536,094**	**1,140,566,976**	**1,254,022,710**

Depreciation charge for the year has been allocated as follows:

	Note	2013 Rupees	2012 Rupees
Cost of sales	*27*	**201,206,232**	114,118,360
Administrative expenses	*28*	**4,131,133**	3,329,205
Selling and distribution	*29*	**3,290,227**	1,910,966
		208,627,592	119,358,531

19.1.1 Disposal of property, plant and equipment

Particulars of assets	Sold to	Cost	Accumulated depreciation	Written down value	Sale proceeds	Profit/ (Loss)	Mode of disposal
		Rupees					
Vehicles							
Motor cycle rikshaw	Umar Sajjad	80,000	(50,427)	29,573	25,000	(4,573)	Negotiation
Suzuki Cultus	Muhammad Adil Zafar	703,850	(479,291)	224,559	500,000	275,441	Negotiation
Honda City	Mohammad Shahbaz	868,310	(653,830)	214,480	830,000	615,520	Negotiation
2013		**1,652,160**	**(1,183,548)**	**468,612**	**1,355,000**	**886,388**	
2012		19,486,034	12,536,097	6,949,937	13,321,990	6,372,053	

		Note	2013 Rupees	2012 Rupees
19.2	**Capital work in progress**			
	Plant and machinery		**-**	1,067,837,003
	Civil works		**10,808,034**	364,946,278
	Advances		**-**	16,517,200
	Store held for capital expenditure		**-**	31,397,530
	Others		**3,085,106**	47,112,259
			13,893,140	1,527,810,270

		2013 Rupees	2012 Rupees
19.2.2	**Movement in capital work in progress**		
	Balance as at 01 July	**1,527,810,270**	149,944,340
	Add: additions during the year	**1,158,198,493**	1,476,739,152
	transfers from stores and spares - net	**642,407,450**	10,943,820
		1,800,605,943	1,487,682,972
		3,328,416,213	1,637,627,312
	Less: transferred to property, plant and equipment	**3,314,523,073**	109,817,042
	Balance as at 30 June	**13,893,140**	1,527,810,270

19.2.3 Capital work in progress includes borrowing cost of Rs. 157.71 million (2012: Rs. 29.873 million) capitalized during the year.

20 Long term deposits

	Note	2013 Rupees	2012 Rupees
Deposits with leasing companies		**21,046,118**	17,220,383
Others	*20.1*	**21,720,904**	14,821,709
		42,767,022	32,042,092

20.1 These mainly include deposits with utility companies.

21 Stores and spares

	2013 Rupees	2012 Rupees
Stores	**474,009,898**	137,812,863
Spares	**234,807,218**	25,361,729
	708,817,116	163,174,592

21.1 Most of the items of stores and spares are of an interchangeable nature and can be used as machine spares or consumed as stores. Accordingly, it is not practicable to distinguish stores and spares until their actual usage.

	Note	2013 Rupees	2012 Rupees
22 Stock in trade			
Raw materials		**147,746,265**	113,657,677
Chemical and ceramic colours		**23,458,286**	25,328,124
Packing material		**28,863,592**	27,491,555
Work in process		**61,571,550**	21,257,363
Finished goods		**344,261,207**	91,015,238
		605,900,900	278,749,957
23 Trade debts, considered good-unsecured			
Local debtors	23.1	**211,327,300**	34,725,808
Foreign debtors - unsecured		**7,042,800**	923,726
		218,370,100	35,649,534

23.1 These are secured upto the extent of security deposits received from the distributors.

	Note	2013 Rupees	2012 Rupees
24 Advances, deposits, prepayments and other receivables			
Advances to suppliers- unsecured, considered good		**68,214,550**	67,157,462
Advances to staff - unsecured, considered good	*24.1*	**1,137,725**	1,034,449
Advances against letters of credit and margins		**36,077,858**	8,122,486
Prepaid expenses		**3,479,238**	797,685
Advance income tax		**52,814,121**	41,736,219
Claims recoverable from government			
Income tax		**3,925,671**	37,666,490
Sales tax		**22,683,357**	31,335,632
		26,609,028	69,002,122
Security deposits		**19,356,200**	8,802,200
Interest receivable - accrued		**-**	363,596
Prepaid insurance		**15,111,035**	11,166,560
Due from associated company	*24.2*	**1,010,078**	-
		223,809,833	208,182,779

24.1 Included in advances to staff are amounts due from Executives of Rs. 0.585 million (2012: Rs 0.423 million)

24.2 This represents Rs. 1.01 million (2012: Rs. Nil) due from an associated undertaking (Omer Glass Industries Limited). It is interest free and in the normal course of business.

