



**BALOCHISTAN
GLASS LIMITED**



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**CONDENSED INTERIM
FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE HALF YEAR ENDED
DECEMBER 31, 2023**

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COMPANY INFORMATION



BOARD OF DIRECTORS

Mr. Mohammad Baig
Mr. Muhammad Tousif Peracha
Mrs. Tabassum Paracha
Mr. Mustafa Baig
Mr. Mohsin Iqbal Khan
Mr. Muhammad Niaz Paracha
Mr. Iqbal Ahmed Rizvi

CEO
Chairman



AUDIT COMMITTEE

Mr. Mohsin Iqbal Khan
Mr. Mustafa Baig
Mr. Muhammad Tousif Peracha

Chairman

HR & REMUNERATION COMMITTEE

Mr. Mohsin Iqbal Khan
Mr. Mohammad Baig
Mr. Muhammad Tousif Peracha

Chairman



COMPANY SECRETARY

Mr. M. Furqan Habib, ACCA



BANKERS

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



AUDITORS

PKF F.R.A.N.T.S.
Chartered Accountants

LEGAL ADVISOR

Masood Khan Ghory
(Advocate & Legal Consultant)



REGISTERED OFFICE

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

HEAD OFFICE

27-H Pace Tower, 1st floor,
College Road, MM Alam
Extension, Gulberg II, Lahore.
Web: www.balochistanglass.com
Email: info@balochistanglass.com

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

DIRECTORS' REVIEW



The Directors of your company are pleased to present the Condensed Interim Financial Position for the half year and quarter ended December 31, 2023.

COMPANY PERFORMANCE

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

	For the half year ended December 31,		For the quarter ended December 31,	
	2023	2022	2023	2022
	Rupees in thousands		Rupees in thousands	
Sales - Net	11,649	125,990	5,192	35,718
Gross (Loss)	(92,011)	(86,607)	(41,131)	(32,182)
Operating (Loss) / Profit	(100,065)	(102,584)	(46,287)	(38,872)
Depreciation for the year	58,110	65,481	26,231	32,740
(Loss) before Tax	(182,161)	(171,799)	(88,959)	(76,649)
(Loss) after Tax	(179,394)	(165,493)	(84,861)	(73,790)
Basic and diluted Earnings / (Loss) per share Rs.	(0.69)	(0.63)	(0.33)	(0.28)

The company's negative financial standing indicates significant challenges, primarily stemming from a sharp decline in net revenue, leading to substantial losses. This situation primarily results from the prolonged closure of tableware glass production since May 27, 2022. The decision to shut down tableware production was primarily driven by the management's strategic choice to address operational and financial challenges. This decision was further prompted by the increased susceptibility of the global economic environment to inflationary pressures.

Pursuant to the share purchase agreement with Tariq Glass Industries Limited (TGIL), a prominent player in the glass industry, with Mr. Muhammad Tousif Peracha, in December 2023 TGIL has acquired 57,555,625 Ordinary Shares of MMM Holding (Pvt.) Limited (MHPL) the parent company of BGL, equivalent to 50% of total issued share capital. After acquisition TGIL, indirectly through MHPL, holds 110,322,215 Ordinary shares, constituting 42.1721% of the Company. The company is actively addressing its previous operational challenges by leveraging the expertise of professionals from TGIL. Management is focused on restarting Unit-I, believing that TGIL's proficiency will lead to profitable operations. Concentrating on strategic objectives, management aims to produce high-quality glass products cost-effectively, anticipating improvements in operational and financial performance. They are confident in the company's long-term prospects once these measures are implemented. Major changes are planned for the current financial year, subject to regulatory and documentary requirements, with the goal of ensuring sustainable financial growth. The company successfully fulfilled all financial obligations to banks, including settlement with The Bank of Punjab during this period. The Board of Directors extends gratitude for the support and collaboration received from associates and financial institutions, while also recognizing and valuing the dedication and commitment of all stakeholders.



