

(Un-audited)

Quarterly Accounts
for the Quarter ended
March 31, 2009



Balochistan Glass Limited

An ISO 9001-2000 Certified Company



Corporate Information

BOARD OF DIRECTORS'

Mr. Muhammad Rehman Chairman
Mr. Muhammad Tousif Paracha Chief Executive
Mr. Tariq Siddiq Paracha
Mr. A.A. Ademiluyi
Mr. Muhammad Naiz Paracha
Mr. Asif Muhammad Ali
Mr. Muhammad Ishaque Khokhar

COMPANY SECRETARY

Mr. Muhammad Shamail Javed

AUDIT COMMITTEE

Mr. Muhammad Ishaq Khokhar Chairman
Mr. Muhammad Naiz Paracha Member
Mr. Asif Muhammad Ali Member

BANKS

The Bank of Punjab
Bank Al Falah Limited
Al Baraka Islamic Bank Limited
Citibank N.A
Faysal Bank Limited
KASB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
United Bank Limited
Hong Kong Shanghai Banking Corporation Limited
Atlas Bank Limited
BankIslami Pakistan Limited

AUDITORS

Faruq Ali & Company
Chartered Accountants

LEGAL ADVISOR

Syed Afaq Ali

REGISTERED OFFICE

Firdousi Mnazil,
Rustamji Lane,
M.A. Jinnah Road, Quetta.

HEAD OFFICE

32-B/II, Main Gulberg,
Lahore.
Ph. # 042-5712344, 5761004
Fax # 042-5756924

KARACHI OFFICE

M 7-10, Mezzanine Floor, Cornice residence,
Khayaban-e-Saadi, Com-3, Block-2,
Clifton, Karachi

FACTORIES

UNIT-I
Plot No. 8, Sector M, H.I.T.E.,
Hub, District Lasbella,
Balochistan.
UNIT-II
29-KM, Sheikhpura Road,
Sheikhpura.
UNIT-III
12-KM, Sheikhpura Road,
Kot Abdul Malik,
Lahore.

SHARE REGISTRAR

Corplink (Pvt.) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore.
Ph. No. 042-5839182, 042-5887262



Directors' Report

We are pleased to present the un-audited financial statements of the company for the nine months period ended on March 31, 2009. The operational results are as under:

	March 31, 2009	March 31, 2008
	(Rupees in thousand)	
Sales-Net	790,898	802,552
Gross (Loss)	(110,356)	(126,318)
(Loss) after Tax	(340,871)	(333,077)

The net sale of the company decreased by 1.45%, as compared to corresponding period. This is due to closure of furnace of Unit-II and Unit-III of the company in November 2008 and May 2008, respectively. Gross loss and loss before taxation is slightly reduced as compared to corresponding period only because of tight control of the management. Loss during the period is due to miserable economic conditions, rise in cost of raw materials, wage rates, borrowing cost and below target efficiency of plants and delay in operation of plastic division.

The directors & sponsors of the company are supporting the company in this hard phase. All three units of BGL was operating at 50-60% efficiency and they need major BMR for which sponsors has already committed up to Rs. 113.3 million so far from their personal resources and are also willing to offer additional securities to finance the BMR of the Project, for which proposal is under negotiation with different banks. As part of its BMR plan and to avoid further losses, company had closed its Unit-II furnace in November, 2008 and Amber furnace of Unit-III was also closed in May 2008. The capacity of tableware furnace of Unit-III was also not fully utilized by the company due to various bottlenecks which also contributed in loss during the period. Now as per revised BMR plan both furnaces of Unit - III will be completely sifted to tableware production for which L/C has been established for the Press Machines and other related equipment. The shipment of machinery is expected in May and June 2009. We hope that both the furnaces of Unit-III will be fully operational from September 2009. The necessary work on Unit-II is on full swing and we hope that Unit-II furnace will also be fired in September 2009. The performance of Unit-I was not up to the standards as well, however, management is trying hard to increase its efficiency. We are quite confident that our results after the implementation of BMR plan will be quite encouraging. We hope that BMR plan will be completed by end of September, 2009 and then our plants will be ready for production at full capacity yielding reasonable profits from September, 2009 onward.