25 Cash and bank balances

	Note	2013 Rupees	2012 Rupees
Cash in hand		**4,423,682**	4,362,606
Cash at bank			
Local currency			
- Current accounts		**56,708,636**	137,338,644
- Deposits and saving accounts	*25.1*	**4,351,231**	184,505,129
		61,059,867	321,843,773
Foreign currency - current account		**1,626,874**	5,368,097
		67,110,423	331,574,476

25.1 Mark up on deposit accounts ranges from 6% to 8% (2012: 8% to 11%) per annum.

		Note	2013 Rupees	2012 Rupees
26	**Sales - net**			
	Local		**4,597,078,676**	4,043,087,436
	Export		**383,896,974**	264,284,236
	Gross sales		**4,980,975,650**	4,307,371,672
	Less: Sales tax		**595,026,256**	507,791,830
	Trade discounts		**496,976,576**	388,522,668
			1,092,002,832	896,314,498
			3,888,972,818	3,411,057,174
27	**Cost of sales**			
	Raw material consumed		**893,097,279**	568,682,341
	Salaries, wages and other benefits	*27.1*	**474,947,515**	322,799,805
	Fuel and power		**1,215,778,036**	927,581,125
	Packing material consumed		**552,201,536**	560,362,859
	Stores and spares consumed		**143,803,025**	187,702,345
	Carriage and freight		**10,944,225**	5,591,434
	Repair and maintenance		**13,911,945**	12,746,098
	Travelling and conveyance		**14,601,721**	8,303,527
	Insurance		**10,629,531**	6,782,552
	Ijara rentals		**25,043,403**	5,845,622
	Postage and telephone		**2,093,419**	1,463,364
	Rent, rates and taxes		**10,386,854**	2,737,483
	Printing and stationery		**476,345**	256,501
	Entertainment		**607,165**	840,271
	Depreciation	*19.1*	**201,206,232**	114,118,360
	Others		**25,487,082**	11,738,697
			3,595,215,313	2,737,552,384
	Work in process			
	Opening stock		**21,257,363**	17,514,856
	Closing stock		**(61,571,550)**	(21,257,363)
			(40,314,187)	(3,742,507)
			3,554,901,126	2,733,809,877
	Finished goods			
	Opening		**91,015,238**	69,779,923
	Closing		**(344,261,207)**	(91,015,238)
			(253,245,969)	(21,235,315)
			3,301,655,157	2,712,574,562

27.1 Salaries, wages and other benefits include Rs. 5.10 million (2012: Rs. 4.32 million) in respect of staff retirement benefits.

		Note	2013 Rupees	2012 Rupees
28	**Administrative expenses**			
	Salaries, wages and other benefits	*28.1*	**36,917,528**	32,452,029
	Travelling expenses		**2,799,242**	3,297,818
	Motor vehicle expenses		**2,544,664**	2,253,285
	Postage and telephone		**2,566,696**	1,334,097
	Printing and stationery		**1,302,667**	1,077,378
	Rent, rates and taxes		**5,013,750**	4,672,500
	Repair and maintenance		**2,410,037**	3,267,660
	Legal and professional charges		**1,861,942**	4,715,000
	Auditors' remuneration	*28.2*	**1,440,000**	770,000
	Advertisement		**154,534**	6,686,804
	Utilities		**1,943,932**	1,481,455
	Entertainment		**771,555**	670,849
	Insurance		**1,490,695**	1,364,586
	Subscription, news papers and periodicals		**1,910,481**	1,546,664
	Depreciation	*19.1*	**4,131,133**	3,329,205
	Ijara rentals		**2,251,199**	-
	Donations	*28.3*	**891,000**	800,000
	Miscellaneous		**6,444,844**	4,888,963
			76,845,899	74,608,293

28.1 Salaries, wages and other benefits include Rs. 1.01 million (2012: Rs. 0.83 million) in respect of staff retirement benefits.

