

2015

ANNUAL REPORT



BALOCHISTAN GLASS LIMITED

An ISO 9001:2008 Certified Company

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BOARD OF DIRECTORS

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

COMPANY SECRETARY

Sheikh Arif Moin-ul-Haq

AUDIT COMMITTEE

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

HR & REMUNERATION COMMITTEE

Mr. Mustafa Tousif Ahmed Paracha	Chairman
Mr. Jawaid Aziz paracha	Member
Mr. Tariq Siddiq Paracha	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

AUDITORS

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

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

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.

VISION STATEMENT

To attain and maintain second to none status in Quality, Customers' Satisfaction, Cost Effectiveness and Market Leadership

Mission Statement

To Establish, Maintain and continuously improve the management system by:

- Developing and maintaining the Lean organization structure
- Monitoring and reducing the cost without compromising the quality
- Establishing, maintaining and continuous improvement of process efficiency and effectiveness
- Developing a culture of process ownership

Notice of Annual General Meeting



Notice is hereby given that 35th Annual General Meeting of Balochistan Glass Limited will be held on Saturday October 31, 2015 at 12:00 p.m at Plot # M-8, H.I.T.E. Hub, Hub Industrial Estate Lasbela, Balochistan to transact the following businesses:

Ordinary Business

1. To confirm the minutes of last Annual General Meeting held on October 31, 2014.
2. To receive, consider and adopt the audited financial statements of the company for the year ended June 30, 2015 together with Auditor's and Director's report thereon.
3. To appoint Auditors of the Company for the year ending June 30, 2016 and to fix their remuneration.

Other Business

4. To transact any other business with the permission of chairman

By Order of the Board

Date: October 09, 2015
Place: Lahore.

Sheikh Arif Moin-ul-Haq
Company Secretary

Notes:

1. The share transfer books will remain closed from October 24, 2015 to October 31, 2015 both days inclusive. Transfer received by the share registrar of the company Corplink Pvt Ltd, 1-k commercial, Model Town, Lahore upto October 23, 2015 will be considered in time for the purpose of attendance at AGM.
2. A member who has deposited his/her shares in Central Depository Company of Pakistan Limited, must bring his/her participant's ID number and account/sub account number along with original CNIC or original passport at the time of the meeting.
3. A member entitled to attend and vote at the AGM may appoint another member as his/her proxy to attend, speak and vote instead of him/her.
4. Forms of proxy to be valid must be properly filled in/executed and received at the company head office situated at 12km, Lahore Sheikhpura road, Kot-Abdul Malik, Lahore not later than 48 hours before the time of the meeting.
5. Members are requested to notify the share registrar of the company promptly of any change in their addresses and also provide copy of their CNIC for updating record.

The Directors of your company pleased to present the Annual Report along with the Audited Financial Statements of your company for the year ended June 30, 2015.

COMPANY PERFORMANCE

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

(Rupees in thousands)

	2015	2014
Sales - Net	1,605,793	2,203,968
Gross Profit/(loss)	(141,874)	(241,183)
Operating Profit/(loss)	(209,165)	(325,322)
Depreciation & Amortization	(131,159)	(138,755)
(Loss) before Tax	(461,597)	(571,513)
(Loss) after Tax	(459,487)	(568,533)
Basic and diluted (Loss) per share	(2.68)	(3.31)

Net sales revenue of the Company has dropped by 27.1% as compared to previous year and the cost of production had also declined and resultantly gross loss reduced as compared to last year. The main reason of heavy loss during the year was the closure of BGL Unit-II and one out of two furnaces at BGL Unit-III as well as non-availability of smooth gas supply at BGL-III, which pushed the Company to consume other alternative expensive fuels. Uncertainty and discrimination in supply of gas in Punjab is the main reason of closure of BGL Unit-II and BGL-III. Plant operations of BGL-III had also suffered badly due to gas supply and company had to use expensive fuels in order to save the furnace and major equipment from any unforeseen damage. Company had highlighted this matter at various forums and highly criticized the discrimination in gas supply among companies located in same vicinity.

FUTURE OUTLOOK

The company had decided to enhance its tableware manufacturing capacity in order to meet the growing demand of local and export market, therefore, the management has successfully started tableware production at Unit-II in the last quarter of the financial year 2015. We are highly confident that this decision will support the company to compete in the long-run. Furthermore, reduction in oil prices has also helped to reduce the cost of production.

In order to further penetrate in tableware product market, our company has introduced a new brand Pearl in tableware market and response of the market remain encouraging so far. Our Marimax brand has also performed remarkably well in past few years; both in local & export market. The Company had also incurred capital expenditures for purchase/installation of necessary equipment and plant & machinery for this purpose which was mainly sponsored by the Directors & Associates from personal resources.

COMMENTS ON AUDITORS OBSERVATIONS /QUALIFICATION

Going Concern Assumption

Auditors' has raised their observation about going concern of company. In assessing the going concern status of the Company, management has carefully assessed a number of factors covering the operational performance of the business, the ability to implement a significant debt restructuring of the Company's existing debts and the appetite of directors & associates to continue financial support. Based on the analysis of these, and key management efforts and decisions as mentioned above, management is comfortable that the Company will be able to continue as a going concern in the foreseeable future.

Based on analysis of these, key management decisions as mentioned in 'future outlook' and below mentioned factors, management is comfortable that the Company will be able to continue as a going concern in the foreseeable future.

- Strong sales base of its Marimax products since few years.
- Continued financial support of its sponsors and associates.
- Improvement in production and increase in capacity utilization.
- All operational units of the company are meeting their operational liabilities.
- Restructuring with major lenders of the company.
- Availability of working capital finance from market.
- Future prospects of industry, better selling prices and company presence in local and export market.

We feel that by considering all the above factors, performance of glass industry, present and future demand of glass products in local & export market and continued support and commitment of directors & associates, management of the company is fully justified to prepare the financial statements by using going concern assumption.

With regard to auditors observations of non-measurement of the interest free Subordinated Loan at amortized cost as per the requirement of the International Accounting Standard 39, management is of the view that on account of continued operational losses, liquidity shortages, covenants with financial institutions and other peculiar circumstances of the Company, the repayment time horizon of the said loan cannot be determined therefore restraining the Company's capacity to reliably calculate the amortization cost of the said loan.

Corporate and Financial Reporting Framework

In compliance with the Code of Corporate Governance, we give below statements on Corporate and Financial Reporting Framework:

- i. The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- ii. Proper books of accounts of the Company have been maintained.
- iii. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- iv. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.
- v. The system of internal control is sound in design and has been effectively implemented and monitored.

- vi. Management feels that there is no significant doubt on the Company's ability to continue as going concern. We had already provided our reply on Auditors' Observation in this report and mitigating factors are also disclosed in detail.
- vii. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations. Company has also constituted Audit Committee and HR & R Committee and its members are disclosed in annual report.
- viii. The detail of trading in shares of the Company, if any, carried out by the directors, CEO, CFO, and Company Secretary and their spouses and minor children is provided in pattern of shareholding annexed with this report.
- ix. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relate and the date of Directors' report.
- x. Key operating and financial data for last six years is annexed.
- xi. The pattern of shareholding is also annexed.
- xii. The Company has fulfilled its major statutory and financial obligations, except as disclosed in the Financial Statements in detail (refer note 9, 13, & 14) due to liquidity issues.
- xiii. No dividend or bonus shares are declared because of loss during the year.
- xiv. Company has arranged in house training programs for its directors; however, most of directors meet criteria as laid down in code of corporate governance regarding directors' training.
- xv. The Statement of compliance with the best practices of Code of Corporate Governance is annexed with this report.

Performance Evaluation of Board of Directors

A formal performance evaluation of the board, its non-executive directors and committees is conducted annually by means of a series of self-evaluation questionnaires with the aim of evaluating and improving effectiveness of the board, its committees and individual contributions. Results of the evaluation identify potential knowledge and skills gaps on the board or its committees and provide a basis for continuous improvement of the board's procedures and objectives for the following year. Non-executive directors review the leadership and performance of the chairman. Performance of the executive directors is evaluated annually using the performance management system implemented, with the chief executive officer reviewing the executive directors' performance and the independent director reviewing the chief executive officer's performance. Based on the annual evaluations undertaken during the year, the board is satisfied that all directors are committed to their roles and that the board and its committees are effective.?

BOARD & AUDIT COMMITTEE MEETINGS

Attendances by each director at the Board of Directors (BoD), Board Audit Committee (BAC) and HR&R Committee (HR&R) meetings are as under:

	Re-appointed on	Meetings attended		
		BOD	BAC	HR&R
Number of meetings held		4	4	2
1. Mr. Muhammad Tousif Paracha	27-01-14	3	-	-
2. Mr. Tariq Siddiq Paracha	27-01-14	3	-	2
3. Mr. Nazir Ahmad Paracha	27-01-14	4	4	-
4. Mr. Muhammad Mustafa Tousif Paracha	27-01-14	3	3	2
5. Mr. Jawaid Aziz Paracha	27-01-14	2	-	1
6. Mr. Muhammad Nasir Malik	27-01-14	4	4	-
7. Mr. Shamim Anwer	27-01-14	3	-	-

Auditors

The auditors of the company M/s F.R.A.N.T.S & Co. Chartered Accountants retire and are eligible for re-appointment for the next year. Audit Committee has recommended the re-appointment of M/s F.R.A.N.T.S & Co. Chartered Accountants, as auditors of the Company for the forthcoming year.

Acknowledgment

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 & cooperation extended by our distributors, dealers, suppliers and other stakeholders of the company.

For on the behalf of Board of Directors'

Muhammad Tousif Paracha
Chariman & CEO

Lahore: October 09, 2015



Balochistan Glass Limited (BGL) places the highest value on the integrity of the Company as integrity is a bedrock principle of all our behaviors. All employees must abide by and uphold the Code of Business Conduct and all laws. All directors, officers and employees and all representatives, including all agents, consultants, independent contractors and suppliers of BGL, are responsible for complying with all applicable laws and regulations and complying with this Code of Business Conduct and other policies of the Company. Violations of law or this Code or other policies of the Company are subject to disciplinary action, which may include termination. The policies in this Code apply across BGL.