GOING CONCERN ASSUMPTION

Amidst the prevailing economic challenges in the country, the Company's management has conducted a thorough assessment to determine its going concern status. This assessment involved evaluating several factors. These include the availability of existing tableware stock in a saleable condition, the presence of a newly refurbished furnace with sufficient capacity to produce tableware and container glass products, the continuation of financial support from sponsors and associates, access to a finance facility of up to Rs. 1 billion for plant upgrades and maintenance provided by Tariq Glass Limited (an associated company), and the settlement of liabilities with all banking institutions. Based on these considerations and the strategic positioning of its production units, management expresses confidence in the Company's ability to overcome operational challenges. The Company intends to improvise and implement new strategic decisions, along with operational restructuring, to ensure sustainable and profitable business operations in the near future. Accordingly, these interim financial statements have been prepared on a going concern basis.

For and on behalf of the Board

Mr. Mohammad Baig
CEO
Lahore : 27th February 2023

Mr. Muhammad Tousif Paracha
Chairman



کمپنی جاری رکھنے کا مفروضہ

ملک میں موجودہ معاشی چیلنجوں کے درمیان، کمپنی کی انتظامیہ نے اس کی بڑھتی ہوئی تشویش کی حیثیت کا تعین کرنے کے لئے ایک مکمل جائزہ لیا ہے۔ اس جائزے میں کئی عوامل کا جائزہ لینا شامل تھا۔ ان میں قابل فروخت حالت میں موجودہ ٹیبل ویئر اسٹاک کی دستیابی، ٹیبل ویئر اور کنٹیینر گلاس کی مصنوعات تیار کرنے کی کافی صلاحیت کے ساتھ نئی تجدید شدہ بجٹی کی موجودگی، سپائزر اور ایسوسی ایٹس کی جانب سے مالی معاونت کا تسلسل، TGIL (ایک متعلقہ کمپنی) کی جانب سے فراہم کردہ پلائٹ اپ گریڈ اور دیکھ بھال کے لیے ایک ارب روپے تک کی فنڈس سہولت تک رسائی شامل ہے۔ اور تمام بینکاری اداروں کے ساتھ ذمہ داریوں کا تصفیہ۔ ان خیالات اور اپنے پیداواری یونٹوں کی اسٹریٹجک پوزیشننگ کی بنیاد پر، انتظامیہ آپریشنل چیلنجوں پر قابو پانے کی کمپنی کی صلاحیت پر اعتماد کا اظہار کرتی ہے۔ کمپنی مستقبل قریب میں پائیدار اور منافع بخش کاروباری آپریشنز کو یقینی بنانے کے لئے آپریشنل تنظیم نو کے ساتھ ساتھ نئے اسٹریٹجک فیصلوں کو بہتر بنانے اور نافذ کرنے کا ارادہ رکھتی ہے۔ اس کے مطابق، یہ عبوری مالی بیانات تشویش کی بنیاد پر تیار کیے گئے ہیں۔

منجانب / برائے بورڈ

محمد تو صیف پراچہ
Chairman

محمد بیگ
CEO

لاہور: 27 فروری 2024ء



ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2023 کو ختم ہونے والے نصف سال اور سہ ماہی کے لئے کنڈینسڈ عبوری مالی پوزیشن پیش کرتے ہیں۔

کمپنی کی کارکردگی

بچھلی مدت کے مقابلے میں موجودہ مدت کے لئے کلیدی آپریٹنگ نتائج کا تجزیہ ذیل میں دیا گیا ہے:

برائے اختتام پر سہ ماہی سال		برائے اختتام پر نصف سال		
31 دسمبر 2023ء	31 دسمبر 2022ء	31 دسمبر 2023ء	31 دسمبر 2022ء	
ہزار روپوں میں		ہزار روپوں میں		
35,718	5,192	125,990	11,649	فروخت - خالص
(32,182)	(41,131)	(86,607)	(92,011)	مجموعی (نقصان)
(38,872)	(46,287)	(102,584)	(100,065)	آپریٹنگ (نقصان) / منافع ز
32,740	26,231	65,481	58,110	سال کے لیے قدر میں کمی
(76,649)	(88,959)	(171,799)	(182,161)	ٹیکس سے پہلے (نقصان)
(73,790)	(84,861)	(165,493)	(179,394)	(نقصان) ٹیکس کے بعد
(0.28)	(0.33)	(0.63)	(0.69)	بنیادی و تھیلی آمدنی / (نقصان) فی حصص روپے