28.2 Auditors' remuneration

	2013 Rupees	2012 Rupees
Audit fee	**800,000**	550,000
Half yearly review fee	**120,000**	120,000
Certifications fee	**400,000**	20,000
Out of pocket expenses	**120,000**	80,000
	1,440,000	770,000

28.3 None of the Directors or his spouse has interest in the donee's fund.

		Note	2013 Rupees	2012 Rupees
29	**Selling and distribution expenses**			
	Salaries and other benefits	*29.1*	**35,488,108**	27,314,091
	Local freight and forwarding		**117,361,683**	111,132,717
	Export freight and forwarding		**29,591,095**	23,208,131
	Travelling expenses		**8,520,788**	7,504,258
	Motor vehicle expenses		**11,300,289**	5,944,808
	Postage and telephone		**1,383,794**	1,475,671
	Printing and stationery		**296,591**	250,739
	Advertisement, exhibitions and sales promotion		**38,147,235**	5,556,849
	Rent, rates and taxes		**2,879,672**	1,545,133
	Depreciation	*19.1*	**3,290,227**	1,910,966
	Ijara rentals		**4,432,241**	-
	Breakage and incidental charges		**7,252,772**	3,452,709
	Miscellaneous		**210,182**	-
			260,154,677	189,296,072

29.1 Salaries, wages and other benefits include Rs. 1.96 million (2012: Rs. 1.36 million) in respect of staff retirement benefits.

		Note	2013 Rupees	2012 Rupees
30	**Other income**			
	Profit on disposal of property, plant and equipment	19.1.1	**886,388**	6,372,053
	Interest income earned on deposits and saving accounts		**7,003,933**	54,934,579
			7,890,321	61,306,632
31	**Finance cost**			
	Mark-up on			
	Long term finances - secured		**36,238,267**	10,239,791
	Long term finances - unsecured		**856,548**	743,664
	Short term borrowings - secured		**31,493,230**	18,572,639
	Finance lease		**1,862,148**	-
			70,450,193	29,556,094
	Interest on WPPF		**484,322**	594,072
	Interest on security deposits		**17,420,350**	2,704,716
	Bank charges		**3,339,622**	8,230,981
	Guarantee commission charges		**2,019,840**	-
			93,714,327	41,085,863
32	**Other expenses**			
	Workers' profit participation fund	15.1	**8,029,166**	22,769,654
	Workers welfare fund		**-**	8,048,128
	Exchange fluctuation loss - net		**3,360,800**	-
	Others		**548,965**	487,662
			11,938,931	31,305,444
33	**Taxation**			
	Income tax - Current	33.1	**-**	114,808,403
	Income tax - Prior year		**(27,998,893)**	-
			(27,998,893)	114,808,403
	Deferred tax	33.3	**(186,804,141)**	15,924,894
			(214,803,034)	130,733,297

33.1 The current year's provision for taxation represents tax charged on exports and minimum tax under section 113 of the Income Tax Ordinance, 2001 as adjusted by tax credits available on balancing, modernization and replacement of property, plant and equipment under section 65(B) of the Income Tax Ordinance, 2001.

33.2 Tax charge reconciliation

Numerical reconciliation between the average effective tax rate and the applicable tax rate.

	2013 %	2012 %
Applicable tax rate	**-**	35.00
Tax effect on separate block of income (taxable at reduced rate)	**-**	(2.20)
Tax effect of permanent differences	**-**	2.54
Tax effect of credits and rebates	**-**	(4.71)
	-	30.63

33.2.1 Provision for current tax represents tax charged at export stage and minimum tax under section 113 of the Income Tax Ordinance, 2001 as adjusted by tax credit available on balancing, modernization and replacement of property, plant and equipment under section 65(B) of the Income Tax Ordinance, 2001, therefore tax charge reconciliation for the same year has not been provided.