BGL provides this Code of Conduct to its employees for their guidance in recognizing and resolving properly the ethical and legal issues they may encounter in conducting the Company's business. The Code and its terms may be modified or eliminated at any time by the Company. Directors, officers and employees and other representatives of the Company are responsible for being familiar with its contents. The Code does not include all of the policies of the Company. Each BGL employee shall comply with the letter and spirit of the Code of Business Conduct and with the policies and procedures of the Company, and shall communicate any suspected violations promptly.

1. Relationship with the Company and Each Other

BGL most important resource is its employees whose skills, energy and commitment to excellence and the Company's vision and values are the source of the Company's character and central to its leadership and success.

2. We Respect the Individual and Diversity

Company recognizes the dignity of each individual, respects each employee, provides compensation and benefits that are competitive, promotes self-development through training that broadens work-related skills, and values diversity and different perspectives and ideas.

3. We Live Our Values

As representatives of the Company to the outside world, and regardless of the pressures inherent in conducting business, BGL employees are expected to act responsibly and in a manner that reflects favorably on Company. We will carry out our assignments guided by the principles set forth in our vision and values and in compliance with this Code of Business Conduct and our corporate policies.

4. We Avoid Conflicts of Interest

Each of us and our immediate families should avoid any situation that may create or appear to create a conflict between our personal interests and the interests of the Company.

5. We Invite Full Participation and Support Diversity

BGL is committed to an all-inclusive work culture. We believe and recognize that all people should be respected for their individual abilities and contributions. The Company aims to provide challenging, meaningful and rewarding opportunities for personal and professional growth to all employees without regard to gender, race, ethnicity, sexual orientation, physical or mental disability, age, pregnancy, religion, veteran status, national origin etc.

6. We Work in a Positive Environment

BGL endeavors to provide all employees an environment that is conducive to conducting business and allows individuals to excel, be creative, take initiatives, seek new ways to solve problems, generate opportunities and be accountable for their actions. The Company also encourages teamwork in order to leverage our diverse talents and expertise through effective collaboration and cooperation.



7. We Do Not Employ Child or Forced Labor

BGL does not and will not employ child labor or forced labor. BGL defines a child as anyone under the age of eighteen.

8. We Provide a Safe Workplace

It's BGL policy to establish and manage a safe and healthy work environment and to manage its business in ways that are sensitive to the environment. The Company will comply with all regulatory requirements regarding health, safety and protection of the environment.

9. We Safeguard Company Property and Business Information

Safeguarding Company assets is the responsibility of all directors, officers and employees and Company representatives. All employees, directors' must use and maintain such assets with care and respect while guarding against waste and abuse.

Similarly, all directors, officers and employees and Company representatives are not expected to share any business secrets, inside information or strategies with BGL competitors either directly or indirectly.

10. We Maintain Accurate Books and Records and Report Results with Integrity

BGL financial, accounting, and other reports and records will accurately and fairly reflect the transactions and financial condition of the Company in reasonable detail, and in accordance with generally accepted and Company-approved accounting principles, practices and procedures and applicable government regulations.

11. Our Relationship with Our Customers

BGL serves many industrial, corporate and non-corporate enterprises, dealers and distributors as well as of governmental bodies and individual consumers, for whom we design, develop, manufacture and market quality products.

12. We Obey All Laws and Regulations

Our customer relationships are critical to BGL. In meeting our customers' needs, the Company is committed to doing business with integrity and according to all applicable laws. Products must be designed and produced to internal standards and to comply with external regulations, the standards of the appropriate approval entities, and any applicable contractual obligations.

13. We Provide Quality Products and Services

Committed to being a Six Sigma Company, we strive to provide products and services that meet or exceed our customers' expectations for quality, reliability and value, and to satisfy their requirements with on-time deliveries.

14. We Seek Business Openly and Honestly

Sales are the lifeblood of the organization, and we commit that we will market our products fairly and vigorously based on their proven quality, integrity, reliability, delivery and value to our customer.

15. We Follow Accurate Billing Procedures

It is the Company's policy to reflect accurately on all invoices to customers the sale price and other terms of sales. Every employee has the responsibility to maintain accurate and complete records. No false, misleading or artificial entries may be made in BGL books and records.



16. Our Relationship with our Suppliers

BGL suppliers are our partners in Six Sigma Plus. The high caliber of the materials, goods and services they provide is linked directly to the quality, reliability, values and prompt delivery of the Company's products to our customers and, thus, leads to customer's satisfaction.

17. We Will Not Be Influenced by Gifts

We will not be influenced by gifts or favors of any kind from our suppliers or potential suppliers. The Company expects each employee to exercise reasonable judgment and discretion in accepting any gratuity or gift offered to the employee in connection with employment at BGL.

18. We Do Not Make Improper Political Contributions

Company funds generally can not to be used for political contributions, directly or indirectly, in support of any party or candidate.

19. We Protect the Environment

BGL abides by all applicable health, safety and environmental laws and regulations. We will also abide by Company's own standards.

20. We Comply with Export Control and Import Laws

BGL will comply with all Export Control and Import laws and regulations that govern the exportation and importation of commodities and technical data, including items that are hand-carried as samples or demonstration units in luggage.

21. Supervisory Personnel

Managers and supervisors have key roles in the Integrity and Compliance Program and are expected to demonstrate their personal commitment to the Company's standards of conduct and to lead their employees accordingly.

22. Trading in Company's Shares

All executives and directors of the company who purchase company shares must inform the company secretary in writing about their sale and purchase transactions. However, no employee, director or executive of the company is allowed to trade during 'closed period', as intimated prior to the announcement of interim/final results, and business decisions, and all directors, employees and officers are prohibited to take advantage from any price sensitive information which may materially affect the market price of company's securities.

23. Smoking & Use Of Alcohol

Employees are prohibited from smoking at restricted places and they are also prohibited to use Alcohol inside organization at any place during working hours.

Summary of Last Six Year's Financial Results



	2015	2014	2013	2012	2011	2010
Operating Results	Rupees in Thousands					
Net sales	1,605,793	2,203,968	2,714,121	1,960,672	1,098,795	1,099,308
Gross profit/ (loss)	(141,874)	(241,183)	13,989	77,167	(257,995)	(352,278)
Profit/ (loss) before tax	(461,597)	(571,513)	(216,368)	(245,366)	(569,934)	(598,460)
Profit/ (loss) after tax	(459,487)	(568,533)	(226,299)	(260,816)	(565,101)	(602,456)
Dividend/ bonus	-	-	-	-	-	-

Financial Position

Property, plant and Equipment	1,450,322	1,456,893	1,534,156	1,526,580	1,612,831	1,657,680
Current Assets	548,844	648,460	790,840	723,936	595,345	979,799
Current Liabilities	1,637,102	1,468,158	1,538,323	1,503,026	1,303,483	1,336,784
Current portion of Long term Liabilities	231,017	190,404	146,375	176,912	290,680	172,814
Long Term Loans	1,101,947	1,179,852	916,411	808,028	738,188	1,027,535
Subordinated Loan-Unsecured	482,080	482,080	482,080	482,080	482,080	482,080
Share Capital	1,716,000	1,716,000	1,716,000	858,000	858,000	858,000

Financial Ratios

Gross Profit/(loss) ratio	-8.84%	-10.40%	0.52%	3.94%	-23.48%	-32.05%
Profit/(loss) before Tax ratio	-28.75%	-25.93%	-7.97%	-12.51%	-51.87%	-54.40%
Profit/(loss) after Tax ratio	-28.62%	-25.80%	-8.34%	-13.30%	-51.43%	-54.80%
Current ratio	0.34:1	0.44:1	0.51:1	0.48:1	0.37:1	0.64:1
Working Capital	(1,088,012)	(819,698)	(747,483)	(779,090)	(998,817)	(544,776)

Statement of Compliance with best Practices of Code of Corporate Governance



This statement is being presented to comply with the Code of Corporate Governance contained in listing regulations of Karachi and Lahore Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director	Mr. Muhammad Shamim Anwar
Executive Director	Mr. Muhammad Tousif Peracha Mr. Tariq Siddiq Paracha Mr. Nasir Malik
Non-Executive Director	Mr. Mian Nazir Ahmed Paracha Mr. Mustafa Tousif Ahmed Paracha Mr. Jawaid Aziz Paracha

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy on the Board was occurred.
5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executives and non-executive directors, have been taken by the Board/shareholders.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board arranged two in house training programs for its directors during the year.
10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.

Statement of Compliance with best Practices of Code of Corporate Governance



11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises three members, of whom two are non-executive directors and the chairman of the committee is a Non-Executive director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has formed an HR and Remuneration Committee. It comprises three members, of whom two are non-executive directors including the chairman of the committee.
18. The Board has set up an effective internal audit function.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that all other material principles enshrined in the CCG have been complied except as required under provisions of clause i(a) to some extent, i(d) & vi and these shall take effect when the Board is reconstituted on expiry of its current term.

For and on behalf of Board of Directors

Muhammad Tousif Paracha
Chairman & CEO

Review Report to the Members on the Statement of Compliance with the Best Practices of Code of Corporate Governance



We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Balochistan Glass Limited ('the Company') for the year ended June 30, 2015 to comply with the relevant requirements of Listing Regulations of the Stock Exchanges, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for the review and approvals its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justifications for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2015.

Further, we highlight the matter in relation to the requirement of the Code in respect of appointment of the Chairman and the Chief Executive Officer (CEO), being the same person.

Lahore: October 09, 2015

F.R.A.N.T.S. & Co.
Chartered Accountants
Engagement Partner: Nouman Razaq Khan

We have audited the annexed balance sheet of Balochistan Glass Limited as at June 30, 2015 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion, and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2015 and of the loss, total comprehensive loss, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Without qualifying our report, we draw attention of the members towards note 2 of the financial statements, which indicates that the Company incurred net loss amounting to Rs. 459.487 million during the year ended June 30, 2015 and as of that date its accumulated loss of Rs. 3,926.504 million have resulted in net capital deficiency of Rs.2,725.304 million and its current liabilities exceeded its current assets by Rs.1,088.258 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 the Company's ability to continue as a going concern.

We also draw attention of the members towards note 8.3 of the financial statements regarding non compliance with the requirements of International Accounting Standard 39 in respect of measurement of interest free subordinated loan amounting to Rs. 482.080 (2014:Rs. 482.080) million at amortized cost due to non determinability of its repayment period.

