

MIRA INFORM REPORT

Report No. :	522930
Report Date :	31.07.2018

IDENTIFICATION DETAILS

Name :	TARIQ GLASS INDUSTRIES LIMITED
Registered Office :	128-J, Model Town, Lahore
Country :	Pakistan
Financials (as on) :	30.06.2017
Date of Incorporation :	1978
Com. Reg. No.:	0006434
Legal Form :	Public Limited Company
Line of Business :	The Company is engaged in the manufacture and sale of glass containers, tableware and float glass
No. of Employees :	797

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Good
Payment Behaviour :	Slow and delayed
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Pakistan	B1	B1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

PAKISTAN - ECONOMIC OVERVIEW

Decades of internal political disputes and low levels of foreign investment have led to underdevelopment in Pakistan. Pakistan has a large English-speaking population, with English-language skills less prevalent outside urban centers. Despite some progress in recent years in both security and energy, a challenging security environment, electricity shortages, and a burdensome investment climate have traditionally deterred investors. Agriculture accounts for one-fifth of output and two-fifths of employment. Textiles and apparel account for more than half of Pakistan's export earnings; Pakistan's failure to diversify its exports has left the country vulnerable to shifts in world demand. Pakistan's GDP growth has gradually increased since 2012, and was 5.3% in 2017. Official unemployment was 6% in 2017, but this fails to capture the true picture, because much of the economy is informal and underemployment remains high. Human development continues to lag behind most of the region.

In 2013, Pakistan embarked on a \$6.3 billion IMF Extended Fund Facility, which focused on reducing energy shortages, stabilizing public finances, increasing revenue collection, and improving its balance of payments position. The program concluded in September 2016. Although Pakistan missed several structural reform criteria, it restored macroeconomic stability, improved its credit rating, and boosted growth. The Pakistani rupee has remained relatively stable against the US dollar since 2015, though it declined about 10% between November 2017 and March 2018. Balance of payments concerns have reemerged, however, as a result of a significant increase in imports and weak export and remittance growth.

Pakistan must continue to address several longstanding issues, including expanding investment in education, healthcare, and sanitation; adapting to the effects of climate change and natural disasters; improving the country's business environment; and widening the country's tax base. Given demographic challenges, Pakistan's leadership will be pressed to implement economic reforms, promote further development of the energy sector, and attract foreign investment to support sufficient economic growth necessary to employ its growing and rapidly urbanizing population, much of which is under the age of 25.

In an effort to boost development, Pakistan and China are implementing the "China-Pakistan Economic Corridor" (CPEC) with \$60 billion in investments targeted towards energy and other infrastructure projects. Pakistan believes CPEC investments will enable growth rates of over 6% of GDP by laying the groundwork for increased exports. CPEC-related obligations, however, have raised IMF concern about Pakistan's capital outflows and external financing needs over the medium term.

Source : CIA

COMPANY NAME

TARIQ GLASS INDUSTRIES LIMITED

FULL ADDRESS

Registered Address

128-J, Model Town, Lahore, Pakistan

Tel # 92 (42) 111-343-434
Fax # 92 (42) 35857692, 35857693
Email info@tariqglass.com

WORK LOCATION

33 K.M., Lahore / Sheikhpura Road,
Lahore, Punjab, Pakistan

SHORT DESCRIPTION OF BUSINESS

- | | | |
|----|---------------------------|---|
| a. | Nature of Business | The Company is principally engaged in the manufacture and sale of glass containers, tableware and float glass |
| b. | Year Established | 1978 |
| c. | Registration # | 0006434 |

AUDITORS

KPMG Taseer Hadi & Co.
(Chartered Accountants)

LEGAL STATUS

Public Limited Company (Listed at stock exchange of Pakistan)

DETAILS OF CHIEF EXECUTIVE / DIRECTORS

Names	Designation
Mr. Mansoor Irfani	Chairman
Mr. Tariq Baig	Managing Director
Mr. Omer Baig	Director
Mrs. Naima Shahnaz Baig	Director
Mr. Mohammad Baig	Director
Mr. Saad Iqbal	Director
Mr. Tajammal Hussain Bokharee	Director

SHAREHOLDERS

Categories	Shareholding (%)
List of Shareholders are attached in separate file in PDF Format	

ASSOCIATED COMPANIES

(1) Omer Glass Industries Limited, Pakistan.