33.3 Deferred tax income/expense relates to origination and reversal of temporary difference.

34 Financial instruments

The Company has exposure to the following risks from its use of financial instruments.:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

34.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted and arise principally from long term deposits, trade receivables and security deposits. Out of the total financial assets of Rs. 344.19 million (2012: Rs. 404.07 million) financial assets which are subject to credit risk amount to Rs. 344.19 million (2012: Rs. 403.71 million).

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties. Sales made to major customers are secured through letters of credit. The management has set a maximum credit period of 30 days to reduce the credit risk.

All investing transactions are settled / paid for upon delivery. The Company's policy is to enter into financial instrument contract by following internal guidelines such as approving counterparties and approving credits.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date is:

	2013 **Rupees**	2012 Rupees
Long term deposits	**42,767,022**	32,042,092
Trade debts - considered good	**218,370,100**	35,649,534
Advances, deposits and other receivables	**20,366,278**	8,802,200
Bank balances	**62,686,741**	327,211,870
	344,190,141	403,705,696

The trade debts as at the balance sheet date are classified as follows:

	2013 Rupees	2012 Rupees
Foreign	**7,042,800**	923,726
Domestic	**211,327,300**	34,725,808
	218,370,100	35,649,534

The aging of trade receivables at the reporting date is:

	2013 Rupees	2012 Rupees
Past due 0 - 30 days	**197,884,867**	22,390,057
Past due 31 - 60 days	**7,293,860**	4,606,554
Past due 61 - 90 days	**9,977,630**	2,817,672
Past due 91 - 120 days	**64,300**	683,594
Past due 120 days	**3,149,443**	5,151,657
	218,370,100	35,649,534

Based on past experience the management believes that no impairment allowance is necessary in respect of trade receivables past due as major 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.

The credit quality of cash and bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

	Credit Rating		**Rating**
	Short term	**Long term**	**Agency**
Bank Alfalah Limited	A1+	AA	PACRA
The Bank of Khyber	A-1	A	JCR-VIS
The Bank of Punjab	A1+	AA-	PACRA
MCB Bank Limited	A1+	AAA	PACRA
National Bank of Pakistan	A-1+	AAA	JCR-VIS
Standard Chartered Bank Limited	A1+	AAA	PACRA
United Bank Limited	A-1+	AA+	JCR-VIS
Habib Bank Limited	A-1+	AAA	JCR-VIS
Faysal Bank Limited	A-1	AA	PACRA
NIB Bank	A-1	AA-	PACRA
Bank Islami Pakistan Limited	A-1	A	PACRA
Sindh Bank Limited	A-1	AA-	PACRA

34.2 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 to always have sufficient liquidity to meet its liabilities when due. In addition, the Company has obtained running finance facilities from various commercial banks to meet any deficit, if required to meet the short term liquidity commitments. The following are the contractual maturities of financial liabilities, including estimated interest payments:

	2013						
	Carrying Amount	**Contractual cash flows**	**Six months or less**	**Six to twelve months**	**One to two years**	**Two to Five years**	**More than five years**
	--Rupees--						
Financial liabilities							
Long term loan-secured	1,559,536,022	1,653,980,670	253,360,822	230,659,954	428,507,908	741,451,986	-
Long term loan-unsecured	619,326,819	652,629,840	-	-	-	652,629,840	-
Trade and other payables	602,972,459	602,972,459	380,075,394	-	-	-	-
Accrued markup	47,126,695	47,126,695	47,126,695	-	-	-	-
Short term borrowings	669,399,178	669,399,178	669,399,178	-	-	-	-
2013	**3,498,361,173**	**3,626,108,842**	**1,349,962,089**	**230,659,954**	**428,507,908**	**1,394,081,826**	**-**

	2012						
	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	753,619,243	990,206,452	73,692,524	163,332,693	291,432,339	461,748,896	-
Long term loan-unsecured	281,148,352	285,530,238	-	-	-	-	285,530,238
Trade and other payables	380,075,394	380,075,394	380,075,394	-	-	-	-
Accrued markup	35,821,752	35,821,752	35,821,752	-	-	-	-
Short term borrowings	43,274,840	43,274,840	43,274,840	-	-	-	-
2012	1,493,939,581	1,734,908,676	532,864,510	163,332,693	291,432,339	461,748,896	285,530,238

34.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments.