Lahore: October 09, 2015

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

Engagement Partner: Nouman Razaq Khan

Balance Sheet

as at June 30, 2015



	Notes	2015	2014
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorized capital	4	1,766,000	1,766,000
Issued, subscribed and paid-up capital	5	1,716,000	1,716,000
Discount on shares	6	(514,800)	(514,800)
Accumulated loss		(3,926,504)	(3,474,195)
		(2,725,304)	(2,272,995)
Surplus on revaluation of property, plant and equipment	7	307,141	247,096
NON-CURRENT LIABILITIES			
Subordinated loan - Unsecured	8	482,080	482,080
Long term loans	9	1,101,947	1,179,852
Liabilities against assets subject to finance lease	10	-	-
Deferred liabilities	11	1,196,200	1,001,162
		2,780,227	2,663,094
CURRENT LIABILITIES			
Trade and other payables	12	837,024	869,574
Markup accrued	13	180,193	157,930
Short term borrowings	14	388,868	250,250
Current maturity of non current liabilities	15	231,017	190,404
		1,637,102	1,468,158
CONTINGENCIES AND COMMITMENTS			
	16		
		1,999,166	2,105,353
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	17	1,450,322	1,456,893
CURRENT ASSETS			
Stores, spares and loose tools	18	243,774	224,217
Stock in trade	19	65,003	140,467
Trade debts	20	80,467	82,607
Loans and advances	21	50,301	49,955
Trade deposits, prepayments and other receivable	22	55,516	77,468
Taxes recoverable	23	43,068	24,470
Cash and bank balances	24	10,715	49,276
		548,844	648,460
		1,999,166	2,105,353

The annexed notes 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

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Profit & Loss Account

For The Year Ended June 30, 2015



	Notes	2015 (Rupees in thousand)	2014
Sales - Net	25	1,605,793	2,203,968
Cost of sales	26	1,747,667	2,445,151
Gross loss		(141,874)	(241,183)
Administrative and selling expenses	27	57,455	70,400
Other expenses	28	9,954	16,076
		67,409	86,476
Other incomes	29	118	2,337
Operating loss		(209,165)	(325,322)
Financial charges	30	252,432	246,191
Loss before taxation		(461,597)	(571,513)
Taxation	31	(2,110)	(2,980)
Loss after taxation		(459,487)	(568,533)
Loss per share - Basic and diluted (Rupees)	32	(2.68)	(3.31)

The annexed notes 1 to 40 form an integral part of these financial statements.

Statement of Comprehensive Income

For The Year Ended June 30, 2015



	2015 (Rupees in thousand)	2014
Loss for the year	(459,487)	(568,533)
Other comprehensive income:		
Items that will not be reclassified to profit and loss account:		
Actuarial gain on gratuity re-measurement	594	-
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	8,721	9,939
Related deferred tax	(2,878)	(3,379)
	5,843	6,560
	(453,050)	(561,973)
Total comprehensive loss for the year	(453,050)	(561,973)

The annexed notes 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

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Cash Flow Statement

For The Year Ended June 30, 2015



	2015	2014
	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(461,597)	(571,513)
Adjustments for non-cash charges and other items:		
Depreciation	131,159	138,755
Provisions for store and spares	4,258	-
Provisions for doubtful balances	5,694	16,076
Gain on settlement of liabilities	-	(287)
Loss / (Gain) on sale of fixed assets	2	(212)
Financial charges	252,432	246,191
Provision for gratuity	9,156	9,187
Operating loss before working capital changes	(58,896)	(161,803)
Working capital changes		
<i>(Increase)/Decrease in current assets</i>		
Stores, spares and loose tools	(23,815)	14,095
Stock in trade	75,464	53,689
Trade debts	2,140	148,559
Loans and advances	(6,040)	(17,340)
Trade deposits, prepayments and other receivables	21,952	(3,318)
<i>Increase/(Decrease) in current liabilities</i>		
Trade and other payables	(45,798)	(77,242)
	23,903	118,443
Cash used in operations	(34,993)	(43,360)
Payments for:		
Financial charges	(20,695)	(60,576)
Taxes	(21,396)	(16,604)
Gratuity	(6,598)	(2,358)
Net cash outflow from operating activities	(83,682)	(122,898)
	A	
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(45,593)	(62,080)
Proceeds from disposal of fixed assets	20	800
Net cash outflow from investing activities	(45,573)	(61,280)
	B	
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans - Net	(88,251)	287,178
Lease rentals	-	(16,343)
Short term borrowings - Net	178,946	(59,633)
Net cash outflow from financing activities	90,695	211,202
	C	
Net increase/(decrease) in cash and cash equivalents	(38,560)	27,024
	A+B+C	
Cash and cash equivalents as at 1st July	49,276	22,252
Cash and cash equivalents as at 30th June	10,715	49,276

The annexed notes 1 to 40 form an integral part of these financial statements.

Statement of Changes in Equity

For The Year Ended June 30, 2015



	Issued, subscribed and paid-up capital	Discount on issuance of shares	Accumulated Loss	Total
(Rupees in thousand)				
Balance as on July 01, 2013	1,716,000	(514,800)	(2,912,222)	(1,711,022)
Total comprehensive income/(loss) for the year				
Loss after taxation	-	-	(568,533)	(568,533)
Other comprehensive income:				
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	6,560	6,560
Total comprehensive income for the year	-	-	(561,973)	(561,973)
Balance as on June 30, 2014	1,716,000	(514,800)	(3,474,195)	(2,272,995)
Total comprehensive income/(loss) for the year				
Loss after taxation	-	-	(459,487)	(459,487)
Other comprehensive income:				
Actuarial gain on gratuity remeasurement	-	-	594	594
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	6,584	6,584
Total comprehensive loss for the year	-	-	(452,309)	(452,309)
Balance as on June 30, 2015	1,716,000	(514,800)	(3,926,504)	(2,725,304)

The annexed notes 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

Annual Report 2015

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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 GOING CONCERN ASSUMPTION

The financial statements for the year ended June 30, 2015 are showing loss after taxation amounting to Rs. 459.487 million (2014: Rs. 568.533 million) and has accumulated loss of Rs. 3,926.504 million (2014: Rs. 3,474.195 million) at the year-end which resulted in negative equity of Rs. 2,725.304 million (2014: Rs. 2,272.995 million). In addition, the Company's current liabilities exceeded its current assets by Rs. 1,088.258 million (June 2014: Rs. 819.698 million).

As the above conditions are prevailing from last few years, thus raising 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.

Sales revenue is decreased as compare to last year due to closure of Unit-II on account of non-availability of gas supply. Production at Unit-III has also suffered very badly due to non-availability of gas supply as the Company has to curtail its production capacity utilization. In order to keep the plant operational, Company has to use furnace oil and LPG which has resulted in increased cost of production and also adversely effected production efficiencies. Company suffered due to severe natural gas curtailment on account of load management as well as due to low gas pressure at Unit -II & III, whereas SNGPL provided gas to other glass manufacturing companies located in same vicinity. Management is in continuous negotiations with government departments for provision of required gas supply at both plants. Once the issue is resolved, the Company will yield better results. The management has also decided to increase production of tableware products which have performed remarkably well over the past few years. During the month of June, 2015, Unit II of the BGL has started its production and management is confident to have better capacity utilization during the next financial year which will surely be resulting into increased revenues and better financial results. Management is also continuously focusing on streamlining the operations of all the units and enhancing their production efficiencies keeping in view the positive market factors of lower petroleum prices, steady product sales prices and potential market.

Based on continuing support from directors, active negotiation with banks & financial institutions for restructuring of credit facilities, 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Companies Ordinance, 1984 (the Ordinance) and the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by Securities and Exchange Commission of Pakistan differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives prevail.

3.1.1 New standards, amendments or interpretations which became effective during the year:

During the year certain amendments to Standards or new interpretations became effective, however, the amendments or interpretation were either not relevant to the Company's operations or were not expected to have any significant impact on the Company's financial statements.

3.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the companies having accounting periods beginning on or after July 01, 2015 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.



3.2 Basis of preparation

These financial statements have been prepared under the historical cost convention except that certain properties are stated at revalued amounts and certain staff benefits are carried at present value. The Company's significant accounting policies are stated in note 3.3.

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

3.2.1 Staff retirements benefits

Certain actuarial assumptions have been adopted as disclosed in note 11.3 to the financial statements for valuation of present value of defined benefit obligations. Any changes in these assumptions in future years might affect actuarial gains and losses in those years.

3.2.2 Income taxes

The Company takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment and appellate stages and where the Company considers that its views on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

3.2.3 Property, plant and equipment

The Company reviews the appropriateness of rate of depreciation, useful lives and residual value of property, plant and equipment on regular basis. The estimates of revalued amount of land and buildings are based on valuation carried out by a professional valuer. Further where applicable, an estimate of recoverable amount of an asset is made for possible impairment on annual basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

3.2.4 Provision for doubtful receivables

The Company reviews its doubtful trade debts and other receivables at each reporting date to assess whether provision should be recorded in the profit and loss account. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

3.2.5 Stores, Spares and Loose Tools

The Company reviews the Net Realizable Value (NRV) and impairment of stores, spares and loose tools to assess any diminution in the respective carrying values and wherever required provision for NRV/impairment is made. The calculation of the provision involves the use of estimates with regard to future estimated use and respective fair value of stores, spares and loose tools.

3.3 SIGNIFICANT ACCOUNTING POLICIES

3.3.1 Staff retirement benefits

The Company operates unfunded gratuity scheme covering all employees eligible to the benefit. Provisions are based on actuarial recommendations. Actuarial valuations are carried out using the projected unit credit method as required by International Accounting Standard 19 "Employee Benefits".

3.3.2 Taxation

Current

Provision for current taxation is based on current rates of tax after taking into account tax credits and rebates available, if any.



Deferred

Deferred tax is recognized on all timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

3.3.3 Property, plant and equipment and depreciation

Owned

These are stated at cost less accumulated depreciation except for freehold land & building which is stated at revalued amount less accumulated depreciation. All expenditures connected with specific assets incurred during installation and construction period are carried under capital work in progress at cost. These are transferred to specific assets as and when these assets are available for use.

Increase in the carrying amount arising on revaluation of property, plant and equipment is credited to surplus on revaluation of property, plant and equipment. Decrease that offset previous increase of the same assets is charged against this surplus, all other decreases are charged to income. Each year the difference between depreciation based on revalued carrying amount of the asset (the depreciation charged to the income) and depreciation based on the assets' original cost is transferred from surplus on revaluation of property, plant and equipment to unappropriated profit/accumulated loss.