The directors acknowledge and appreciate the efforts, dedication, commitment, performance, contributions and excellent response demonstrated by all the employees to the challenges faced during the current period.

For and on the behalf of Board of Directors'

Lahore: May 07, 2009

Muhammad Tousif Paracha
Chief Executive



Balance Sheet

as at March 31, 2009 (Un-audited)

	Notes	March 31, 2009	June 30, 2008
(Rupees in thousand)			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
120,000,000 Ordinary shares of Rs. 10/- each		1,200,000	1,200,000
Issued, subscribed and paid-up capital		858,000	858,000
Accumulated loss		(846,638)	(505,767)
		11,362	352,233
Subordinated loan - Unsecured		482,080	482,080
Loans from directors (for issue of preference shares)		342,000	-
		835,442	834,313
Long term loans		545,647	798,038
Liabilities against assets subject to finance lease		-	32,617
Deferred liabilities		20,181	26,472
CURRENT LIABILITIES			
Trade and other payables		357,534	216,743
Markup accrued		113,206	66,516
Short term borrowings		654,041	637,293
Current portion of long term loans		33,119	-
Current and overdue portion of finance lease		154,215	139,433
		1,312,115	1,059,985
CONTINGENCIES AND COMMITMENTS			
	4	-	-
		2,713,385	2,751,425
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,284,305	1,322,720
Long term deposits		14,596	14,596
CURRENT ASSETS			
Stores, spares and loose tools		303,633	303,607
Stock in trade		503,697	586,522
Trade debts - Considered good		326,919	338,833
Loans and advances - Considered good		77,623	42,168
Trade deposits, prepayments and other receivable		82,881	76,973
Taxes recoverable		66,627	48,802
Short term deposits		40,100	-
Cash and bank balances		13,004	17,204
		1,414,484	1,414,109
		2,713,385	2,751,425

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

Chief Executive

Director



Profit and Loss Account

for the Period ended March 31, 2009 (Un-audited)

	Quarter ended		Nine months ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	(Rupees in thousand)		(Rupees in thousand)	
Sales - Net	295,274	315,566	790,898	802,552
Cost of sales	308,290	291,241	901,254	928,870
Gross (loss) / profit	(13,016)	24,325	(110,356)	(126,318)
Administrative and selling expenses	15,238	35,005	78,918	78,684
Operating loss	(28,254)	(10,680)	(189,274)	(205,002)
Financial charges	45,523	64,520	151,597	150,030
Loss before taxation	(73,777)	(75,200)	(340,871)	(355,032)
Taxation:				
Current	-	1,578	-	4,013
Deferred	-	-	-	(25,968)
	-	1,578	-	(21,955)
Loss after taxation	(73,777)	(76,778)	(340,871)	(333,077)
Earning Per Share	(0.85)	(1.53)	(3.97)	(6.65)

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

Chief Executive

Director



Cash Flow Statement

for the Period ended March 31, 2009 (Un-audited)

	Nine Months Ended	
	March 31, 2009	March 31, 2008
	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(340,871)	(355,032)
Adjustments for non-cash charges and other items:		
Depreciation	104,220	115,075
Financial charges	151,597	150,030
Exchange Loss On Subordinated Loan	-	7,833
Provision for gratuity	6,625	5,556
Operating loss before working capital changes	(78,429)	(76,538)
Working capital changes		
<i>(Increase)/Decrease in current assets</i>		
Stores, spares and loose tools	(26)	(39,843)
Stock in trade	82,825	(9,413)
Trade debts	11,914	(107,661)
Loans and advances	(35,455)	(20,961)
Trade deposits, prepayments and other receivable	(5,908)	(11,556)
<i>Increase/(Decrease) in current liabilities</i>		
Trade and other payables	140,791	(36,698)
Cash (used) / generated from operations	115,712	(302,670)
Payments for:		
Financial charges	(104,907)	(129,626)
Taxes	(17,825)	(11,593)
Gratuity	(12,916)	(83)
Net cash outflow from operating activities	(19,936)	(443,972)
CASH FLOW FROM INVESTING ACTIVITIES		
Short term deposits	(40,100)	-
Payment for capital expenditure	(65,805)	(1,219)
Net cash outflow from investing activities	(105,905)	(1,219)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans received	122,728	247,715
Right Issu Proceeds	-	429,000
Repayment of liability against assets subject to finance lease	(17,835)	(40,051)
Repayment of long term morabaha	-	(5,000)
Short term borrowings - Net	16,748	(181,727)
Net cash inflow from financing activities	121,641	449,937
Net (decrease)/increase in cash and cash equivalents	(4,200)	4,746
Cash and cash equivalents as at 1st July	17,204	13,865
Cash and cash equivalents as at 31st March	13,004	18,611