کمپنی کی منفی مالی حیثیت اہم چیلنجوں کی نشاندہی کرتی ہے، بنیادی طور پر خالص آمدنی میں تیزی سے کمی سے پیدا ہوتی ہے، جس سے کافی نقصان ہوتا ہے۔ یہ صورتحال بنیادی طور پر 27 مئی، 2022 سے ٹیبل ویئر گلاس کی پیداوار کی طویل بندش کا نتیجہ ہے۔ ٹیبل ویئر کی پیداوار کو بند کرنے کا فیصلہ بنیادی طور پر آپریٹنگ اور مالی چیلنجوں سے نمٹنے کے لئے انتظامیہ کے اسٹریٹجک انتخاب کی وجہ سے تھا۔ یہ فیصلہ عالمی اقتصادی ماحول میں افراط زر کے دباؤ کے لئے بڑھتی ہوئی حساسیت کی وجہ سے مزید متاثر ہوا۔

طارق گلاس انڈسٹریز لمیٹڈ (TGIL) کے ساتھ حصص کی خریداری کے معاہدے کی روشنی میں جناب محمد توفیق پراچہ کے ساتھ دسمبر 2023 میں TGIL نے MMM ہولڈنگ (پرائیویٹ) لمیٹڈ (MHPL) کے 57,555,625 عام حصص حاصل کیے ہیں، جو کل جاری کردہ حصص سرمائے کے 50 فیصد کے مساوی ہیں۔ حصول کے بعد TGIL بالواسطہ طور پر MHPL کے ذریعے کمپنی کے 110,322,215 عام حصص رکھتا ہے، جو کمپنی کا 42.1721 فیصد بنتا ہے۔ کمپنی TGIL کے پیشہ ور افراد کی مہارت سے فائدہ اٹھا کر اپنے پچھلے آپریٹنگ چیلنجوں کو فعال طور پر حل کر رہی ہے۔ انتظامیہ یونٹ-1 کو دوبارہ شروع کرنے پر توجہ مرکوز کر رہی ہے، اس یقین کے ساتھ کہ ٹی آئی ایل کی مہارت منافع بخش آپریٹنگ کا باعث بنے گی۔ اسٹریٹجک مقاصد پر توجہ مرکوز کرتے ہوئے، انتظامیہ کا مقصد آپریٹنگ اور مالی کارکردگی میں بہتری کی توقع کرتے ہوئے، لاگت کے لحاظ سے اعلیٰ معیار کی شیشے کی مصنوعات تیار کرنا ہے۔ وہ ان اقدامات کے نفاذ کے بعد کمپنی کے طویل مدتی امکانات پر اعتماد رکھتے ہیں۔ پائیدار مالی ترقی کو یقینی بنانے کے مقصد کے ساتھ ریگولیٹری اور دستاویزی ضروریات کے تحت رواں مالی سال کے لئے بڑی تبدیلیوں کی منصوبہ بندی کی گئی ہے۔ کمپنی نے اس مدت کے دوران بینک آف پنجاب کے ساتھ تصفیے سمیت بینکوں کی تمام مالی ذمہ داریوں کو کامیابی سے پورا کیا۔ بورڈ آف ڈائریکٹرز ایسوسی ایشن اور مالیاتی اداروں سے ملنے والی حمایت اور تعاون پر اظہار تشکر کرتے ہیں جبکہ تمام اسٹیک ہولڈرز کی لگن اور عزم کو تسلیم کرتے ہیں اور ان کی قدر کرتے ہیں۔

INDEPENDENT AUDITOR'S REVIEW REPORT



TO THE MEMBERS OF BALOCHISTAN GLASS LIMITED REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Balochistan Glass Limited as at December 31, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2023.

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 statements 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Material uncertainty related to going concern

We draw attention to Note 2 in the condensed interim financial statements, which indicates that the Company has incurred a net loss of Rs. 179.394 million during the six-month period ended December 31, 2023 and, as of that date, its accumulated losses of Rs. 6,291.467 million have resulted in negative equity of Rs. 3,150.387 million and its current liabilities exceeded its current assets by Rs. 1,393.859 million. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

The engagement partner on the review resulting in this independent auditor's review report is Nouman Razaq Khan.