Leased

Assets subject to finance lease are initially recorded at lower of the present value of minimum lease payments under the lease agreements and the fair value of leased assets. The related obligation under the lease less financial charges allocated to future period are shown as a liability. These financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

Depreciation charge is based on the reducing balance method at the rates specified in note 17 to the financial statements.

Depreciation on additions is charged from the month in which the asset is available for use and on disposals no depreciation is charged in the month of disposal.

Maintenance and normal repairs are charged to income as and when incurred; major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Gains and losses on disposal of assets are taken to profit and loss account.

3.3.4 Stores and spares

These are valued at lower of average cost and net realizable value except for those in transit, which are valued at cost. Provision is made for slow moving and obsolete stores and spares.

3.3.5 Stock in trade

These are stated at the lower of cost and net realizable value. The cost is determined as follows:

Raw and packing materials	Average cost
Work in process	Average material cost only. Conversion costs are not included as these are not significant.
Finished goods	Average cost which includes prime cost and appropriate portion of production overheads.
Items in transit	Cost comprising invoice values plus other charges incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred to make the sale.

3.3.6 Trade debts and other receivables

Trade debts are carried at original invoice amount less an estimate made for doubtful receivable balances based on review of outstanding amounts at the year end. A provision for doubtful debt is created when there is an objective evidence that the Company will not be able to collect all the amounts due according to the original terms of receivable. The provision is recognised in the profit and loss account. When trade debt is uncollectable, it is written off against provision. Subsequent recoveries of amounts previously written off are credited to profit and loss account.



3.3.7 Foreign currency translation

Transactions in foreign currencies are recorded using the rates of exchanges ruling at the date of transaction.

Assets and liabilities in foreign currencies are translated into Rupees at exchanges rates approximating those prevailing at the balance sheet date except where forward exchange contracts have been entered into, in which case the rates contracted for are used.

All other exchanges differences are taken into profit and loss account.

3.3.8 Transaction with related parties

Transactions with related parties are based on the policy that all the transactions between the Company and related parties are carried out at arm's length. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods sold in an economically comparable market to a buyer unrelated to the seller.

3.3.9 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably. Revenue is measured at fair value of consideration received or receivable on the following basis :

Sales are recorded on dispatch of goods to customers. Profits / mark-up on deposits and investments are accounted for when it becomes receivable.

3.3.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss as incurred.

3.3.11 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

3.3.12 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised at the time when the Company substantially transfers all the risks and rewards of ownership of the financial asset. Financial liabilities are derecognised at the time when the obligation specified in the contract is discharged, cancelled or expired.

3.3.13 Trade and other payables

Short term liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company

3.3.14 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is an indication of impairment loss. Any impairment loss arising is recognized as expense in the profit and loss account.

3.3.15 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash at bank which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For The Year Ended June 30, 2015



3.3.16 Loans, advances and deposits

These are initially recognised at cost, which is the fair value of consideration given. Subsequent to the initial recognition assessment is made at each balance sheet date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such indication exists, the estimated recoverable amount of that asset or group of assets is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.3.17 Off setting of financial assets and liabilities

A financial asset and a financial liability are offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.3.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors of the Company that makes strategic decisions.

3.3.19 Functional and presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional and presentational currency.

	2015	2014
	(Rupees in thousand)	
4 AUTHORIZED CAPITAL		
171,600,000 (June 30, 2014: 171,600,000) Ordinary shares of Rs. 10 each	1,716,000	1,716,000
5,000,000 (June 30, 2014: 5,000,000) Preference shares of Rs. 10 each	50,000	50,000
	1,766,000	1,766,000

5 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

85,300,000	Ordinary shares of Rs.10 each fully paid in cash (2014: 85,300,000 of Rs.10 each)	853,000	853,000
85,800,000	Ordinary shares of Rs.10 issued on 60% discount each fully paid in cash (2014: 85,800,000)	858,000	858,000
500,000	Ordinary shares of Rs.10 each issued as fully paid Bonus Shares (2014: 500,000 shares of Rs.10 each)	5,000	5,000
		1,716,000	1,716,000

5.1 42,235,422 (2014: 42,235,422) ordinary shares of the Company are held by associated company.

6 DISCOUNT ON SHARES

In September 2012, the Company has issued 85.800 million ordinary shares to Mr. Muhammad Tousif Paracha at 60% discount against the outstanding share deposit money of Rs. 343.200 million and recorded Rs. 514.800 million as discount on shares.

Notes to the Financial Statements

For The Year Ended June 30, 2015



		2015	2014
		(Rupees in thousand)	
7	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
	Opening Balance - net of deferred tax	247,096	253,656
	Incremental surplus arose during the year on fresh revaluation 17.4	66,629	-
	Transfer to accumulated loss in respect of incremental depreciation charged during the year - Net of tax	(6,584)	(6,560)
	Surplus on revaluation of fixed assets - Closing	307,141	247,096
8	SUBORDINATED LOAN - Unsecured		
	From related parties (Directors)		
	- Local currency	82,493	82,493
	From sponsors and shareholders		
	- Foreign currency	399,587	399,587
		482,080	482,080

8.1 The above loans are interest free, unsecured and were repayable in respective currencies. These loans shall be treated as subordinated to the principal amounts of the debts owing to the banks and financial institutions and accordingly may only be repaid by the Company in whole or in part provided that upon such repayment, the Company shall comply with the debt to equity ratio requirements of the Prudential Regulations of State Bank of Pakistan as applicable to the Company for the time being.

8.2 Keeping in view the heavy losses incurred by the Company in recent years, foreign currency loans have been frozen by the mutual consent of the directors / sponsors of the Company at exchange rates prevailing at June 30, 2007. The loans will be payable in foreign currencies equivalent to the rupee amounts reflected as on June 30, 2007, thereby eliminating the effect of foreign currency translation loss to the Company.

8.3 In the absence of identifiable repayment period due to peculiarity of Company circumstances, these loans cannot be measured at amortized cost using the effective interest rate method as per requirement of IAS 39. Therefore the amounts of the loans are stated at un-discounted value and measured at its fair value as initially recognized.

9 LONG TERM LOANS

Banks and financial institutions	9 A	136,595	214,500
Related parties - Directors	9 B	965,352	965,352
		1,101,947	1,179,852
9 A	From banks and financial institutions - Secured		
	Demand finance I	9.1 & 9.3 & 9.4	235,500
	Demand finance II (Frozen Markup)	9.2 & 9.3 & 9.4	330,918
	Deferred mark up	9.3	(330,918)
		235,500	303,500
	Demand Finance	9.5	8,303
	Morabaha	9.6	9,154
	Demand Finance - Loan	9.7	32,328
	- Markup	9.7	10,631
		295,916	333,208

Notes to the Financial Statements

For The Year Ended June 30, 2015



		2015	2014
		(Rupees in thousand)	
Current and overdue portion presented under current liabilities			
Demand Finance I	9.1 & 9.3 & 9.4	(105,000)	(74,000)
Demand Finance	9.5	-	(4,201)
Demand Finance - Loan	9.7	(12,000)	-
- Markup		(3,864)	-
Morabaha	9.6	-	(2,844)
Demand finance I - over due	9.1 & 9.3 & 9.4	(21,000)	(15,000)
Demand Finance - over due	9.5	(8,303)	(5,602)
Morabaha - over due	9.6	(9,154)	(17,061)
		(159,321)	(118,708)
		136,595	214,500
9 B From related parties (directors) - Unsecured			
Muhammad Tousif Paracha		852,086	852,086
Tariq Siddiq Paracha	9.8	94,215	94,215
Javaid Aziz Paracha	9.8	19,051	19,051
		965,352	965,352

9.1 The Demand Finance I facility has been obtained from The Bank of Punjab (BOP) initially for the purpose of swap of debts from other banks. During the year 2010, the Bank re-structured / re-scheduled facility for the purpose of conversion of existing outstanding principal amounting to Rs.463.664 Million. However, the Company was unable to ensure scheduled payments in timely manner due to liquidity issues.

During the year 2012, the Company again entered into a settlement agreement with BOP for re-structuring/ rescheduling of loan with an upfront payment of Rs. 63 Million. The loan is payable in 58 monthly step up instalments and carries mark up @ 3 months KIBOR with floor of bank's cost of funds.

9.2 This Demand Finance II facility has been restructured/rescheduled by BOP against unserviceable markup of Rs. 240.444 million as on June 30, 2012. It includes frozen markup on DF-I amounting Rs. 99.087 million which will be waived at the tail end subject to no defaults in repayment agreed under the revised restructuring arrangements. The balance amount of Rs. 141.357 million is payable in 8 monthly step up instalments till October 2018.

9.3 According to the agreement, the principal will be repaid in variable monthly instalments till April 30, 2017 started from July 31, 2012. Markup amounting to Rs. 161.519 million to be accrued till April 30, 2017 is deferred and will be payable in unequal monthly instalments till March 31, 2018 starting from May 31, 2017; and accordingly grouped under deferred markup as mentioned in note 11.

9.4 These facilities are secured against ranking charge of Rs. 833.334 million through equitable and registered mortgages over the present and future fixed assets of the Company and personal guarantee of certain directors.

9.5 The Demand Finance facility has been restructured by KASB Bank Limited. The loan was repayable in 12 monthly instalments starting from October 2013 to September 2014. It carries markup @ 11% p.a. It is secured against 1st pari passu charge upto Rs. 227 million over the Company's fixed assets (Land, Building, Plant and Machinery), charge of Rs. 183 Million over current & movable assets of the Company and against the personal guarantee of director. However, the Company was unable to ensure scheduled payments in timely manner.

9.6 The Company had entered into Morabaha facility with Meezan Bank Limited which is secured by way of first pari passu charge over present and future stocks & book debts of the Company to the tune of Rs. 97 million and additional ranking charge of Rs. 35 million and personal guarantees of directors. The Company had entered into a settlement agreement with Meezan Bank Limited for re-structuring/ rescheduling under which the Morabaha was payable in 24 monthly instalments.

Notes to the Financial Statements

For The Year Ended June 30, 2015



9.7 The Company has entered into an amicable compromised restructuring of its running finance facility alongwith markup with Bank Alfalah Limited. The loan alongwith markup is payable in monthly instalments upto March 31, 2018. It carries markup rate of 8.5 % chargeable on the outstanding value of the finance only. It is secured against 1st pari passu charge for Rs. 94 million over the Company's fixed assets (Land, Building, Plant and Machinery), charge of Rs. 67 million on current assets of the Company and personal guarantees of sponsor directors of the Company.

