

HALF YEARLY ACCOUNTS

for the half year ended
December 31, 2012



Tel: +92-42-37923993-4, Fax: +92-42-37930616

Email: info@balochistanglass.com, www.balochistanglass.com

BALUCHISTAN GLASS LIMITED

An ISO 9001:2000 Certified Company

Corporate Information

Board of Directors

Mr. Muhammad Tousif Paracha
Mr. Tariq Siddiq Paracha
Mr. Muhammad Niaz Paracha
Mr. Jawaid Aziz Paracha
Mr. Mian Nazir Ahmed Paracha
Mr. Nasir Malik
Mr. Muhammad Ishaque Khokhar

Chairman & Chief Executive

COMPANY SECRETARY

Shaikh Arif Moin-ul-Haq

AUDIT COMMITTEE

Mr. Mian Nazir Ahmed Paracha
Mr. Muhammad Niaz Paracha
Mr. Muhammad Ishaque Khokhar

Chairman
Member
Member

HR & REMUNERATION COMMITTEE

Mr. Muhammad Ishaq khokhar
Mr. Jawaid Azaiz paracha
Mr. Tariq Siddiq Paracha

Chairman
Member
Member

BANKERS

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
BankIslami Pakistan Limited
MCB Bank Limited
Summit 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. 3, 3rd Floor,
Clifton, Karachi.
Ph. No. 021-35377977-82

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.

UNIT-II
29-KM, Sheikhpura Road,
Sheikhpura.

LEGAL ADVISOR

Masood Khan Ghory
(Advocate & Legal Consultant)

UNIT-III

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

REGISTERED OFFICE

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

SHARE REGISTRAR

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

Directors' Report

Directors are pleased to present the financial statements of the Company for the half year ended December 31, 2012 duly reviewed by the Auditors.

FINANCIAL SUMMARY

Brief Comparison of key financial results of the Company for the half year ended December 31, 2012 with the last year period is as under:

	For the half year ended		For the quarter ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Sales - Net	1,438,877	688,948	733,800	346,592
Gross profit/ (loss)	100,764	(7,613)	40,487	(12,137)
Operating profit / (loss)	110,906	(23,999)	55,981	(20,798)
Loss before taxation	(1,652)	(105,107)	(24,001)	(70,762)
Loss after taxation	(7,068)	(109,882)	(26,874)	(73,257)
EPS	(0.05)	(1.28)	(0.16)	(0.85)

Net sale of the Company showed an escalation of 108.9% during the period, which is mainly due to start of operations of Unit-II of the Company. In addition to this, other two units have also performed better. Company performed better as compared to last period as loss during the period decreased despite of increase in cost, continuing energy crises in the country including sui gas load shedding, curtailment of gas supply etc. In order to increase the performance and profitability of the company, management is already working actively to diversify the energy sources so that negative effects due to non-availability of gas can be minimized.

With the start of winter season, gas load management as well as low gas pressure by SNGPL & SSGCL forced us to use Furnace Oil and LPG which significantly affected production efficiencies and cost of productions of the units. Despite these hurdles, the management was able to minimize the impact on the operational cycle of the Company and maintain the pace of growth.

The management of your Company is also expecting enhanced sales growth as well for the upcoming quarters on the back of increased market demand, well supported by over and above performance of all units as compared to the preceding periods.

Management is also under active negotiation with its lenders for rescheduling of its debt as well as meeting the minimum working capital requirements. To date, management has successfully negotiated rescheduling with various lenders. We hope management will finalize terms with the remaining financial institutions which will have positive impact on operations of the Company.

COMMENTS ON AUDITORS OBSERVATIONS /QUALIFICATION MARK UP ON LOAN

During financial year ended June 30, 2012, Mr. Muhammad Tousif Paracha (Chairman & CEO) claimed mark up on his outstanding loan including share deposit money which was previously agreed to be interest free. Keeping in view the financial health of the Company and after detailed discussion with all other Board Members, he confirmed to defer repayment of loan till the liquidity position of the Company improves and agreed to support the operations of the Company. However, he insisted for recording of mark up from the transactions starting from 2006-2007. The Board of Directors (BOD) had formed a committee to negotiate with Mr. Muhammad Tousif Paracha regarding his claim of mark up. After initial negotiation with Mr. Muhammad Tousif Paracha mark up for the period from July 01, 2012 to December 31, 2012 amounting to Rs. 34.966 million (after adjustment of exchange loss of Rs. 9.194) has been recorded in the books of accounts.