PKF F.R.A.N.T.S.

PKF F.R.A.N.T.S.
Chartered Accountants
Place: Lahore

Date: February 28, 2024
UDIN: RR202310205hYQDKFuER



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2023

		Un-Audited December 31, 2023	Audited June 30, 2023
	Note	(Rupees in 000s)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		2,666,000	2,666,000
Issued, subscribed and paid-up share capital		2,616,000	2,616,000
Discount on shares		(514,800)	(514,800)
		2,101,200	2,101,200
Capital reserve			
Revaluation surplus on property, plant and equipment - net of tax		1,039,880	1,045,403
Revenue reserve			
Accumulated losses		(6,291,467)	(6,117,596)
		(3,150,387)	(2,970,993)
Loan from director	6	1,234,846	1,061,619
Loan from holding company	7	2,769,121	2,769,121
		853,580	859,747
NON-CURRENT LIABILITIES			
Long-term payable	8	-	6,536
Deferred liabilities	9	51,623	54,536
		51,623	61,072
CURRENT LIABILITIES			
Trade and other payables	10	533,178	533,807
Short term borrowings	11	993,075	849,192
Mark up accrued		39,972	230,935
Unclaimed dividend		164	164
Provision for taxation - net of advance income tax		-	815
		1,566,389	1,614,913
CONTINGENCIES AND COMMITMENTS			
	12		
TOTAL EQUITY AND LIABILITIES		2,471,592	2,535,732
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	2,299,062	2,357,172
CURRENT ASSETS			
Stores, spare parts and loose tools		75,206	75,206
Stock in trade	14	70,808	81,900
Trade debts	15	2,244	1,794
Loans and advances		10,495	11,245
Trade deposits, prepayments and other receivable		8,270	2,701
Advance income tax - net of provision for taxation		875	-
Cash and bank balances		4,632	5,714
		172,530	178,560
TOTAL ASSETS		2,471,592	2,535,732

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

BALOCHISTAN GLASS LTD.

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FOR THE HALF YEAR ENDED
DECEMBER 31, 2023

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023



	Six Months Period Ended December 31,		Three Months Period Ended December 31,	
	2023	2022	2023	2022
	(Rupees in 000s)		(Rupees in 000s)	
Sales - net	11,649	125,990	5,192	35,718
Cost of sales	(103,660)	(212,597)	(46,323)	(67,900)
Gross loss	(92,011)	(86,607)	(41,131)	(32,182)
Administrative and selling expenses	(8,066)	(16,258)	(5,168)	(6,971)
Other income	12	281	12	281
Operating loss	(100,065)	(102,584)	(46,287)	(38,872)
Finance cost	(82,096)	(69,215)	(42,672)	(37,777)
Loss before taxation	(182,161)	(171,799)	(88,959)	(76,649)
Taxation				
- Current	(146)	(1,575)	(65)	(447)
- Prior	-	2,063	-	2,063
- Deferred	2,913	5,818	4,163	1,243
	2,767	6,306	4,098	2,859
Loss after taxation	(179,394)	(165,493)	(84,861)	(73,790)
Loss per share - basic and diluted (Rs.)	(0.69)	(0.63)	(0.33)	(0.28)

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

BALOCHISTAN GLASS LTD.

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FOR THE HALF YEAR ENDED
DECEMBER 31, 2023



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023

	Six Months Period Ended December 31,		Three Months Period Ended December 31,	
	2023	2022	2023	2022
	(Rupees in 000s)		(Rupees in 000s)	
Loss after taxation	(179,394)	(165,493)	(84,861)	(73,790)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(179,394)	(165,493)	(84,861)	(73,790)

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

BALUCHISTAN GLASS LTD.