9.8 These unsecured loans have been obtained from directors and carry mark up @ 16.5% per anum. Payment of Markup is deferred till the time liquidity position of the Company improves and Company is regular in payment of its financial and operational obligations. Mark up accrued till June 30, 2013 will not be paid for three years unless BOD decides otherwise on improvement of Company's financial position.

10 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	2015		2014	
	Lease Payments		Lease Payments	
	Minimum	Present Value	Minimum	Present Value
	(Rupees in thousand)		(Rupees in thousand)	
Not later than one year	71,696	71,696	71,696	71,696
Later than one year but not later than five years	-	-	-	-
Total	71,696	71,696	71,696	71,696
Less: Finance charge allocated to future periods	-	-	-	-
Present value of minimum lease payments	71,696	71,696	71,696	71,696
Less: Current portion- under current liabilities	-	-	26,524	26,524
Over due portion-under current liabilities	71,696	71,696	45,172	45,172
	-	-	-	-

10.1 Overdue amount includes Rs 8.256 million which is to be adjusted with related lease deposit money. However, these amounts could not be adjusted as at balance sheet date due to non availability of title/ no-objection certificate from leasing companies.

10.2 The rentals under these lease agreements were payable monthly and quarterly. Mark up rate ranges from 8.50% to 22% per annum (2014: 8.50% to 22% per annum) have been used as discounting factors. The cost of operating and maintaining the leased assets is borne by the Company. The Company intends to exercise its option to purchase the leased assets upon settlement of lease liabilities.

10.3 The Company is in the process of active negotiation with the leasing companies/financial institutions in order to settle/reschedule its outstanding lease liabilities and hopeful to achieve amicable resolution of the issue.

11 DEFERRED LIABILITIES

		2015	2014
		(Rupees in thousand)	
Deferred taxation	11.1	46,150	36,641
Employees retirements benefits	11.3	45,095	43,131
Deferred mark up (related parties)	9.8	774,037	614,627
Deferred mark up (financial institution)	9.3	330,918	306,763
		1,196,200	1,001,162

Notes to the Financial Statements

For The Year Ended June 30, 2015



	2015	2014
	(Rupees in thousand)	
11.1 Deferred taxation		
Credit balances arising due to:		
- Accelerated tax depreciation allowances	142,454	172,891
- Relating to finance lease	17,658	25,188
Debit balances arising due to:		
- Staff gratuity	(12,882)	(14,145)
- Unused tax losses	(949,486)	(904,259)
- Available tax credits	(31,930)	(31,930)
Deferred tax asset	<u>(834,186)</u>	<u>(752,255)</u>
Deferred tax asset not recognized	<u>834,186</u>	<u>752,255</u>
	-	-
Deferred tax liability relating to surplus on revaluation of property, plant and equipment - opening balance	36,641	40,020
of property, plant and equipment - arose during the year	12,385	-
Incremental depreciation	<u>(2,876)</u>	<u>(3,379)</u>
	<u><u>46,150</u></u>	<u><u>36,641</u></u>
11.2 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.		
11.3 Employees retirements benefits		
Staff gratuity:		
Movement in balance		
Opening balance	43,131	36,302
Payments during the year	6,598	2,358
	<u>36,533</u>	<u>33,944</u>
Charge for the year	11.3.1 9,156	9,187
Actuarial gain chargeable to OCI during the year	(594)	-
	<u>11.3.2 45,095</u>	<u>43,131</u>
11.3.1 Charge for the year		
Service cost	4,974	5,546
Interest cost	4,182	3,641
	<u>9,156</u>	<u>9,187</u>
11.3.2 Balance sheet reconciliation		
Present value of defined benefit obligations	<u>45,095</u>	<u>43,131</u>
In accordance with the requirements of IAS-19 " Employee benefits" actuarial valuation was carried out at June 30, 2015 using the 'projected unit credit method'. Provision has been made in the financial statements to cover the obligations in accordance with the actuarial recommendations. Detail of significant assumptions used for valuation and disclosures in respect of above mentioned scheme are given as follows:		
11.3.3 Principal actuarial assumption		
Expected rate of increase in salaries	8.5 % p.a.	9.5 % p.a.
Discount factor used	9.5 % p.a.	10.5 % p.a.
Average expected remaining		
working life time of employees	10 years	11 years
duration of liability	9 years	10 years

Notes to the Financial Statements

For The Year Ended June 30, 2015



		2015	2014
		(Rupees in thousand)	
12	TRADE AND OTHER PAYABLES		
	Bills payable	102,566	82,719
	Trade creditors	12.1 176,163	198,197
	Accrued expenses	12.2 229,137	277,219
	Advances from customers	68,285	59,748
	Unclaimed dividend	164	164
	Sales tax and excise duty payable	62,795	88,286
	Taxes payable	106,505	73,885
	Others	91,409	89,356
		<u>837,024</u>	<u>869,574</u>

12.1 This includes amount of Rs. 11.263 million (2014: Rs. 11.871 million) payable to M/S Pak Hy Oils Limited (associated company).

12.2 Included herein a sum of Rs. 114.355 million (2014: Rs. 189.920 million) outstanding on account of sui gas bills and Rs. 21.780 million (2014: Rs. 14.520 million) against the rent payable to the CEO.

13 MARK UP ACCRUED

Markup accrued	13.1	<u>180,193</u>	<u>157,930</u>
----------------	------	----------------	----------------

13.1 This includes amount of Rs. 79.430 million (2014: 69.151 million) payable to associated persons.

14 SHORT TERM BORROWINGS

		Limits	2015	2014
		Rs. '000'	(Rupees in thousand)	
From banks and financial institutions - Secured				
	Short term running finance	14.1 142,412	142,412	182,740
	Forced Finance Trust		43,359	43,359
From related parties - Unsecured				
	Associated company	14.2	2,519	18,291
	Other associates	14.2	184,498	-
Others - Unsecured, interest free				
	Temporary bank overdraft		16,080	5,860
			<u>388,868</u>	<u>250,250</u>

14.1 The facilities for running finances under mark-up arrangement available from various banks which carry mark up ranging from three to six months KIBOR plus 225 to 350 bps (2014: three to six months KIBOR plus 225 to 350 bps) payable quarterly in arrears. These facilities are secured by first pari passu hypothecation charge over the Company's present and future fixed assets and ranking charge over current assets and personal guarantees of directors; and are generally for a period of one year renewable at the end of the period. The said facilities also include facility to borrow in foreign currency up to the tune of Rs. 30.000 million (2014: Rs. 30.000 Million) against which an amount of Rs. Nil (2014: Rs. Nil) outstanding at the year end. Total running finance facilities from banks and financial institutions amounting to Rs. 142.412 million have not been renewed for which the active negotiation are under process.

14.2 The unsecured loan has been obtained from associated company and other associates for working capital requirement which carries markup @ 17 % p.a. and @ 16.5 % p.a. respectively (2014: 17 % p.a.) payable quarterly in arrears.

Notes to the Financial Statements

For The Year Ended June 30, 2015



		2015	2014
		(Rupees in thousand)	
15	CURRENT MATURITY OF NON CURRENT LIABILITIES		
	Demand Finance- I	9 A	126,000
	Demand Finance	9 A	8,303
	Demand Finance - Loan	9.7	12,000
	- Markup	9.7	3,864
	Morabaha	9.6	9,154
	Lease Liabilities	10	71,696
			<u>231,017</u>
			<u>190,404</u>

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

16.1.1 Bank guarantees amounting to **Rs. 115.913 million** (2014: Rs. 146.205 million) have been given by various banks on behalf of the Company.

16.1.2 Company is defendant in various legal proceedings initiated by various ex-employees, suppliers and contractors in various labor / civil / high courts. The aggregate of suit amounts is Rs. 25.643 million. The Company expects decisions in its favor based on grounds of cases, therefore, the Company has not made provision of amounts referred above.

16.1.3 Audit proceedings under the Income Tax Ordinance, 2001 against the Company in respect of tax year 2009 and under the Sales Tax Act, 1990 in respect of tax year 2012 are underway. In addition to the above, proceedings under Sections 161/205 of the Income Tax Ordinance, 2001 were also initiated for tax years 2012 & 2013. The Company is currently pleading the aforementioned cases and submitting the required information/submissions as the cases are still not concluded.

Keeping in view the nature of proceedings and availability of tax losses and tax related provisions, management is of considered opinion that Company may not be liable for any major liability in addition to what has already been recorded in the books of account as on June 30, 2015.

16.2 Commitments

Nil (2014: Rs. Nil).

17 PROPERTY, PLANT AND EQUIPMENT

		2015	2014
		(Rupees in thousand)	
	Operating fixed assets	17.1	1,447,967
	Capital work in progress	17.5	2,355
			<u>1,450,322</u>
			<u>1,456,893</u>

Notes to the Financial Statements

For The Year Ended June 30, 2015



17.1 Operating Assets - At cost less accumulated depreciation

Particulars	----- 2015 -----									
	Cost / Revaluation				Depreciation				Book value	Rate %
	As at July 01, 2014	Additions / Transfer	Disposal / Transfer	As at June 30, 2015	As at July 01, 2014	For the year ended 30 June 2015	Disposal / Transfer	As at June 30, 2015	As at June 30, 2015	
(Rupees in thousand)										
Freehold land	224,500	20,000	-	244,500	-	-	-	-	244,500	--
Building on freehold land										
Factory	167,933	52,034	-	219,967	81,085	9,734	-	90,819	129,148	10
Non factory	54,781	9,562	-	64,343	18,558	2,132	-	20,690	43,653	5
Plant and machinery										
Owned	2,168,221	78,447	-	2,246,668	1,301,346	98,369	-	1,399,715	846,953	10 & 15
Leased	343,679	-	-	343,679	196,593	14,709	-	211,302	132,377	10
Electric and gas installation	55,359	4,021	-	59,380	16,600	3,910	-	20,510	38,870	10
Furniture and fixtures	11,809	-	-	11,809	8,709	310	-	9,019	2,790	10
Office equipment	8,177	88	54	8,211	4,898	330	32	5,196	3,015	10
Vehicles										
Owned	17,502	-	-	17,502	10,592	1,382	-	11,974	5,528	20
Leased	10,845	-	-	10,845	9,429	283	-	9,712	1,133	20
	3,062,806	164,152	54	3,226,904	1,647,810	131,159	32	1,778,937	1,447,967	

