

Quarterly Accounts

for the quarter ended

September 30, 2015



BALUCHISTAN GLASS LIMITED

An ISO 9001:2008 Certified Company



Corporate Information

Board of Directors

Mr. Muhammad Tousif Paracha
Mr. Tariq Siddiq Paracha
Mr. Mustafa Tousif Ahmed Paracha
Mr. Jawaid Aziz Paracha
Mr. Mian Nazir Ahmed Paracha
Mr. Nasir Malik
Mr. Shamim Anwar

Chairman & CEO

COMPANY SECRETARY

Shaikh Arif Moin-ul-Haq

AUDIT COMMITTEE

Mr. Mian Nazir Ahmed Paracha
Mr. Mustafa Tousif Ahmed Paracha
Mr. Jawaid Aziz Paracha

Chairman
Member
Member

HR & REMUNERATION COMMITTEE

Mr. Mustafa Tousif Ahmed Paracha
Mr. Jawaid Azaiz paracha
Mr. Tariq Siddiq Paracha

Chairman
Member
Member

BANKERS

The Bank of Punjab
Bank Al Falah Limited
Al Baraka Bank (Pakistan) Limited
Faysal Bank Limited
KASB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
United Bank Limited
BankIslami Pakistan Limited
Summit Bank Limited
MCB Bank Limited

HEAD OFFICE

12-KM, Sheikhpura Road,
Kot Abdul Malik,
Lahore.
Ph. # 042-37923993-4
Fax # 042-37930616
Web: www.balochistanglass.com
Email: info@balochistanglass.com

KARACHI OFFICE

Dime Centre, B.C. 4, 3rd Floor,
Block 09, Clifton, Karachi.
Ph. No. 021-35377977-80

AUDITORS

F.R.A.N.T.S. & Co.
Chartered Accountants

FACTORIES

UNIT-I
Plot no. 8, Sector M, H.I.T.E.,
Hub, District Lasbella,
Balochistan.

LEGAL ADVISOR

Masood Khan Ghory
(Advocate & Legal Consultant)

UNIT-II

29-KM, Sheikhpura Road,
Sheikhpura.

REGISTERED OFFICE

Plot no. 8, Sector M, H.I.T.E.,
Hub, District Lasbella, Balochistan.
Tel : 0853 - 363657

UNIT-III

12-KM, Sheikhpura Road,
Kot Abdul Malik,
Lahore.

SHARE REGISTRAR

Corplink (Pvt.) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore.



Directors' Report

The Directors of your company pleased to present the Condensed Interim Financial Statements of your company for the quarter ended September 30, 2015.

COMPANY PERFORMANCE

Analysis of key operating results for the current period in comparison with the previous period is given below

	September 30, 2015	September 30, 2014
	(Rupees in thousands)	
Sales - Net	450,266	424,456
Gross (Loss)	(13,712)	(48,139)
Operating (Loss)	(31,087)	(61,271)
Deprecation	(28,477)	(27,359)
(Loss) Before Tax	(90,813)	(120,021)
(Loss) After Tax	(94,299)	(123,499)
Basic and diluted / (Loss) per share	(0.55)	(0.72)

Sales Revenue of the Company increased by 6% as compared to previous period and loss after tax has also reduced as compare to last period. As the management has successfully installed and enhance dits tableware production facilities at Unit-II (Sheikhupura) since the last quarter of previous financial year 2015, which was remained shut down throughout the comparative period. Furthermore, increase in quantum of production and reduction in oil prices have helped to reduce the cost of production.

Management is also confident that the above decision will fetch better results in the long run. In order to further penetrate in tableware product market, our company has introduced a new brand Pearl in tableware market which has obtained encouraging response of the market so far.

Board of Directors appreciates the assistance and co-operation extended by our banks and financial institutions as well as efforts, dedication and commitment demonstrated by all the employees and contractors of the Company as well as support & co-operation extended by our distributors, dealers, suppliers and other stakeholders of the company.