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FOR THE HALF YEAR ENDED
DECEMBER 31, 2023

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023



	Issued, subscribed and paid-up share capital	Discount on shares	Capital reserve Revaluation surplus on property, plant and equipment (Rupees in 000s)	Revenue reserve Accumulated Loss	Total Equity
Balance as on June 30, 2022 (audited)	2,616,000	(514,800)	1,057,577	(5,994,715)	(2,835,938)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	(6,086)	6,086	-
Total comprehensive loss for the period					
Loss after taxation	-	-	-	(165,493)	(165,493)
Other comprehensive loss	-	-	-	-	-
	-	-	-	(165,493)	(165,493)
Balance as on December 31, 2022 (Un-audited)	2,616,000	(514,800)	1,051,491	(6,154,122)	(3,001,431)
Balance as on June 30, 2023 (Audited)	2,616,000	(514,800)	1,045,403	(6,117,596)	(2,970,993)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	-	(5,523)	5,523	-
Total comprehensive loss for the period					
Loss after taxation	-	-	-	(179,394)	(179,394)
Other comprehensive loss	-	-	-	-	-
	-	-	-	(179,394)	(179,394)
Balance as on December 31, 2023 (Un-audited)	2,616,000	(514,800)	1,039,880	(6,291,467)	(3,150,387)

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

BALUCHISTAN GLASS LTD.

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FOR THE HALF YEAR ENDED
DECEMBER 31, 2023



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023

		Six Months Period Ended December 31,	
	Note	2023	2022
		(Rupees in 000s)	
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(182,161)	(171,799)
Adjustments for non-cash charges and other items:			
Depreciation for the period	13.1	58,110	65,481
Finance cost		82,096	69,215
Operating loss before working capital changes		(41,955)	(37,103)
Working capital changes			
Decrease / (increase) in current assets			
Stores, spare parts and loose tools		-	4,576
Stock in trade		11,092	127,556
Trade debts		(450)	7,142
Loans and advances		750	5,326
Trade deposits, prepayments and other receivables		(5,569)	385
(Decrease) in current liabilities			
Trade and other payables		(7,262)	(99,148)
		(1,439)	45,837
Cash (used in) / generated from operations		(43,394)	8,734
Payments for:			
Finance cost		(272,899)	(8,778)
Income taxes		(1,892)	1,330
Staff retirement benefits		(7)	(3,220)
Net cash (outflow) from operating activities	A	(318,192)	(1,934)
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from disposal of investment in associate		-	139,414
Net cash inflow from investing activities	B	-	139,414
CASH FLOW FROM FINANCING ACTIVITIES			
Loan from director - net		173,227	-
Long term loan from bank		-	(2,588)
Short term borrowings - net		143,883	(133,608)
Net cash inflow / (outflow) from financing activities	C	317,110	(136,196)
Net (decrease) / increase in cash and cash equivalents	A+B+C	(1,082)	1,284
Cash and cash equivalents at beginning of the period		5,714	5,812
Cash and cash equivalents at end of the period		4,632	7,096

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

BALOCHISTAN GLASS LTD.

12

FOR THE HALF YEAR ENDED
DECEMBER 31, 2023



1 STATUS AND NATURE OF BUSINESS

1.1 Balochistan Glass Limited (the Company) was incorporated in Pakistan as a public limited company in 1980 under the repealed Companies Act, 1913 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange. The Company is engaged in manufacturing and sale of glass containers, glass tableware, pharmaceutical glass bottles and plastic shells. Following are the business units of the Company, along with their respective geographical locations:

- Unit-I & Registered Office: Plot no. 8, Block M, Hub Industrial Trading Estate, Lasbella - Hub
- Unit-II: 29 - Km Lahore, Sheikhpura Road, Sheikhpura
- Unit-III: 12-Km Lahore, Sheikhpura Road, Kot Abdul Malik, Sheikhpura
- Head Office: 27-H Pace Tower, 1st floor, College Road, MM Alam Extension, Gulberg II, Lahore

1.2 The Company is a subsidiary of MMM Holding (Private) Limited (the Holding Company), which holds 84.34% shareholding in the Company at period-end. During the interim period, Tariq Glass Industries Limited (TGL), a prominent player in glass industry in Pakistan, has acquired 50% shareholding of MMM Holding (Private) Limited, and consequently, acquired the joint management control of the Company as detailed in note 2.