This matter is still pending and directors are under negotiation with Mr. Muhammad Tousif Paracha for finalization of his markup claim up to June 30, 2012 and therefore same has not been booked in books of accounts as ultimate outcome of this matter has still to be decided.

GOING CONCERN ASSUMPTION

Based on active negotiation with banks & financial institutions for restructuring of credit facilities, continuing support from directors, future prospects of industry, and other steps taken by management, Board of Directors feels that company will have adequate resources to operate its business on a sustainable basis for foreseeable future, therefore, these financial statements have been prepared on going concern basis.

We express our gratitude to all our stakeholders for their continued support and co-operation particularly our banks & financial institutions as well as our customers, suppliers and employees of the company.

For and on the behalf of Board of Directors'

Muhammad Tousif Paracha



Chief Executive

Independent Auditors' Report on Review of Condensed Interim Financial Information to the Members

Introduction

We have reviewed the accompanying condensed interim balance sheet of BALUCHISTAN GLASS LIMITED (the Company) as at December 31, 2012 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the selected explanatory notes forming part thereof for half year then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and fair presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Basis of Qualified Conclusion

As explained in note 6.1 to condensed interim financial information, mark up claimed by Chairman/CEO amounting to Rs. 351.632 million relating to periods prior to June 30, 2012 on his loans previously recorded as interest free and the same has not been provided for in the financial statements. Had this mark up been accrued the accumulated loss would have been increased to Rs.2,677.683 million.

Conclusion

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

Matter of emphasis

Without qualifying our conclusion, we draw attention of the members to note 2 of the condensed interim financial information which disclose that the Company incurred a net loss of Rs. 7.068 million during the half year ended December 31, 2012 which increased its accumulated loss to Rs. 2,326.051 million resulting in net capital deficiency of Rs. 1,124.851 million. Also the Company's current liabilities exceeded its current assets by Rs.709.414 million. These conditions, along with other matters as set forth in note 2, indicate the existence of material uncertainty which may cast significant doubt about company's ability to continue as going concern.

CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2012 (UN-AUDITED)

	Un-audited December 31, 2012	Audited June 30, 2012
Notes	(Rupees in thousand)	
<u>EQUITY AND LIABILITIES</u>		
SHARE CAPITAL AND RESERVES		
Authorized capital		
171,600,000 (June 30, 2012: 171,600,000) Ordinary shares of Rs. 10/- each	1,716,000	1,716,000
5,000,000 (June 30, 2012: 5,000,000) Preference shares of Rs. 10/- each	50,000	50,000
	<u>1,766,000</u>	<u>1,766,000</u>
Issued, subscribed and paid-up capital	1,716,000	858,000
Discount on issuance of shares	5	-
Accumulated loss	(2,326,051)	(2,322,544)
	(1,124,851)	(1,464,544)
Share deposit money	-	343,200
Surplus on revaluation of property, plant and equipment	257,216	260,777
NON-CURRENT LIABILITIES		
Subordinated loan - Unsecured	482,080	482,080
Long term loans	6	1,048,472
Liabilities against assets subject to finance lease	24,100	24,800
Deferred liabilities	7	75,964
	1,706,986	1,631,316
CURRENT LIABILITIES		
Trade and other payables	763,328	637,389
Markup accrued	237,545	266,505
Short term borrowings	390,246	422,220
Taxes payable	3,863	-
Current maturity of non current liabilities	188,092	176,912
	1,583,074	1,503,026
CONTINGENCIES AND COMMITMENTS	8	-
	<u>2,422,425</u>	<u>2,273,775</u>
<u>ASSETS</u>		
NON-CURRENT ASSETS		
Property, plant and equipment	9	1,526,580
Long term deposits	23,259	23,259
	1,548,765	1,549,839
CURRENT ASSETS		
Stores, spares and loose tools	269,864	258,880
Stock in trade	160,248	121,306
Trade debts	289,816	177,747
Loans and advances	70,541	71,332
Trade deposits, prepayments and other receivable	52,371	47,366
Taxes recoverable	-	9,891
Cash and bank balances	30,820	37,414
	873,660	723,936
	<u>2,422,425</u>	<u>2,273,775</u>