34.3.1 Currency risk

The Company is exposed to currency risk on import of raw materials and stores and spares and export of goods mainly denominated in US dollars and on foreign currency bank accounts. The Company's exposure to foreign currency risk for US Dollars is as follows:

	2013 Rupees	2012 Rupees
Foreign debtors	**7,042,800**	923,726
Foreign currency bank accounts	**1,626,874**	5,368,097
Gross balance sheet exposure	**8,669,674**	6,291,823
Outstanding letter of credits	**(26,248,413)**	(935,894,972)
Net exposure	**(17,578,739)**	(929,603,149)

The following significant exchange rates have been applied:

	Average rate		**Reporting date rate**	
	2013	2012	**2013**	2012
USD to PKR	**97.56**	89.49	**98.70**	94.20
EURO to PKR	**126.25**	120.16	**128.98**	118.50

Sensitivity analysis:

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

Effect on profit and loss	**2013 Rupees**	2012 Rupees
US Dollar	**1,757,904**	83,280,672
Euro	**-**	9,519,105
	1,757,904	92,799,777

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

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

34.3.2 Interest rate risk

At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	2013	2012	**2013**	2012
	Effective rate (in Percentage)		**Carrying amount (Rupees)**	
Financial liabilities				
Fixed rate instruments				
Long term finances	**10.9**	-	**1,318,681,691**	-
Variable rate instruments:				
Long term finances	**10.90 to 14.78**	13.41 to 15.03	**205,940,198**	716,026,471
Short term borrowings	**11.06 to 14.00**	13.66 to 15.28	**669,399,178**	43,274,840

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. Therefore a change in interest rates at the reporting date would not affect profit and loss account.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have decreased / (increased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as for 2012.

	Profit and loss 100 bps	
	Increase	**Decrease**
	Rupees	
As at 30 June 2013	**(8,753,394)**	**8,753,394**
As at 30 June 2012	(7,593,013)	7,593,013

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

34.3.3 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.

34.4 Fair value of financial instruments

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

35 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.

The Company monitors capital on the basis of the debt-to-equity ratio - calculated as a ratio of total debt to equity.

The debt-to-equity ratios as at 30 June 2013 and as at 30 June 2012 were as follows:

	2013 Rupees	2012 Rupees
Total debt	**2,575,482,773**	1,078,042,435
Total equity and debt	**5,099,543,115**	3,110,726,144
Debt-to-equity ratio	**50.50%**	34.66%

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.

35.1 Financial instruments by categories

Financial assets as per balance sheet

	Loans and receivables	
	2013	2012
	Rupees	Rupees
Long term deposits	**42,767,022**	32,042,092
Trade debts - considered good	**218,370,100**	35,649,534
Advances, deposits, prepayments and other receivables		
- Advances to staff	**1,137,725**	1,034,449
- Security deposits	**19,356,200**	8,802,200
Cash and bank balances	**67,110,423**	331,574,476
	348,741,470	409,102,751

Financial liabilities as per balance sheet

	Financial liabilities	
	2013	2012
	Rupees	Rupees
Long term finances - secured	**1,191,949,344**	469,318,424
Long term finances - unsecured	**375,157,251**	160,998,235
Liabilities against assets subject to finance lease	**43,695,545**	-
Trade and other payables	**760,551,613**	482,533,106
Accrued markup	**47,126,695**	35,821,752
Short term borrowings - secured	**669,399,178**	43,274,840
Current maturity of long term finances	**288,977,000**	246,708,047
	3,376,856,626	1,438,654,404

36 Operating segments

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

36.1 Sales from glassware products represent 100% (2012: 99.98% and others 0.02%) of total revenue of the Company respectively.