For and on the behalf of Board of Directors'

Muhammad Tousif Paracha
Chairman & Chief Executive

Lahore : 30 October, 2015

**Condensed Interim Balance Sheet****As At September 30, 2015 (un-audited)**

	Notes	Un-audited Sep 30, 2015	Audited June 30, 2015
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorized capital		1,766,000	1,766,000
Issued, subscribed and paid-up capital		1,716,000	1,716,000
Discount on shares		(514,800)	(514,800)
Accumulated loss		(4,018,429)	(3,926,504)
		(2,817,229)	(2,725,304)
Surplus on revaluation of property, plant and equipment		304,767	307,141
NON-CURRENT LIABILITIES			
Subordinated loan - Unsecured		482,080	482,080
Long term loans		1,074,981	1,101,947
Liabilities against assets subject to finance lease		-	-
Deferred liabilities		1,242,567	1,196,200
		2,799,628	2,780,227
CURRENT LIABILITIES			
Trade and other payables		939,292	837,024
Markup accrued		193,146	180,193
Short term borrowings		441,048	388,868
Current maturity of non current liabilities		234,339	231,017
		1,807,825	1,637,102
CONTINGENCIES AND COMMITMENTS			
		2,094,991	1,999,166
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,424,251	1,450,322
CURRENT ASSETS			
Stores, spares and loose tools		232,946	243,774
Stock in trade		160,063	65,003
Trade debts		65,607	80,467
Loans and advances		67,156	50,301
Trade deposits, prepayments and other receivable		55,516	55,516
Taxes recoverable		52,711	43,068
Cash and bank balances		36,741	10,715
		670,740	548,844
		2,094,991	1,999,166

The annexed notes 1 to 7 form an integral part of these condensed financial information.

Chief Executive

Director



Condensed Interim Profit And Loss Account

For The Quarter Ended September 30, 2015 (un-audited)

Notes	September 30, 2015	September 30, 2014
	(Rupees in thousand)	
Sales - Net	450,266	424,456
Cost of sales	463,978	472,595
Gross loss	(13,712)	(48,139)
Administrative and selling expenses	17,465	13,132
Other incomes	90	
Operating loss	(31,087)	(61,271)
Financial charges	59,726	58,750
Loss before taxation	(90,813)	(120,021)
Taxation	3,486	3,478
Loss after taxation	(94,299)	(123,499)
Loss per share - Basic and diluted (Rupees)	(0.55)	(0.72)

The annexed notes 1 to 7 form an integral part of these condensed financial information.

**Condensed Interim Statement Of Comprehensive Income****For The Quarter Ended September 30, 2015 (un-audited)**

	September 30, 2015	September 30, 2014
	(Rupees in thousand)	
Loss for the period	(94,299)	(123,499)
Other comprehensive income:		
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	3,391	2,255
Related deferred tax	(1,017)	(767)
	2,374	1,488
	(91,925)	(122,011)
Total comprehensive loss for the period	(91,925)	(122,011)

The annexed notes 1 to 7 form an integral part of these condensed financial information.

Chief Executive

Director

**Condensed Interim Cash Flow Statement**

For The Quarter Ended September 30, 2015 (un-audited)

	September 30, 2015	September 30, 2014
	(Rupees in thousands)	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(90,813)	(120,021)
Adjustments for non-cash charges and other items:		
Depreciation	28,477	27,359
Financial charges	59,726	58,750
Provision for gratuity	2,339	2,297
Operating profit/ (loss) before working capital changes	(271)	(31,615)
Working capital changes		
<i>(Increase)/Decrease in current assets</i>		
Stores, spares and loose tools	10,828	6,242
Stock in trade	(95,060)	31,160
Trade debts	14,860	(72,796)
Loans and advances	(16,855)	946
Trade deposits, prepayments and other receivables	-	33,550
<i>Increase/(Decrease) in current liabilities</i>		
Trade and other payables	96,444	55,428
	10,217	54,530
Cash generated / (used) in operations	9,946	22,915
Payments for:		
Financial charges	(1,489)	(1,323)
Taxes	(8,322)	(11,270)
Gratuity	(239)	(434)
Net cash inflow/ (outflow) from operating activities	A (104)	9,888
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(2,406)	(19,287)
Proceeds from disposal of fixed assets	-	-
Net cash outflow from investing activities	B (2,406)	(19,287)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans - Net	(23,644)	14,037
Lease rentals	-	-
Short term borrowings - Net	52,180	(6,599)
Net cash inflow from financing activities	C 28,536	7,438
Net increase/(decrease) in cash and cash equivalents	A+B+C 26,026	(1,961)
Cash and cash equivalents as at 1st July	10,715	49,276
Cash and cash equivalents as at 30th September	36,741	47,315

The annexed notes 1 to 7 form an integral part of these condensed financial information.