Particulars	----- 2014 -----									
	Cost / Revaluation				Depreciation				Book value	Rate %
	As at July 01, 2013	Additions / Transfer	Disposal / Transfer	As at June 30, 2014	As at July 01, 2013	For the year ended 30 June 2014	Disposal / Transfer	As at June 30, 2014	As at June 30, 2014	
(Rupees in thousand)										
Freehold land	224,500	-	-	224,500	-	-	-	-	224,500	--
Building on freehold land										
Factory	166,026	1,907	-	167,933	71,544	9,541	-	81,085	86,848	10
Non factory	54,781	-	-	54,781	16,651	1,907	-	18,558	36,223	5
Plant and machinery										
Owned	2,071,923	98,479	2,181	2,168,221	1,198,487	104,538	1,679	1,301,346	866,875	10 & 15
Leased	343,679	-	-	343,679	180,250	16,343	-	196,593	147,086	10
Electric and gas installation	47,822	7,537	-	55,359	12,765	3,835	-	16,600	38,759	10
Furniture and fixtures	11,809	-	-	11,809	8,364	345	-	8,709	3,100	10
Office equipment	8,081	96	-	8,177	4,537	361	-	4,898	3,279	10
Vehicles										
Owned	16,715	1,742	955	17,502	9,930	1,531	869	10,592	6,910	20
Leased	10,845	-	-	10,845	9,075	354	-	9,429	1,416	20
	2,956,181	109,761	3,136	3,062,806	1,511,603	138,755	2,548	1,647,810	1,414,996	

17.2 The detail of fixed assets disposed off/sold are as follows:

Description	Cost	Acc. Dep.	Net Book Value	Sale Proceed	Mode of Disposal	Particulars of purchaser
(Rupees in thousand)						
Office Equipment	54	32	22	20	Negotiation	To employee
Total	54	32	22	20		

Notes to the Financial Statements

For The Year Ended June 30, 2015



	2015	2014
	(Rupees in thousand)	
17.3 Depreciation charge for the year has been allocated as follows:		
Cost of sales	128,822	136,283
Administrative and selling	2,337	2,472
	131,159	138,755

17.4 During the year, land and building of the Company have been revalued as at June 22, 2015, by an independent valuers not connected with the Company, on the same basis used for previous revaluation. The management of the Company believes that fair values of its land, building as at June 22, 2015 are not materially different from revalued amounts determined by the valuers.

Had there been no revaluation the cost, accumulated depreciation and book value of revalued assets would have been as under:

	Cost as at June 30, 2015	Accumulated Depreciation as at June 30, 2015	Book Value as at June 30, 2015	Book Value as at June 30, 2014
	(Rupees in thousand)			
Freehold land	45,167	-	45,167	45,167
Building on freehold land				
Factory	50,945	39,306	11,639	10,306
Non factory	19,353	12,213	7,140	7,516
	115,465	51,519	63,946	62,989

17.5 Capital work in progress - At cost				
Opening			41,897	89,578
Additions			25,783	31,275
Less: Capitalized			(65,325)	(78,956)
Closing	17.6		2,355	41,897

17.6 Capital work in progress - Breakup				
Plant and Machinery			2,355	41,897
Civil work			-	-
			2,355	41,897

18 STORES, SPARES AND LOOSE TOOLS				
Stores			77,164	71,813
Spares and loose tools (incl. moulds)			215,363	196,899
			292,527	268,712
Provision for slow moving and obsolete items			(48,753)	(44,495)
			243,774	224,217

18.1 Provision for slow moving and obsolete items				
Balance as at July 01			44,495	44,495
Provision for the year	28		4,258	-
			48,753	44,495

19 STOCK IN TRADE				
Raw and packing materials			26,269	45,168
Work in process			6,148	3,325
Finished goods	19.1		32,586	91,974
			65,003	140,467

19.1 Adjustments amounting to Rs. 7.529 million (2014: Rs. 29.104 million) have been made to closing inventory to write down stocks to their net realisable value.

Notes to the Financial Statements

For The Year Ended June 30, 2015



		2015	2014
		(Rupees in thousand)	
20	TRADE DEBTS		
	Trade Debts - Unsecured- considered good	80,467	82,607
	Trade Debts - Unsecured and considered doubtful	59,357	59,357
		<u>139,824</u>	<u>141,964</u>
	Less: Provision for doubtful debts	20.1 (59,357)	(59,357)
		<u>80,467</u>	<u>82,607</u>
	20.1 Provision for doubtful debts		
	Balance as at July 01	59,357	52,330
	Provision for the year	28 -	7,027
		<u>59,357</u>	<u>59,357</u>
21	LOANS AND ADVANCES		
	Employees	21.1 3,152	2,546
	Suppliers	94,199	88,564
	Against expenses	12,566	12,767
		<u>109,917</u>	<u>103,877</u>
	Less: provision for doubtful balances		
	Provision for Suppliers	(49,912)	(47,468)
	Provision against advance to employees and expenses	(9,704)	(6,454)
		21.2 (59,616)	(53,922)
		<u>50,301</u>	<u>49,955</u>
	21.1 Aggregate amount due from executives of the Company is Rs. 1.362 million (2014: Rs. 0.846 million).		
	21.2 Provision for doubtful loans and advances		
	Balance as at July 01	53,922	44,925
	Provision for the year (suppliers)	28 2,444	8,997
	Provision for the year (against advances to employees and expenses)	28 3,250	-
		<u>59,616</u>	<u>53,922</u>
22	TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLE		
	Short term deposits	22.1 68,235	63,702
	Margin deposit on letter of credit	532	27,017
	Other receivable	18,195	18,195
		<u>86,962</u>	<u>108,914</u>
	Less Provision for Short term Deposits	(13,251)	(13,251)
	Provision for Other Receivables	(18,195)	(18,195)
		22.2 (31,446)	(31,446)
		<u>55,516</u>	<u>77,468</u>
	22.1 This includes a sum of Rs. 36.842 million (2014: 36.842 million) relating to assets subject to finance lease.		
	22.2 Provision for doubtful loans and advances		
	Balance as at July 01	31,446	31,394
	Provision for the year (other receivables)	28 -	52
		<u>31,446</u>	<u>31,446</u>
23	TAXES RECOVERABLE		
	Taxes recoverable	43,068	24,470

Notes to the Financial Statements

For The Year Ended June 30, 2015



		2015	2014	
		(Rupees in thousand)		
24	CASH AND BANK BALANCES			
	Cash in hand	740	1,252	
	Cash at banks - Current account	9,975	48,024	
		<u>10,715</u>	<u>49,276</u>	
25	SALES - Net			
	Gross Sales			
	Local	1,792,590	2,494,716	
	Export	76,764	78,132	
		1,869,354	2,572,848	
	Less: Sales tax	263,561	368,880	
		<u>1,605,793</u>	<u>2,203,968</u>	
26	COST OF SALES			
	Raw material consumed			
	Opening stock	45,168	60,896	
	Purchases	546,896	790,206	
		592,064	851,102	
	Closing stock	(26,269)	(45,168)	
		565,795	805,934	
	Power, fuel and water	403,219	725,021	
	Salaries, wages and other benefits	277,420	341,234	
	Stores and spares	107,861	112,705	
	Oil & lubricants	169,650	247,687	
	Repairs and maintenance	10,641	7,159	
	Communication	1,078	1,557	
	Traveling and conveyance	5,072	7,933	
	Legal and professional	12,062	12,159	
	Stationery, fees and subscription	739	1,199	
	Insurance	3,785	2,862	
	Entertainment	1,177	1,332	
	Depreciation	128,822	136,283	
	Rent, rates and taxes	1,984	2,345	
	Others	1,797	1,780	
		1,691,102	2,407,190	
	Work In Process-Opening	3,325	7,117	
	Work In Process-Closing	(6,148)	(3,325)	
	Cost of Goods Manufactured	1,688,279	2,410,982	
	Finished Goods - Opening	91,974	126,143	
	Finished Goods - Closing	(32,586)	(91,974)	
		<u>1,747,667</u>	<u>2,445,151</u>	
	26.1 Salaries, wages and other benefits include amount of Rs. 6.592 million (2014: Rs. 6.615 million) relating to staff retirement benefits.			
27	ADMINISTRATIVE AND SELLING EXPENSES			
	Salaries and other benefits	27.1	9,702	8,438
	Communication		2,378	2,654
	Rent, rates and taxes	27.2	7,260	8,431
	Travelling and conveyance		9,682	10,890
	Legal and professional		4,164	4,273
	Advertisement		290	1,588
	Stationery, fees and subscription		252	273
	Power, fuel and water		258	119
	Entertainment		465	842
	Audit fee	27.3	900	900
	Depreciation	17.3	2,337	2,472
	Repairs and maintenance		19	138
	Freight, handling and forwarding on local sale		15,714	23,383
	Freight, handling and forwarding on export sale		2,924	5,012
	Charity and donation	27.4	482	324
	Miscellaneous		628	663
			<u>57,455</u>	<u>70,400</u>

Notes to the Financial Statements

For The Year Ended June 30, 2015



	2015	2014
	(Rupees in thousand)	
27.1	Salaries and other benefits include amount of Rs. 2.564 million (2014: Rs. 2.572 million) relating to staff retirement benefits.	
27.2	This includes Rs. 7.260 million (2014: Rs. 14.52) against the rent of property owned by the CEO.	
27.3		
	Auditor's remuneration	525
	Half yearly review	300
	Out of pocket expenses	75
	<u>900</u>	<u>900</u>
27.4	Recipients of donation do not include any donee in whom a director or his spouse had any interest.	
28	OTHER EXPENSES	
	Provision for	
	- trade debts	7,027
	- advances	2,444
	- other expenses	3,250
	- other receivables	-
	- store and spares	4,258
	Loss on sales of fixed assets	2
	<u>9,954</u>	<u>16,076</u>
29	OTHER INCOMES	
	Liabilities and mark up written back on settlement with financial institutions	-
	Bank profit	118
	Rental Income	-
	Gain on sale of fixed assets - Net	-
	Exchange gain on foreign transactions	-
	<u>118</u>	<u>2,337</u>
30	FINANCIAL CHARGES	
	Mark up on	
	- Long term loans	
	- banks and financial institutions	24,155
	- related parties (directors)	159,411
	- Short term borrowings	
	- banks and financial institutions	31,129
	- related parties (associated companies)	10,278
	- others	-
	Provision for default surcharge on taxation	15,278
	Bank charges (including B/G commission)	4,806
	<u>252,432</u>	<u>246,191</u>
31	TAXATION	
	Current	768
	Prior	-
	Deferred	(2,878)
	<u>(2,110)</u>	<u>(2,980)</u>

The current tax provision represents the final tax chargeable under section 154 only. Due to the gross loss before depreciation, minimum tax is not applicable under section 113 of the Income Tax Ordinance, 2001.