36.2 The sales percentage by geographic region is as follows:

	2013	2012
	%	%
Pakistan	90.63	92.25
Afghanistan	5.24	4.75
Bangladesh	0.32	0.45
Others	3.81	2.55
	100	100

36.3 All non-current assets of the Company as at 30 June 2013 are located in Pakistan.

37 Remuneration of Directors and Executives

The aggregate amounts charged in the accounts for the year for remuneration, including all benefits to the Chairman and Managing Director, Directors and Executives of the Company are as follows:

	Chairman and Managing Director		Non Executive Directors		Executive Directors		Executives	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
	-----Rupees-----							
Managerial remuneration	**4,060,000**	4,060,000	**859,810**	766,275	**1,663,813**	2,060,682	**24,267,810**	20,940,287
House rent	**1,529,575**	1,529,575	**384,930**	342,358	**739,170**	927,307	**10,765,418**	9,423,129
Conveyance	**4,425**	4,425	**7,200**	7,200	**7,200**	14,400	**111,600**	209,403
Contribution to provident fund	**-**	-	**85,540**	85,540	**164,260**	206,068	**2,392,315**	2,094,029
Medical and other allowances	**-**	-	**85,540**	85,540	**164,260**	200,706	**2,392,315**	2,303,432
Utilities	**406,000**	406,000	**85,540**	85,540	**164,260**	206,068	**2,392,315**	2,094,029
	6,000,000	6,000,000	**1,508,560**	1,372,453	**2,902,963**	3,615,231	**42,321,773**	37,064,309
Number of persons	**1**	1	**4**	4	**2**	2	**31**	32

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

38 Transactions with related parties

Related parties comprises of associated companies, staff retirement fund, directors and key management personnel. The Company, in the normal course of business carries out transactions with related parties. Amounts due from related parties are shown under advances, deposits, prepayments and other receivables in note 25. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment disclosed above, are as follows:

Name	Relationship	Nature of transactions	2013 Rupees	2012 Rupees
Mr. Tariq Baig	Director	Loan from Directors	**286,317,899**	126,352,288
Mr. Omer Baig	Director	Loan from Directors	**299,619,470**	121,406,614
M & M Fibre (Pvt.) Ltd.	Common directorship	Purchase of machinery for tableware plant	**50,000,000**	-
Omer Glass Industries Limited	Associated company	Purchases	**3,874,400**	406,000
		Sales	**1,439,508**	2,109,800
Provident fund	Employee benefit plan	Contributions	**8,676,742**	6,520,148

39 Plant capacity and actual production

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

	2013	2012
	M. Tons	M. Tons
Furnaces capacity		
Containers	**2,197**	1,737
Tableware	**74,011**	76,128
Float Glass	**175,230**	-
	251,438	77,865
Actual packed production		
Containers	**1,795**	1,504
Tableware	**52,647**	54,730
Float Glass (2 months)	**21,612**	-
	76,054	56,234

The efficiency of 82% in containers 71% in tableware and 75% (for 2 months) in Float glass is considered satisfactory as these standards conform favourably to the international standards in the glass industries.

40 Earnings per share - basic and diluted

40.1 Basic earning per share

		2013	2012
Profit after tax	***Rupees***	**367,357,182**	292,760,275
Weighted average number of ordinary shares	***Numbers***	**69,300,000**	69,300,000
Earnings per share - basic	***Rupees***	**5.30**	4.22

40.2 Diluted earning per share

		2013	2012
Profit attributable to ordinary share holders (diluted)	***Rupees***	**370,717,982**	292,760,275
Weighted average number of ordinary shares (basic)		**69,300,000**	69,300,000
Dilutive effect of outstanding option		**4,158,000**	-
Weighted average number of ordinary shares	***Numbers***	**73,458,000**	69,300,000
Earnings per share - dilutive	***Rupees***	**5.05**	4.22

41 Provident Fund related disclosures

Based on the audited financial statements of the Employees' Provident Fund Trust, the total size (total assets) of the fund is Rs. 50.78 million (2012: 42.12 million) out of which Rs. 48.07 million (2012: 40.29 million) is in the form of investments i.e. 95.05% (2012: 95.64%). Investments includes units in NBP NAFA Saving Plus Fund of Rs. 19.58 million (2012: Rs. 18 million), term deposits of Rs. 26.5 million (2012: Rs. 16 million) and Rs. 2.2 million (2012: Rs. 6.28 million) is kept in saving accounts with commercial banks. The cost of investments in NBP NAFA Saving Plus Fund is Rs. 18.78 million (2012: 18 million) and Rs.26.05 million (2012: Rs.15.79 million).