The annexed notes form an integral part of this condensed interim financial information.

Condensed Interim Profit and Loss Account for the Half Year and Quarter Ended December 31, 2012 - (Un-audited)

	For the half year ended		For the quarter ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	(Rupees in thousand)			
Sales - Net	1,438,877	688,948	733,800	346,592
Cost of sales	1,338,113	696,561	693,313	358,729
Gross profit/ (loss)	100,764	(7,613)	40,487	(12,137)
Administrative and selling expenses	18,579	16,386	13,227	8,661
Other operating income	28,721	-	28,721	-
Operating profit / (loss)	110,906	(23,999)	55,981	(20,798)
Financial charges	112,558	81,108	79,982	49,964
Loss before taxation	(1,652)	(105,107)	(24,001)	(70,762)
Taxation - Current	7,334	6,889	3,832	3,552
Taxation - Deferred	(1,918)	(2,114)	(959)	(1,057)
Loss after taxation	(7,068)	(109,882)	(26,874)	(73,257)
Loss per share - Basic and diluted (Rupees)	(0.05)	(1.28)	(0.16)	(0.85)

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director

Condensed Interim Statement of Comprehensive Income

for the Half Year and Quarter Ended December 31, 2012 - (Un-audited)

	For the half year ended		For the quarter ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	(Rupees in thousand)			
Loss for the period	(7,068)	(109,882)	(25,883)	(73,257)
Other comprehensive income:				
Incremental depreciation transferred from surplus on revaluation				
of property, plant and equipment	5,478	6,040	2,739	3,020
Related deferred tax	(1,918)	(2,114)	(959)	(1,166)
	3,561	3,926	1,780	1,854
Total comprehensive income/ (loss) for the period	(3,508)	(105,956)	(24,103)	(71,403)

The annexed notes form an integral part of this condensed interim financial information.

Condensed Interim Cash Flow Statement

for the Half Year Ended December 31, 2012 - (Un-audited)

	December 31, 2012	December 31, 2011
	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(1,652)	(105,107)
Adjustments for non-cash charges and other items:		
Depreciation	70,463	63,779
Gain on settlement of liabilities	(28,721)	-
Financial charges	112,558	81,108
Provision for gratuity	3,222	3,222
Operating profit/ (loss) before working capital changes	155,870	43,002
Working capital changes		
<i>(Increase)/Decrease in current assets</i>		
Stores, spares and loose tools	(10,984)	(5,579)
Stock in trade	(38,942)	(48,320)
Trade debts	(112,068)	5,219
Loans and advances	791	(15,180)
Trade deposits, prepayments and other receivables	(5,005)	6,465
<i>Increase/(Decrease) in current liabilities</i>		
Trade and other payables	138,330	143,964
	(27,878)	86,569
Cash generated from operations	127,992	129,571
Payments for:		
Financial charges	(5,644)	(10,660)
Taxes	(5,969)	(6,074)
Gratuity	(2,662)	(345)
Net cash inflow from operating activities	113,717	112,492
	A	
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(69,389)	(11,808)
Proceeds from disposal of fixed assets	-	-
Net cash outflow from investing activities	(69,389)	(11,808)
	B	
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans paid - Net	(6,675)	(1,620)
Lease rentals paid	(12,273)	(6,569)
Short term borrowings - Net	(31,974)	(53,920)
Net cash flow from financing activities	(50,922)	(62,109)
	C	
Net decrease in cash and cash equivalents	(6,594)	38,575
	A+B+C	
Cash and cash equivalents as at 1st July	37,414	6,306
Cash and cash equivalents as at December 31	30,820	44,881