2 GOING CONCERN ASSUMPTION

During the six-month period ended December 31, 2023 (interim period), the Company has incurred a gross loss of Rs. 92.011 million (December 31, 2022: Rs. 86.607 million) and a net loss of Rs. 179.394 million (December 31, 2022: Rs. 165.493 million). As at the period end, its accumulated losses stand at Rs. 6,291.467 million (June 30, 2023: Rs. 6,117.596 million), thereby resulting in negative equity of Rs. 3,150.387 million (June 30, 2023: Rs. 2,970.993 million). In addition, the Company's current liabilities exceeded its current assets by Rs. 1,393.859 million (June 30, 2023: Rs. 1,436.353 million) at the period end, whereas, the operations of all three units remained suspended till the period-end. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.

Operations at all the three units remained suspended during the period, and no additional stock had been produced. The Company continued selling the existing stock for generation of cash flows to manage its operational and business liabilities. The factors contributing to shutdown of units include high energy and gas prices, intense market competition, depreciation of Pak Rupee, increase in interest rates and slowdown in overall economic condition. Other factors which contributed towards continuous losses is improper allocation of fixed assets.

The management is well aware of the prevailing challenges and has undertaken a comprehensive strategy to reform multiple corporate policies. This includes the refinement of marketing strategies, streamlining production controls, and optimizing human resource management. As part of the revival plan, workforce reduction was executed following a meticulous evaluation of cost-effectiveness. However, management is committed to promptly rehire the skilled and experienced workforce. The Company was managing its business risks and liquidity related issues on sustainable basis. The Company is continuously honoring its financial commitments towards financial institutions. The Company has also settled all of its long term and short-term loans towards financial institutions including entire short-term liability of running finance facility of BOP.

During the period, Tariq Glass Industries Limited (TGL) has acquired 50% shares (i.e., 57,555,625 shares) of MMM Holding (Private) Limited (MMM), a holding company of Balochistan Glass Limited (BGL) from Muhammad Tousif Peracha. These shares have been transferred in the name of TGL. Consequently, TGL has successfully acquired joint management control of MMM and BGL.

The current sponsors and TGL, the acquirer of MMM, are dedicated to relaunching the Company. Plans for rehabilitation are underway, with both parties committed to financing operations. For the upgrading and maintenance of the plant, subsequent to period-end, TGL has secured members' approval for investments up to Rs. 1 billion, to be provided in the form of short-term loan/advance as required by the Company.



Additionally, Gharibwal Cement Limited (an associated company) is in process of seeking members' approval to issue corporate guarantee of up to Rs. 3 billion to financial institutions/banks on behalf of the Company. Management aims to restart Unit-I and believes that TGL's expertise will ensure profitable operations. Sponsors remain fully committed to providing financial support, and the Company is up-to-date on operational and financial obligations. Based on the factors discussed above, management feels confident that the Company will have adequate resources to operate its business on a sustainable basis for foreseeable future. Accordingly, these interim financial statements have been prepared on going concern basis.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issues under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 These condensed interim financial statements are being presented and submitted to the shareholders as required by the Listing Regulations of the Pakistan Stock Exchange and section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information required for the complete set of financial statements and should be read in conjunction with the annual audited financial statements for the year ended June 30, 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

3.3 The comparative condensed interim statement of financial position presented in these condensed interim financial statements has been extracted from the audited annual financial statements of the Company for the year ended June 30, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from the unaudited condensed interim financial statements for the period ended December 31, 2022.

3.4 The figures included in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended December 31, 2023 and 2022 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they are required to review only the cumulative figures for the six-months period ended December 31, 2023 and 2022.

4 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

4.1 The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of financial statements of the Company for the year ended June 30, 2023.

4.2 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

(a) **Standards and amendments to approved accounting standards that are effective during the period ended December 31, 2023**

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on July 01, 2023. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.



- (b) **Standards and amendments to approved accounting standards that are not yet effective**
There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2024 and have not been early adopted by the Company. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

5 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 5.1 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant accounting estimates and judgments made by management in preparation of these condensed interim financial statements are consistent with those applied in preparation of the annual financial statements of the Company for the year ended June 30, 2023.
- 5.2 The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2023.