The investments out of provident fund have been made in accordance with the provision of section 227of the Companies Ordinance, 1984 and the rules formulated for the purpose.

42 Number of Employees

The total average number of employees during the year and as at June 30,2013 and 2012 respectively are as follows;

	2013	2012
	No. of employees	
Average number of employees during the year	**559**	457
Number of employees as at June 30	**736**	461

43 Date of authorization for issue

These financial statements were authorized for issue on October 05, 2013 by the Board of Directors of the Company.

44 General

Figures have been rounded off to the nearest Rupee.

October 5, 2013
Lahore

TARIQ BAIG
CHAIRMAN & MANAGING DIRECTOR

OMER BAIG
DIRECTOR

FINANCIAL STATISTICAL SUMMARY

Year		2013	2012	2011	2010	2009	2008	2007	2006
Investment Measures									
Share Capital	Million Rupees	693.00	693.00	693.00	231.00	231.00	231.00	115.50	110.00
Shareholders equity	Million Rupees	2,524.06	2,032.68	1,646.03	618.44	494.04	524.75	291.72	245.70
Profit/(Loss) before tax	Million Rupees	152.55	423.49	209.42	188.16	(36.56)	(5.10)	77.37	62.20
Profit/(Loss) after tax	Million Rupees	367.36	292.76	143.24	141.72	(30.70)	(17.15)	50.33	49.10
Dividend per share	Rs.	-	-	1.00	1.75	-	-	1.00	1.00
Earning/(Loss) per share	Rs.	5.30	4.22	5.71	6.14	(1.33)	(0.83)	3.85	4.46
Break up value	Rs.	36.42	29.33	23.75	26.77	21.39	22.72	25.26	22.23
Price earning ratio	Rs.	4.15	3.79	2.63	2.45	(5.25)	(18.25)	15.89	8.70
Measure of financial status									
Current ratio	Ratio	1.03:1	1.08:1	1.99:1	1.05:1	1.04:1	1.04:1	1.1:1	1.07:1
Number of days stock	Time	67	38	32	32	28	31	32	34
Number of days trade debts	Time	21	4	5	6	5	5	3	3
Measure of performance									
Return on capital employed	%	8.01%	10.12%	15.25%	22.42%	(4.85%)	(0.72%)	12.86%	18.50%
Gross Profit Ratio	%	15.10%	20.48%	17.57%	19.28%	9.03%	10.24%	18.02%	17.40%
Profit/(Loss) Before tax to Sales ratio	%	3.92%	12.42%	8.07%	9.08%	(2.59%)	(0.43%)	6.98%	6.16%
Profit/(Loss) after tax to Sales ratio	%	9.45%	8.58%	5.53%	6.84%	(2.18%)	(1.46%)	4.54%	4.86%
Debt equity ratio	%	50.50%	34.66%	9.00%	31.04%	38.59%	27.68%	50.83%	42.00%