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

Chief Executive

Director



Statement of Changes in Equity

for the Period ended March 31, 2009 (Un-audited)

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	(Rupees in thousand)		
Balance as on July 01, 2007	429,000	(49,529)	379,471
100 % Right issue proceeds	429,000	-	429,000
Net (loss) for the period ended March 31, 2008	-	(333,077)	(333,077)
Balance as on March 31, 2008	858,000	(382,606)	475,394
Net (loss) for the period	-	(123,161)	(123,161)
Balance as on June 30, 2008	858,000	(505,767)	352,233
Net (loss) for the period	-	(340,871)	(340,871)
Balance as on March 31, 2009	858,000	(846,638)	11,362

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

Chief Executive

Director



Notes to the Interim Condensed Financial Statement

for the Period ended March 31, 2009 (Un-audited)

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a public listed company in 1980 under the Companies Act 1913 (now Companies Ordinance, 1984). The registered office of the company is situated at Firdousi Manzil, Rustamji Lane, M.A. Jinnah Road, Quetta and head office of the company is situated at 32-B/II Main Gulberg, Lahore. Its shares are listed on the Karachi and Lahore Stock Exchanges. The Company is engaged in manufacturing and sale of glass containers and plastic shells.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are unaudited and have been prepared in accordance with the requirements of section 245 of the Companies Ordinance 1984 and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these accounts are the same as those applied in the preparation of the accounts for the year ended June 30, 2008.

4. CONTINGENCIES AND COMMITMENTS

There is no material change in Contingencies and Commitments during the period.

		March 31, 2009	June 30, 2008
(Rupees in thousand)			
5	PROPERTY PLANT AND EQUIPMENT		
	Operating fixed assets - At written down value	5.1 1,221,692	1,322,720
	Capital work in progress - At cost	5.2 62,613	-
		1,284,305	1,322,720
5.1	Additions during the period (Operating fixed assets)		
	<i>Additions</i>		
	<i>Owned</i>		
	Non factory building on freehold land	-	47
	Plant and machinery	1,183	19,559
	Electric and gas installation	-	2
	Furniture and fixtures	17	155
	Office equipment	99	282
	Vehicles	1,893	-
		3,192	20,045
5.2	Additions during the period (Capital work in progress)		
	Plant and machinery	62,613	-
6	Deferred tax asset arising due to tax losses which has not been recognized as the future taxable profits may not be available against which the said losses will be adjusted.		



Notes to the Interim Condensed Financial Statement

for the Period ended March 31, 2009 (Un-audited)

	March 31, 2009	March 31, 2008
	(Rupees in thousand)	
7 TRANSACTION WITH RELATED PARTIES		
<i>Associated companies</i>		
Purchases	1,532	812
Short term loans - net	55,545	2,650
Markup charged on loan	12,076	4,465
<i>Directors</i>		
Loans - net	122,728	(132,777)

8 DATE FOR AUTHORIZATION FOR ISSUE

The financial statements were authorized for issue on May 07, 2009 in accordance with the resolution of the Board of Directors of the company.

9 GENERAL

These financial statements are presented in rupees and figures have been rounded off to nearest thousand rupees.

Chief Executive

Director