For the purpose of current taxation, the tax losses available for carry forward as at June 30, 2015 are estimated at Rs. 3,164.954 million (2014: Rs. 2,659.584 million).

The company is not presenting the tax charge reconciliation because the company has incurred tax loss during the year.

Notes to the Financial Statements

For The Year Ended June 30, 2015



	2015	2014
	(Rupees in thousand)	
32 LOSS PER SHARE - Basic and diluted		
There is no dilutive effect on the basic loss per share of the Company, which is based on:		
Loss after taxation	(459,487)	(568,533)
	Number of shares	
Weighted average ordinary shares in issue during the year	171,600,000	171,600,000
Loss per share - Basic and diluted (Rupees)	(2.68)	(3.31)

33 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The board of directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

33.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted. The Company's credit risk is primary attributable to its receivables and balances with banks.

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	2015	2014
	(Rupees in thousand)	
Trade debts	80,467	82,607
Loans and advances	50,301	49,955
Deposits and other receivables	55,516	77,468
Bank balances	9,975	48,024
	<u>196,259</u>	<u>258,054</u>

For trade debts, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. Individual risk limits are set based on internal or external credit worthiness ratings in accordance with limits set by the management.

The aging of trade debts at the reporting date was:

Not past due	18,732	43,025
Past due 0-30 days	25,032	22,360
Past due 30-150 days	14,049	10,195
Past due 150 days	22,654	7,027
	<u>80,467</u>	<u>82,607</u>

Based on the past experience, management believes that no impairment allowance is necessary in respect of trade debts past due as management believes that the same will be recovered in short course of time. The credit quality of the Company's receivable can be assessed with their past performance. The credit quality of some of the Company's banks can be assessed by their external credit ratings:

Notes to the Financial Statements

For The Year Ended June 30, 2015



Name of Bank	Rating Agency	Rating	
		Short term	Long term
United Bank Limited	PACRA	A 1+	AA+
MCB Bank Limited	PACRA	A 1+	AAA
Meezan Bank Limited	JCR-VIS	A 1+	AA
Bank Alfalah Limited	PACRA	A 1+	AA
Al-Baraka Bank (Pakistan) Limited	JCR-VIS	A 1	A
Faysal Bank Limited	PACRA	A 1+	AA
The Bank of Punjab	PACRA	A 1+	AA-
National Bank of Pakistan	JCR-VIS	A 1+	AAA
KASB Bank Limited	PACRA	A 3	BBB
Bank Islami Pakistan	PACRA	A 1	A +

33.2 Liquidity risk

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements. The following are the contractual maturities of the financial liabilities, including estimated markups:

	2015					
	Carrying Amount	Contractual Cash Flow	Six Months or Less	Six to Twelve Months	One to Five Years	More Than Five Years
Financial Liabilities	(Rupees in thousands)					
Subordinated loan - Unsecured	482,080	482,080	-	-	-	482,080
Long term loans	1,101,947	1,101,947	45,000	60,000	130,500	866,447
Liabilities against assets subject to finance lease	71,696	71,696	71,696	-	-	-
Trade and other payables	837,024	837,024	558,295	278,729	-	-
Deferred Markup	1,104,955	1,104,955	-	-	330,918	774,037
Markup accrued	180,193	180,193	180,193	-	-	-
Short term borrowings	388,868	388,868	258,757	6,000	20,328	-
	4,166,763	4,166,763	1,113,941	344,729	481,746	2,122,564

	2014					
	Carrying Amount	Contractual Cash Flow	Six Months or Less	Six to Twelve Months	One to Five Years	More Than Five Years
Financial Liabilities	(Rupees in thousands)					
Subordinated loan - Unsecured	482,080	482,080	-	-	-	482,080
Long term loans	1,179,852	1,179,852	47,000	42,000	445,387	645,465
Liabilities against assets subject to finance lease	71,696	71,696	71,696	-	-	-
Trade and other payables	869,574	869,574	588,658	280,916	-	-
Deferred markup	921,390	921,390	-	-	230,887	690,503
Markup accrued	157,930	157,930	157,930	-	-	-
Short term borrowings	250,250	250,250	50,050	125,125	75,075	-
	3,932,772	3,932,772	915,334	448,041	751,349	1,818,048

Notes to the Financial Statements

For The Year Ended June 30, 2015



All the financial liabilities of the Company are non derivative financial liabilities. The contractual cash flows relating to the above financial liabilities have been determined on the basis of markup rates effective as at June 30. The rates of mark-up have been disclosed in note 9, 14 and 15 to these financial statements.

Liquidity risk management

The Company's approach of managing the liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity for meeting its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors cash flow requirements and produces cash flow projections for the short and long term. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational cash flows, including servicing of financial obligations. This includes maintenance of balance sheet liquidity ratios, debtors and creditors concentration both in terms of overall funding mix and avoidance of undue reliance on large individual customer. The Company also maintains various lines of credit with banking companies.

Company has approached its lenders for the restructuring of its short term and lease liabilities which is under active consideration by them. Long term loans and short term borrowings from some of the financial institutions have been renewed/ restructured and active negotiations are under process with rest of the lenders.

33.3 Market Risk

Market risk is a risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of financial instruments. The Company is exposed to currency risk and interest rate risk only.

33.3.1 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. The financial instruments of the Company exposed to currency risk were as follow:

	2015	2014
	(Rupees in thousand)	
Financial Liabilities:		
Foreign creditors	3,840	3,751
	<u>3,840</u>	<u>3,751</u>
Financial Assets:		
Foreign debtors	-	-
	<u>-</u>	<u>-</u>
Net Exposure	<u>3,840</u>	<u>3,751</u>
The following significant exchange rate has been applied:		
USD to PKR (Reporting date rate in Rupees)	<u>101.70</u>	<u>98.55</u>
USD to PKR (Average rate in Rupees)	<u>101.13</u>	<u>102.89</u>

Sensitivity analysis

At reporting date, if PKR had strengthened by 10% against the US Dollar with all other variables held constant loss / profit for the year would have been lower / higher by the amounts shown below, mainly as a result of foreign exchange gain on translation of foreign currency liabilities.

Effect on (loss) / profit	<u>(384)</u>	<u>(375)</u>
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The 10% weakening of the PKR against US Dollar would have had an equal but opposite impact on the loss / profit for the year on the basis that all other variables remain constant.

33.3.2 Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the following:

Fixed rate instruments at carrying amounts:

Company does not have any of its financial instruments that can be classified as fixed rate.

Variable rate instruments at carrying amounts:

Financial liabilities		
Long term financing	1,261,268	1,298,560
Lease liabilities	71,696	71,696
Short term borrowings	372,788	244,390
	<u>1,705,752</u>	<u>1,614,646</u>

Notes to the Financial Statements

For The Year Ended June 30, 2015



Fair value sensitivity analysis for fixed rate instruments:

The Company does not account for any fixed rate financial assets at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments:

A change of 100 basis points in interest rates at the reporting date would have increased / decreased loss/profit for the year by the amounts shown below:

Effect on loss due to change of 100 BPs

Increase / (decrease)	17,058	16,146
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The effective interest / mark up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

33.4 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction. The carrying values of financial instruments reflected in these financial statements approximate their fair values.

33.5 Capital risk management

The Company's prime objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

33.6 Off balance sheet financial instruments

Off balance sheet financial liabilities are disclosed in note 16.2 to the financial statements.

34 REMUNERATION OF DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	(Rupees in thousand)							
Managerial remuneration	-	-	4,679	4,679	23,301	22,343	27,980	27,022
House rent allowance	-	-	2,106	2,106	10,487	10,053	12,593	12,159
Utilities	-	-	468	468	2,331	2,236	2,799	2,704
Medical	-	-	79	79	393	375	472	454
Conveyance	-	-	468	468	2,331	2,236	2,799	2,704
	-	-	7,800	7,800	38,843	37,243	46,643	45,043
Number of persons	1	1	1	1	50	35	52	37

Two directors and some executives have been provided with Company maintained cars. No payment is made to directors for attending the meeting of board of directors.

35 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, directors and key management personnel. Remuneration and benefits to chief executive, directors and key management personnel under terms of their employment are disclosed in note 34 to the financial statements. Transaction with related parties, other than those which have been specifically disclosed elsewhere in these financial statements, are as follows: -

Notes to the Financial Statements

For The Year Ended June 30, 2015



	2015	2014
	(Rupees in thousand)	
Associated Persons		
Pak Hy-Oils		
Purchases	5,367	46,960
Short term loan received	535	39,759
Repayment of short term loan	13,789	53,955
Markup charged on loan	1,366	9,106
Payment against supplies	5,975	63,157
Gharibwal Cement Limited		
Purchases	-	115
Payment against supplies	-	115
Other Associates		
Loan received	191,798	-
Repayment of loan	7,300	-
Markup charged on loan	8,912	-
Directors		
Loan received	-	429,898
Repayment of loan	-	90,697
Markup charged on loan	159,411	134,250
Rent of property charged by CEO	7,260	7,260

36 INFORMATION ABOUT BUSINESS SEGMENTS

36.1 For management purposes, the activities of the Company are organized into business units based on their products and services and 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:

	2015			
	Glass Containers	Plastic Shells	Eliminations	Total
	(Rupees in thousand)			
REVENUE				
Sales to external customers	1,796,589	72,765	-	1,869,354
Less: Sales tax	(252,988)	(10,573)	-	(263,561)
Net Revenue	1,543,601	62,192	-	1,605,793
Cost of goods sold	(1,686,795)	(60,872)	-	(1,747,667)
Admin and selling expenses	(55,219)	(2,236)	-	(57,455)
Other charges	(9,954)	-	-	(9,954)
Financial charges	(251,468)	(964)	-	(252,432)
Other income	118	-	-	118
	(2,003,318)	(64,072)	-	(2,067,390)
Segment results	(459,717)	(1,880)	-	(461,597)
Income tax				2,110
Loss for the year				(459,487)
OTHER INFORMATION				
Capital expenditure	45,593	-		
Depreciation	126,054	5,105		