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director

Condensed Interim Statement of Changes in Equity

for the Half Year Ended December 31, 2012 - (Un-audited)

	Issued, subscribed and paid-up capital	Discount on issuance of shares	Accumulated Loss	Total
(Rupees in thousand)				
Balance as on July 01, 2011	858,000	-	(2,170,218)	(1,312,218)
Total comprehensive income/(loss) for the period				
Loss after taxation	-	-	(109,882)	(109,882)
Other comprehensive income:				
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	3,926	3,926
Total comprehensive income for the year	-	-	(105,956)	(105,956)
Balance as on December 31, 2011	858,000	-	(2,276,174)	(1,418,174)
Balance as on July 01, 2012	858,000	-	(2,322,544)	(1,464,544)
Total comprehensive income/(loss) for the period				
Profit/ (Loss) after taxation	-	-	(7,068)	(7,068)
Other comprehensive income:				
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	3,561	3,561
Shares issued during the period	858,000	-	-	858,000
Discount on issuance of shares	-	(514,800)	-	(514,800)
Total comprehensive income for the period	858,000	(514,800)	(3,507)	339,693
Balance as on December 31, 2012	1,716,000	(514,800)	(2,326,051)	(1,124,851)

Selected Explanatory Notes to the Condensed Interim Financial Information for the Half Year Ended December 31, 2011 - (Un-audited)

1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public listed 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 Lahore.

2 GOING CONCERN ASSUMPTION

The financial statements for the half year ended December 31, 2012 are showing loss after taxation amounting to Rs. 7.068 million (December 2011 Loss: Rs. 109.882 million) and has accumulated loss of Rs. 2,326.051 million (June 2012: Rs. 2,322.544 million) at the period end which resulted in negative equity of Rs. 1,124.851 million (June 2012: Rs. 1,464.544 million). In addition, the Company's current liabilities exceeded its current assets by Rs. 709.414 million (June 2012: Rs. 779.090 million).

The above conditions raise significant doubts on the Company's ability to continue as a going concern as the Company may be unable to realize its assets and discharge its liabilities in normal course of business.

However, the management of the Company is confident to continue as a going concern based on its concerted efforts to re-profile Company's borrowings in a manner which will provide relief in payment terms, its ability to utilize liquidity generated for the maximum utilization of production capacities with the objective to improve liquidity & cost efficiency.

As a result of management's effort, the Company has successfully negotiated with banks and financial institutions and is in negotiation with other lenders for restructuring of loans and lease liabilities. The company is also pursuing out of court settlements with the bank and leasing companies gone in the litigation.

In addition to above, production capacity utilization of Unit II has significantly improved in comparison with first six months of its operations after closure of approximately three and half years. This has contributed significant increase in revenue as compared with previous period.

This condensed interim financial information consequently, do not include any adjustment relating to the realization of its assets and liquidation of any liabilities that might be necessary should the Company be unable to continue as a going concern.

3 BASIS OF PREPARATION

This condensed interim financial information for the half year ended December 31, 2012 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 but subject to limited scope review by the statutory auditors 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.

The figures of the condensed interim profit and loss account for the quarters ended December 31, 2012 and December 31, 2011 have not been reviewed by the auditors of the Company as they have reviewed only the cumulative figures for the half year ended December 31, 2012. 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, 2012.

4 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, 2012.

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, 2012.

4.1 New and amended standards and interpretations adopted during the period

The Company has adopted the following amended IFRS and IFRIC interpretations which became effective during the period.

IAS 1 - Presentation of Financial Statements - Presentation of items of other comprehensive income (Amendment)

IAS 12 - Income Taxes - Recovery of Underlying Assets (Amendment)

The adoption of the above amendments did not have any effect on the interim financial information.