Chief Executive

Director

**Condensed Interim Statement Of Changes In Equity****For The Quarter Ended September 30, 2015 (un-audited)**

	Issued, subscribed and paid-up capital	Discount on issuance of shares	Accumulated Loss	Total
(Rupees in thousands)				
Balance as on July 01, 2014	1,716,000	(514,800)	(3,474,195)	(2,272,995)
Total comprehensive (loss) for the period				
Loss after taxation	-	-	(123,499)	(123,499)
Other comprehensive income:				
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	2,255	2,255
Total comprehensive income for the period	-	-	(121,244)	(121,244)
Balance as on September 30, 2014	<u>1,716,000</u>	<u>(514,800)</u>	<u>(3,595,439)</u>	<u>(2,394,239)</u>
Balance as on July 01, 2015	1,716,000	(514,800)	(3,926,504)	(2,725,304)
Total comprehensive (loss) for the period				
Loss after taxation	-	-	(94,299)	(94,299)
Other comprehensive income:				
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	2,374	2,374
Total comprehensive loss for the period	-	-	(91,925)	(91,925)
Balance as on September 30, 2015	<u>1,716,000</u>	<u>(514,800)</u>	<u>(4,018,429)</u>	<u>(2,817,229)</u>

The annexed notes 1 to 7 form an integral part of these condensed financial information.

Chief Executive

Director



Notes To The Condensed Financial Information

For The Quarter Ended September 30, 2015 (un-audited)

1. STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public company in 1980 under the Companies Act, 1913 (now the Companies Ordinance, 1984). Its shares are listed on the Karachi and Lahore Stock Exchanges. The Company is engaged in manufacturing and sale of glass containers, glass table wares and plastic shells. The registered office of the Company is situated at Hub, Balochistan whereas head office of the Company is situated at Kot Abdul Malik, Lahore.

2. BASIS OF PREPARATION

This condensed interim financial information for the quarter ended September 30, 2015 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim financial information is unaudited and is being submitted to the shareholders as required under listing regulations of Karachi and Lahore Stock Exchanges and section 245 of the Companies Ordinance, 1984.

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2015.

Judgments and estimates made by management in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2015.

4. PROPERTY, PLANT AND EQUIPMENT

Sep-15 Jun-15
(Rupees in thousands)

Operating fixed assets	4.1	1,421,704	1,447,967
Capital work in progress	4.2	2,547	2,355
		<u>1,424,251</u>	<u>1,450,322</u>

4.1 Additions/Transfer & (Deletions) during the period

Land	-	20,000
Building	-	61,596
Plant and machinery	-	78,447
Electric and gas installation	-	4,021
Office equipment	41	88
Vehicles	2,173	-
	<u>2,214</u>	<u>164,152</u>



	Sep-15	Jun-15
	(Rupees in thousands)	
4.2 Capital work in progress - At cost		
Opening	2,355	41,897
Additions	192	25,783
Less: Capitalised	-	(65,325)
Closing	4.3 2,547	2,355

4.3 Capital work in progress - Breakup

Plant and Machinery	2,547	2,355
Civil work	-	-
	2,547	2,355

5. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, directors and key management personnel. Significant related party transactions made during the period are as follows: -

	Sep-15	Sep-14
	(Rupees in thousands)	
Pak Hy-Oils		
Purchases	2,464	1,629
Repayment of short term loan	-	13,503
Markup charged on loan	116	1,768
Payment against supplies	1,976	1,455

Other Associates

Loan received	74,105	-
Repayment of loan	14,249	-
Markup charged on loan	9,126	-

Directors

Loan received	-	31,035
Repayment of loan	-	2,000
Markup charged on loan	40,097	40,498
Rent of property charged by CEO	1,815	1,815

6. CORRESPONDING FIGURES

6.1 Comparative figures have been rearranged and reclassified wherever required to facilitate better comparison. Major reclassification made in corresponding figures for better presentation is as under,

Particulars	Rupees in 000	Reclassification	
		From	To
Legal & Professional	3,000	Administrative & selling expenses	Cost of goods sold

7. GENERAL

7.1 This condensed financial information is presented in rupees and figures have been rounded off to the nearest thousand rupees.

7.2 This condensed financial information is authorised for issue on October 30, 2015 in accordance with the resolution of the Board of Directors of the Company.

Chief Executive

Director



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