Notes to the Financial Statements

For The Year Ended June 30, 2015



	2014			
	Glass Containers	Plastic Shells	Eliminations	Total
	(Rupees in thousand)			
REVENUE				
Sales to external customers	2,366,676	206,172	-	2,572,848
Less: Sales tax	(338,924)	(29,957)	-	(368,880)
Net Revenue	<u>2,027,753</u>	<u>176,215</u>	<u>-</u>	<u>2,203,968</u>
Cost of goods sold	(2,283,790)	(149,361)	-	(2,433,151)
Admin and selling expenses	(78,900)	(3,500)	-	(82,400)
Other charges	(16,076)	-	-	(16,076)
Financial charges	(244,290)	(1,901)	-	(246,191)
Other income	2,337	-	-	2,337
	(2,620,719)	(154,762)	-	(2,775,481)
Segment results	(592,966)	21,453	-	(571,513)
Income tax				<u>2,980</u>
Loss for the year				<u>(568,533)</u>
OTHER INFORMATION				
Capital expenditure	62,080	-		
Depreciation	<u>127,636</u>	<u>11,119</u>		

36.2 GEOGRAPHICAL INFORMATION		2015	2014
		(Rupees in thousand)	
	Revenue from external customers		
	Pakistan	1,529,029	2,125,836
	Africa	44,438	70,133
	America	11,124	4,001
	Europe	21,202	3,998
		<u>1,605,793</u>	<u>2,203,968</u>

The revenue information above is based on the location of customers.

All non-current assets of the Company as at 30 June 2015 are located in Pakistan. The detail of segment assets have not been disclosed in these financial statements as these are not reported to the chief operating decision maker on regular basis.

37 CAPACITY AND PRODUCTION

Unit	2015		2014	
	Annual Capacity	Production	Annual Capacity	Production
Based on 350 working days				
Glass containers	Tons	120,400	29,330	120,400
Plastic shells				
Full depth	Pieces	1,500,000	133,923	1,500,000
Half depth	Pieces	800,000	80	800,000
	Pieces	<u>2,300,000</u>	<u>134,003</u>	<u>2,300,000</u>

38 NUMBER OF EMPLOYEES		2015	2014
		Numbers	
	Number of employees at end of the year	464	577
	Average number of employees during the year	505	744

39 CORRESPONDING FIGURES

39.1 Comparative figures of the previous year have been rearranged and reclassified wherever required to facilitate better comparison. Major reclassification made in corresponding figures for better presentation are as under;

Particulars	Rupees in 000s	Reclassification	
		From	To
Legal & Professional	12,000	Administrative & selling expenses	Cost of goods sold

40 GENERAL

- 40.1 These financial statements are presented in rupees and figures have been rounded off to the nearest thousand rupees.
- 40.2 These financial statements are authorized for issue on **October 09, 2015** in accordance with the resolution of the Board of Directors of the Company.

CHIEF EXECUTIVE

DIRECTOR
Annual Report 2015

42

Pattern of Shareholding

As on June 30, 2015



THE COMPANIES ORDINANCE 1984

(Section 236(1) and 464)

PATTERN OF SHAREHOLDING

Pattern of holding of the shares held by the shareholders as at

30-06-2015

4. No. of Shareholders	-----Shareholding-----		Total Shares Held
	From	To	
831	1	100	27,492
476	101	500	125,041
187	501	1,000	150,327
295	1,001	5,000	810,675
79	5,001	10,000	610,549
37	10,001	15,000	484,953
19	15,001	20,000	353,124
17	20,001	25,000	408,400
9	25,001	30,000	254,935
9	30,001	35,000	302,767
5	35,001	40,000	197,313
1	40,001	45,000	41,000
7	45,001	50,000	347,500
3	50,001	55,000	159,080
2	60,001	65,000	127,500
1	75,001	80,000	80,000
1	80,001	85,000	82,000
1	100,001	105,000	101,000
1	105,001	110,000	110,000
4	115,001	120,000	468,539
1	120,001	125,000	120,324
1	140,001	145,000	140,500
1	145,001	150,000	150,000
1	160,001	165,000	163,000
2	170,001	175,000	346,090
1	215,001	220,000	216,500
1	225,001	230,000	228,500
1	250,001	255,000	251,000
1	345,001	350,000	350,000
2	495,001	500,000	1,000,000
1	575,001	580,000	579,541
1	590,001	595,000	590,465
1	625,001	630,000	626,558
1	1,295,001	1,300,000	1,300,000
1	1,985,001	1,990,000	1,985,596
1	2,005,001	2,010,000	2,009,708
1	2,035,001	2,040,000	2,038,234
1	2,885,001	2,890,000	2,888,458
1	3,990,001	3,995,000	3,995,000
1	8,995,001	9,000,000	9,000,000
1	9,205,001	9,210,000	9,207,635
1	16,520,001	16,525,000	16,521,266
1	25,710,001	25,715,000	25,714,156
1	86,935,001	86,940,000	86,935,274
2011			171,600,000

Pattern of Shareholding

As on June 30, 2015



5.	Categories of shareholders	Share held	Percentage
5.1	Directors, Chief Executive Officers, and their spouse and minor children	111,496,181	64.9745%
5.2	Associated Companies, undertakings and related parties.	351,039	0.2046%
5.3	NIT and ICP	50	0.0000%
5.4	Banks Development Financial Institutions, Non Banking Financial Institutions.	5,981,178	3.4855%
5.5	Insurance Companies	172,640	0.1006%
5.6	Modarabas and Mutual Funds	17,931,266	10.4495%
5.7	Share holders holding 10% or more	132,242,107	77.0642%
5.8	General Public	9,604,805	5.5972%
5.9	Others (to be specified)		
	Pension Funds	54,080	0.0315%
	Joint Stock Companies	26,006,292	15.152%
	Other Companies	2,469	0.0014%

Pattern of Shareholding

As on June 30, 2015



BALOSHISTAN GLASS LIMITED
Categories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2015

Sr. No.	Name	No. of Shares Held	Percentage
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Associated Companies, Undertakings and Related Parties (Name Wise Detail):

1	ELLIOT ASSETS LTD (CDC)	117,013	0.0682%
2	WEST FORCE LTD (CDC)	117,013	0.0682%
3	ZENA PARTNERS (CDC)	117,013	0.0682%

Mutual Funds (Name Wise Detail)

1	CDC TRUSTEE AKD OPPORTUNITY FUND (CDC)	1,300,000	0.7576%
2	GOLDEN ARROW SELECTED STOCKS FUND LIMITED (CDC)	110,000	0.0641%

Directors and their Spouse and Minor Children (Name Wise Detail):

1	MR. TARIQ SIDDIQ PARACHA (CDC)	19,592,027	11.4173%
2	MR. MUHAMMAD TAUSIF PARACHA (CDC)	86,935,924	50.6620%
3	MR. MUHAMMAD NIAZ PARACHA	500	0.0003%
4	MR. JAWAID AZIZ PARACHA. (CDC)	500	0.0003%
5	MIAN NAZIR AHMED PARACHA	500	0.0003%
6	MR. NASIR MALIK	500	0.0003%
7	MR. MUHAMMAD ISHAQUE KHOKHAR (CDC)	500	0.0003%
8	MRS. TABUSSAM TAUSIF PARACHA W/O MUHAMMAD TAUSIF PARACHA (CDC)	2,042,945	1.1905%
9	SHAZIA TARIQ PARACHA W/O TARIQ SIDDIQ PARACHA (CDC)	2,922,785	1.7033%

Executives:

- -

Public Sector Companies & Corporations:

- -

Banks, Development Finance Institutions, Non Banking Finance

22,729,164 13.2454%

Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:

Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)

1	MR. MUHAMMAD TAUSEEF PARACHA	86,935,924	50.6620%
2	PAK HY-OILS LIMITED. (CDC)	25,714,156	14.9849%
3	MR. TARIQ SODDIQ PARACHA	19,592,027	11.4173%
4	BRR GUARDIAN MODARABA (CDC)	16,521,266	9.6278%

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

S.No	NAME	SALE	PURCHASE
1	MRS. TABUSSAM TAUSIF PARACHA W/O MUHAMMAD TAUSIF PARACHA (CDC)	-	117,500



The Company Secretary
Balochistan Glass Limited
12-Km, Sheikhpura Road,
Kot Abdul Malik, Lahore

Dear Sir,

I/We ----- of (full address) ----- being a member(s) of Balochistan Glass Limited holding ----- Ordinary Shares as per Registered Folio No. / CDC A/c No ----- hereby appoint Mr./Mrs./ Miss ----- of (full address) ----- or failing him / her Mr./Mrs./ Miss ----- of (full address) ----- being member of the Company as my/our Proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on 31st October 2015

Signed this ----- day of -----2015

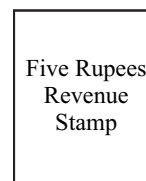
Witnesses:

Signature _____

Name _____

Address _____

CNIC No./ Passport Number _____



Signature should be agreed with the Specimen Signatures with the Company

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint a proxy to attend and vote instead of him/her.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his constituted attorney or if such appointer is a corporation or company under the common seal of such corporation or company.
3. In case of individual, the account holder or sub-account holder and / or the person whose securities are in group account shall submit the Proxy form along with following documents:
 - a. The Proxy form shall be witnessed by the two persons whose names, addresses and CNIC number shall be mentioned on the form.
 - b. Attested copies of CNIC or the passport of the beneficial owners and the Proxy shall be furnished with the Proxy form.
 - c. The Proxy shall produce his / her original CNIC or original passport at the time of the meeting.
 - d. In case of corporate entity, the Board of Director's resolution / power of attorney with specimen signature shall be submitted along with Proxy form to the company.
4. The Proxy Form, duly completed, must be deposited with the Company Secretary of Balochistan Glass Limited., 12-Km, Sheikhpura Road, Kot Abdul Malik, Lahore not less than 48 hours before the time for holding the meeting.



BALOCHISTAN GLASS LIMITED