5 DISCOUNT ON ISSUE OF SHARES

The Company has passed a special resolution in its annual general meeting held on November 30, 2010 that the 85.800 million ordinary shares of Rs. 10/- each be issued to Mr. Muhammad Tousif Paracha (Director/CEO) at 60% discount i.e. at Rs. 4 per shares (total amounting to Rs. 343.200 million) otherwise than right against the outstanding loan of Mr. Muhammad Tousif Paracha (Director/CEO) to the Company. In September 2012, the Company issued 85.800 million ordinary shares to Mr. Muhammad Tousif Paracha at 60% discount and recorded Rs. 514.800 million as discount on shares.

Selected Explanatory Notes to the Condensed Interim Financial Information

6	LONG TERM LOANS	<table border="0"> <tr> <td style="text-align: center;">December 31,</td> <td style="text-align: center;">June 30,</td> </tr> <tr> <td style="text-align: center;">2012</td> <td style="text-align: center;">2012</td> </tr> <tr> <td colspan="2" style="text-align: center;">(Rupees in thousand)</td> </tr> </table>	December 31,	June 30,	2012	2012	(Rupees in thousand)										
December 31,	June 30,																
2012	2012																
(Rupees in thousand)																	
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">From banks and financial institutions - Secured</td> <td style="width: 20%; text-align: right;">691,685</td> <td style="width: 20%; text-align: right;">664,097</td> </tr> <tr> <td>From related parties (directors) - Unsecured</td> <td style="text-align: right;">538,218</td> <td style="text-align: right;">465,328</td> </tr> <tr> <td></td> <td style="text-align: right;">1,229,903</td> <td style="text-align: right;">1,129,425</td> </tr> <tr> <td>Less: Current and overdue portion presented under current liabilities</td> <td style="text-align: right;">(103,706)</td> <td style="text-align: right;">(80,953)</td> </tr> <tr> <td></td> <td style="text-align: right;">1,126,197</td> <td style="text-align: right;">1,048,472</td> </tr> </table>	From banks and financial institutions - Secured	691,685	664,097	From related parties (directors) - Unsecured	538,218	465,328		1,229,903	1,129,425	Less: Current and overdue portion presented under current liabilities	(103,706)	(80,953)		1,126,197	1,048,472
From banks and financial institutions - Secured	691,685	664,097															
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	6.1																
	<p>During financial year ended June 30, 2012, Mr. Muhammad Tousif Paracha (Chairman & CEO) claimed mark up on his outstanding loan including share deposit money which was previously agreed to be interest free. Keeping in view the financial health of the Company and after detailed discussion with all other Board Members, he confirmed to defer repayment of loan till the liquidity position of the Company improves and agreed to support the operations of the Company. However, he insisted for recording of mark up from the transactions starting from 2006-2007. The Board of Directors (BOD) had formed a committee to negotiate with Mr. Muhammad Tousif Paracha regarding his claim of mark up. After initial negotiation with Mr. Muhammad Tousif Paracha mark up for the period from July 01, 2012 to December 31, 2012 at the rate of 16.5% amounting to Rs. 34.966 million (after adjustment of exchange loss of Rs. 9.194) has been recorded in the books of accounts. BOD committee is still in negotiation with Mr. Muhammad Tousif Paracha for his mark up claim up to June 30, 2012, which amounts to Rs. 351.632 million.</p>																
7	DEFERRED LIABILITIES																
	<p>Deferred tax asset arising due to assessed tax losses has not been recognised as the future taxable profits may not be available against which the said losses can be adjusted.</p>																
8	CONTINGENCIES AND COMMITMENTS																
	<p>There is no significant change in contingencies and commitments since the date of the preceding published annual financial statements.</p>																
9	PROPERTY, PLANT AND EQUIPMENT	<table border="0"> <tr> <td style="text-align: center;">December 31,</td> <td style="text-align: center;">June 30,</td> </tr> <tr> <td style="text-align: center;">2012</td> <td style="text-align: center;">2012</td> </tr> <tr> <td colspan="2" style="text-align: center;">(Rupees in thousand)</td> </tr> </table>	December 31,	June 30,	2012	2012	(Rupees in thousand)										
December 31,	June 30,																
2012	2012																
(Rupees in thousand)																	
	Operating fixed assets	9.1 1,466,063	1,512,471														
	Capital work in progress	9.2 59,443	14,109														
		1,525,506	1,526,580														
	9.1 Additions/ (Deletions) during the period																
	Building	313	1,063														
	Plant and machinery	13,979	201,319														
	Electric and Gas installation	7,045	20,029														
	Furniture and fixtures	208	455														
	Office equipment	224	250														
	Vehicles	2,286	2,510														
		24,055	225,626														
	9.2 Capital work in progress - At cost																
	Opening	14,109	196,210														
	Additions	54,342	22,244														
	Less: Capitalized	(9,008)	(204,345)														
	Closing	59,443	14,109														
	9.3 Capital work in progress - Breakup																
	Plant and Machinery	58,963	13,629														
	Civil work	480	480														
		59,443	14,109														
10	TRANSACTIONS WITH RELATED PARTIES	<table border="0"> <tr> <td style="text-align: center;">December 31,</td> <td style="text-align: center;">December 31,</td> </tr> <tr> <td style="text-align: center;">2012</td> <td style="text-align: center;">2011</td> </tr> <tr> <td colspan="2" style="text-align: center;">(Rupees in thousand)</td> </tr> </table>	December 31,	December 31,	2012	2011	(Rupees in thousand)										
December 31,	December 31,																
2012	2011																
(Rupees in thousand)																	
	<p>Significant related party transactions during the period are as follows:</p>																
	Associated companies																
	Short term loan received	29,815	40,779														
	Repayment of short term loan	35,836	60,952														
	Purchases	3,037	1,200														
	Payment against supplies	5,019	1,157														
	Markup charged on loan	9,056	20,153														
	Directors																
	Loan received	65,683	23,739														
	Repayment of loan	27,250	7,309														
	Markup charged on loan	49,463	-														
	Issue of shares	858,000	-														