	Un-Audited December 31, 2023	Audited June 30, 2022
6 LOAN FROM DIRECTOR		
	(Rupees in thousands)	
Muhammad Tousif Paracha (Director) - unsecured	1,234,846	1,061,619

- 6.1 This represents the loan obtained from the director to meet the Company's liquidity requirements. The said loan was previously classified as long term loan under the mark up arrangements. Pursuant to the arrangements between the Company and the director in previous years, the loan had become interest free and payable at the discretion of the Company. Accordingly, the loan is treated as equity in accordance with the Technical Release -32 ("Accounting Director's Loan") issued by the Institute of Chartered Accountants of Pakistan and not measured at amortized cost as per requirements of the applicable financial reporting standards.

- 6.2 Previously, the said loan was subordinated to financing from Bank of Punjab which has been duly settled during the period as detailed in note 11.1, as a result of which, the subordination has been called off.

7 LOAN FROM HOLDING COMPANY

MMM Holding (Private) Limited (Holding Company) - unsecured	2,769,121	2,769,121
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- 7.1 This represents the loan, that the Holding Company has granted to settle / replace the loans of sponsors, director and associates. As a result, the loans have been replaced on the same conditions as that of original loans. The loan is interest free and payable at discretion of the Company on availability of funds, accordingly, the said loan is not measured at amortized cost as per requirements of applicable financial reporting standards, rather treated as equity in accordance with Technical Release-32 ("Accounting Director's Loan") issued by the Institute of Chartered Accountants of Pakistan. Further, during the period, MMM Holding (Private) Limited, has passed a board resolution to treat the said loan as a share deposit money and intends to acquire further shares when and as offered by the Company.



		Un-Audited December 31, 2023	Audited June 30, 2022
8 LONG TERM PAYABLE			
	Note	(Rupees in thousands)	
Gas Infrastructure Development Cess (GIDC)			
GIDC payable	8.1	309,390	307,124
Current portion shown under trade and other payables	10	(309,390)	(300,588)
		-	6,536
8.1 Movement in GIDC payable			
Balance at beginning of the period / year		307,124	299,351
Unwinding of interest		2,266	8,200
Payments		-	(427)
Balance at end of the period / year		309,390	307,124
9 DEFERRED LIABILITIES			
Deferred taxation - net	9.1	50,219	53,132
Employees' retirement benefits - gratuity		1,404	1,404
		51,623	54,536
9.1			
Deferred tax asset arising on deductible temporary differences, tax losses and tax credits aggregating Rs. 793.290 million (June 30, 2023: Rs. 743.528 million) has not been recognized, as the future taxable profits may not be available against which the deferred tax asset could be utilized in foreseeable future.			
10 TRADE AND OTHER PAYABLES			
Trade creditors	10.1	143,753	152,500
Accrued expenses		26,400	24,565
Contract liabilities		5,817	6,675
Employees' provident fund		17	24
Sales tax payable		27,360	29,070
Withholding income taxes payable		19,255	19,198
Current and overdue portion of GIDC payable	8	309,390	300,588
Workers' profit participation fund		246	246
Workers' welfare fund		940	940
		533,178	533,807

10.1 This includes an amount of Nil (June 30, 2023: Rs. 2.188 million) as payable to a related party.



11 SHORT TERM BORROWINGS	Note	Un-Audited December 31, 2023	Audited June 30, 2022
(Rupees in thousands)			
From Bank - Bank of Punjab (secured):			
Short term running finance	11.1	-	29,602
From Related Parties (unsecured):			
Associated company	11.2	700,000	587,366
Director / Ex-directors	11.3	293,075	232,224
		993,075	819,590
		993,075	849,192

11.1 During the interim period, the Company has repaid the outstanding liability of Bank of Punjab and consequently, the Bank of Punjab has issued a 'No Objection Certificate' for vacation of charges on fixed assets and current assets of the Company created in favour of the Bank and called off the subordination of loan from director as disclosed in note 6.2.

11.2 This represents unsecured loan / short term advance facility of Rs. 700.000 million (June 30, 2023: Rs. 600.000 million) obtained from the associated company, Gharibwal Cement Limited (GCL), to meet the working capital requirements of the Company and carries mark up at 6 months KIBOR + 3.5% p.a (June 30, 2023: 3 months KIBOR + 3.5% p.a). At period end, markup payable to GCL amounted to Rs. 39.972 million (June 30, 2023: Rs. 228.747 million) which has been disclosed under markup accrued.