BUSINESS ACTIVITIES

The Company is principally engaged in the manufacture and sale of glass containers, tableware and float glass

NUMBER OF EMPLOYEES

797

CAPACITY AND PRODUCTION

	2017	2016
	M. Tons	M. Tons
Pulled Production	251,780	223,809
Packed Production	183,486	168,263

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

TRADE SUPPLIERS (FOREIGN)

Subject import globally from Companies belongs to China, Korea, Taiwan, European Countries, Canada & Malaysia

DISTRIBUTORS NETWORK

Mainly exist at major cities of Pakistan

BANKERS

- (1) National Bank of Pakistan.
- (2) Habib Bank Limited, Pakistan.
- (3) United Bank Limited, Pakistan.
- (4) The Bank of Punjab, Pakistan.
- (5) MCB Bank Limited, Pakistan.
- (6) The Bank of Khyber, Pakistan.
- (7) Askari Bank Limited, Pakistan.
- (8) Meezan Bank Limited, Pakistan.
- (9) Bank Alfalah Limited, Pakistan.
- (10) Faysal Bank Limited, Pakistan.
- (11) Sindh Bank Limited, Pakistan.
- (12) Bank Islami Pakistan Limited, Pakistan.
- (13) NIB Bank Limited, Pakistan.
- (14) Samba Bank Limited, Pakistan.
- (15) Albaraka Bank (Pakistan) Limited, Pakistan.
- (16) Standard Chartered Bank, Pakistan.

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FINANCIAL POSITION

Sound

BUSINESS REVIEW

The Company has registered record net sales Rs. 9,903 million against Rs.8,076 million in the previous year showing a robust growth of 22.62% on the back of economic up cycle due to improved domestic activities. The profit after tax and EPS for the period under report are Rs. 760 million and Rs. 10.34 as compared to corresponding figures of last year of Rs. 490 million and Rs. 6.67 respectively. The lucrative profitability is attributable to efficient monitoring and development of operating procedures, implementation of effective marketing plans, promotional schemes and media campaigns to secure volumes of tableware as well as float glass produce. Consequently, the Company succeeded in increased consumption of its goods through demand pull strategy.

ECONOMY REVIEW

Economic growth in Pakistan has historically remained volatile, lacking a steady growth path and adding to the economic uncertainty about the country's economic conditions. The outgoing fiscal year has witnessed an impressive growth in agriculture output and in the services sector. Real GDP growth rate for the FY 2017 is measured at 5.28 percent, which is the highest in last 10 years. The accommodative monetary policy stance, increase in development spending, substantial growth in private sector credit, inspired activities in the power sector, friendly and progressive policies for real sector growth, such as relief measures and in particular for the agriculture sector, were instrumental in achieving this impressive growth performance. Inflation is controlled to some extent and the current deficit narrowed with favorable prices for oil and other commodities. We believe that the social and economic prospects will improve further if Government successfully implements its plans to alleviate the energy crisis and improve security situation in the country.

MEMBERSHIPS

FPCCI
LCCI

COMMENTS

Subject Company was established in 1978 and is principally engaged in the manufacture & sale of glass containers, tableware & float glass. Overall reputation is satisfactory. Trade relations are reported as fair In view of current disturbed economic and political situation, we would advise to deal with all the business in Pakistan with some caution.

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.75
UK Pound	1	INR 90.15
Euro	1	INR 80.16
PKR	1	INR 0.56

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	KET

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)