Selected Explanatory Notes to the Condensed Interim Financial Information

11 INFORMATION ABOUT BUSINESS SEGMENTS

For management purposes, the activities of the Company are organized into business units based on their products and therefore has two reportable operating segments. The glass containers segment mainly relates to production of glass containers and tableware. Plastic shells segment includes production of plastic shells. The analysis for segments is given below:

For the half year ended December 31, 2012			
	Glass Containers	Plastic Shells	Total
(Rupees in thousand)			
Revenue:			
Sales	1,593,391	71,240	1,664,631
Less: Sales tax	(215,928)	(9,826)	(225,754)
	1,377,463	61,414	1,438,877
Results:			
Segment result	110,493	413	110,906
Financial charges	(107,741)	(4,817)	(112,558)
Taxation			(5,416)
Loss for the period			(7,068)
Other Information:			
Capital expenditure - Net	69,389	-	
Depreciation	67,456	3,007	

For the half year ended December 31, 2011			
	Glass Containers	Plastic Shells	Total
(Rupees in thousand)			
Revenue:			
Sales	742,757	50,816	793,573
Less: Sales tax	(97,487)	(7,009)	(104,496)
Discount on sales	(129)	-	(129)
	645,141	43,807	688,948
Results:			
Segment result	(25,818)	1,819	(23,999)
Financial charges	(75,914)	(5,194)	(81,108)
Taxation			(4,775)
Loss for the period			(109,882)
Other Information:			
Capital expenditure - Net	11,808	-	
Depreciation	59,724	4,055	

11.1 GEOGRAPHICAL INFORMATION

	December 31, 2012	December 31, 2011
(Rupees in thousand)		
Local	1,410,982	654,141
Export	27,895	34,807
Total	1,438,877	688,948

12 DATE FOR AUTHORIZATION FOR ISSUE

This condensed interim financial information is authorized for issue by Board of Directors of the company on February 28, 2013.

13 GENERAL

This condensed interim financial information is presented in Pak Rupees and figures have been rounded off to nearest thousand of Pak Rupees.


Chief Executive


Director