11.3 These represent temporary financial support obtained from director / ex-directors for working capital requirements and payable on demand. These loans are unsecured and interest free.

12 CONTINGENCIES AND COMMITMENTS

12.1 There is no material change in the status of contingencies as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2023.

12.2 There are no known material commitments as at period end (June 30, 2023: Nil).

13 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets - owned	13.1	2,274,017	2,332,127
Capital work in progress	13.2	25,045	25,045
		2,299,062	2,357,172

13.1 Operating fixed assets-owned

Opening net book value	2,332,127	2,463,090
Add: Additions during the period / year - at cost	-	-
Less: Depreciation charged during the period / year	(58,110)	(130,963)
Closing net book value	2,274,017	2,332,127

13.2 At period end, capital work-in-progress comprises of plant and machinery i.e. glass tempering machine purchased in the previous years, however, due to change in business strategies, the same could not be installed / made available for intended use till period-end. The management expects its recoverable amount higher than its carrying value and therefore no impairment is required at period-end.



14 STOCK IN TRADE

Raw and packing materials
Finished goods

Un-Audited December 31, 2023	Audited June 30, 2022
(Rupees in thousands)	
35,000	35,000
35,808	46,900
70,808	81,900

15 TRADE DEBTS

Unsecured but considered good
Unsecured but considered doubtful

Allowance for expected credit losses

2,244	1,794
82,861	82,861
85,105 (82,861)	84,655 (82,861)
2,244	1,794

16 TRANSACTIONS WITH RELATED PARTIES

16.1 The related parties comprise of the holding company, associated companies, directors and their associates, companies with common directorship, employees post employment benefit plan and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Un-Audited December 31, 2023	Un-Audited December 31, 2022
(Rupees in thousands)		
Associated Companies		
Gharibwal Cement Limited (Common directorship)		
Short term loan received / (paid) - net	112,634	(66)
Markup charged on short term loan	79,073	56,140
Markup paid	(267,849)	-
Shahpur Commerce (Pvt.) Limited (Common directorship)		
Payments	(2,188)	(1,353)
Directors and their Associates		
Muhammad Tousif Paracha (Director) - 0.0002% shareholding		
Net receipts / (adjustment) against short term loan	253,933	(101,683)
Net receipts / settlement against long term loan	173,227	-
Mian Nazir Ahmed Paracha (Ex-Director) - 0.0002% shareholding		
Short term loan repaid / settled	(71,882)	-
Shaffi Uddin Paracha (Ex-Director) - 0.0002% shareholding		
Short term loan repaid / settled	(121,200)	-
Employees retirement benefit plan:		
BGL Officers' Provident Fund		
Contributions by the Company	(59)	(221)



16.2 No remuneration has been paid to the directors, CEO and key management personnel during the period. Further, no employee fulfills the criteria of 'executive' as defined in the fourth schedule to the Companies Act, 2017 whose remuneration may require disclosure.

16.3 The outstanding balances with related parties at period-end have been disclosed in the respective notes to the condensed interim financial statements.

17 INFORMATION ABOUT BUSINESS SEGMENTS

17.1 These condensed interim financial statements have been prepared on the basis of single reportable segment i.e. glass containers segment as the plastic shells segment has not been operative since 2016.

17.2 All of the revenue of the Company during the period relates to the customers in Pakistan.

17.3 All non-current assets of the Company as at period end are located in Pakistan.

18 FAIR VALUE ESTIMATION

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements are a reasonable approximation of their fair values. During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. There was no transfer amongst the levels of fair value hierarchy and any changes in valuation techniques during the period.

The management estimates regarding fair values of the financial instruments and the fair value hierarchy are same as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2023.

19 GENERAL

19.1 These condensed interim financial statements are presented in Pakistan Rupee which is also the Company's functional currency. Figures have been rounded off to the nearest thousand Pakistan Rupee, unless otherwise stated.

19.2 Comparative figures have been rearranged and reclassified wherever required to facilitate better comparison while no major reclassification has been made in corresponding figures.

19.3 These condensed interim financial statements are authorized for issue on February 27, 2024 in accordance with the resolution of the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR



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