PATTERN OF SHAREHOLDING
As at June 30, 2013

Number of Shareholders	Shareholding From	Shareholding To	Total Shares Held	Percentage of Paid-up Capital
317	1	100	14,293	0.02%
745	101	500	178,374	0.26%
261	501	1,000	229,659	0.33%
417	1,001	5,000	1,114,422	1.61%
120	5,001	10,000	973,416	1.40%
34	10,001	15,000	435,619	0.63%
36	15,001	20,000	665,965	0.96%
34	20,001	25,000	804,096	1.16%
15	25,001	30,000	439,705	0.63%
3	30,001	35,000	96,000	0.14%
5	35,001	40,000	191,000	0.28%
3	40,001	45,000	131,000	0.19%
13	45,001	50,000	643,070	0.93%
3	50,001	55,000	154,500	0.22%
3	55,001	60,000	172,250	0.25%
1	60,001	65,000	60,500	0.09%
3	65,001	70,000	208,500	0.30%
2	75,001	80,000	159,500	0.23%
1	80,001	85,000	82,500	0.12%
1	85,001	90,000	90,000	0.13%
3	95,001	100,000	300,000	0.43%
2	110,001	115,000	221,100	0.32%
2	140,001	145,000	288,500	0.42%
4	145,001	150,000	599,500	0.87%
2	155,001	160,000	318,000	0.46%
1	170,001	175,000	175,000	0.25%
1	180,001	185,000	183,501	0.26%
1	190,001	195,000	194,500	0.28%
2	195,001	200,000	394,500	0.57%
1	200,001	205,000	203,000	0.29%
1	205,001	210,000	208,500	0.30%
1	275,001	280,000	278,500	0.40%
1	280,001	285,000	285,000	0.41%
1	285,001	290,000	288,000	0.42%
2	295,001	300,000	600,000	0.87%
1	310,001	315,000	315,000	0.45%
2	330,001	335,000	662,514	0.96%
1	480,001	485,000	482,500	0.70%
2	495,001	500,000	1,000,000	1.44%
1	505,001	510,000	509,500	0.74%
1	640,001	645,000	640,396	0.92%
1	700,001	705,000	700,764	1.01%
1	1,095,001	1,100,000	1,100,000	1.59%
1	1,525,001	1,530,000	1,526,500	2.20%
1	2,810,001	2,815,000	2,810,712	4.06%
1	4,170,001	4,175,000	4,175,000	6.02%
1	6,924,001	6,929,000	6,928,844	9.99%
1	7,730,001	7,735,000	7,733,760	11.16%
1	14,660,001	14,665,000	14,662,864	21.16%
1	14,665,001	14,670,000	14,669,676	21.17%
2,059			**69,300,000**	**100.00%**

Description	Number of Shareholders	Shareholding (Nos.)	Percentage
Individuals	2,012	42,629,722	61.51%
Joint Stock Companies	26	8,160,706	11.78%
Financial Institutions	6	7,066,583	10.20%
Insurance Companies	2	7,500	0.01%
Investment Companies	2	1,100,254	1.59%
Mutual Funds	7	3,182,500	4.59%
Foreign Company	1	6,928,844	9.99%
NIT and ICP	1	26,691	0.04%
Others	2	197,200	0.28%
	2,059	**69,300,000**	**100.00%**

CATEGORIES OF SHAREHOLDERS
ADDITIONAL INFORMATION AS AT 30 JUNE 2013

		Shareholding (Number of Shares)
A)	**Directors, CEO, Their Spouse and Minor Children**	
	Managing Director / CEO	
	- Mr. Tariq Baig	14,662,864
	Directors	
	- Mr. Omer Baig	14,669,676
	- Mrs Naima Shahnaz Baig	640,396
	- Mr. Mansoor Irfani	3,462
	- Mr. Akbar Baig	3,462
	- Mr. David Jullian	3,462
	- Mr. Syed Tufail Hussain	3,462
	- Director's Spouse and Their Childern	-
		15,323,920
B)	**Associated Companies**	
	- M/s Omer Glass Industries Limited	7,733,760
C)	**NIT AND ICP**	
	- M/s IDBP (ICP UNIT)	26,691
D)	**Mutual Funds**	3,182,500
E)	**Financial Institutions**	13,995,427
F)	**Insurance Companies**	7,500
G)	**Investment Companies**	1,100,254
H)	**Joint Stock Companies**	426,946
I)	**Others - Provident Fund**	197,200
J)	**General Public**	12,642,938
	Total	**69,300,000**

SHAREHOLDERS HOLDING 5% OR MORE

Mr. Tariq Baig	14,662,864
Mr. Omer Baig	14,669,676
M/s Industrial Products Investment Limited	6,928,844
M/s Omer Glass Industries Limited	7,733,760
M/s Summit Bank Limited	4,175,000

TRADES DONE BY CEO, DIRECTORS & ASSOCIATED COMPANY

- Mr. Omer Baig has purchased 808,574 ordinary shares.

TARIQ GALSS INDUSTRIES

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 35th Annual General Meeting of the Members of the Company to be held at Defence Services Officers' Mess, 71 - Tufail Road, Lahore Cantt on Wednesday the October 30, 2013 at 11:00 AM and at every adjournment thereof.

As withness my / our hand(s) this ___________________________ day of ________________________ 2013.

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.