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CORPORATE INFORMATION

Borad of Directors

Mohammad Rehman Chairman
Tariq Siddiq Paracha Chief Executive
Mohammad Tousif Peracha
Mrs. Shazia Tariq Paracha
Mrs. Tabassum Tousif Peracha
A.A. Ademiluyi
Mohammad Usman
Dr. Gbadebo Akisanya

Company Secretary:

Imran Ahmed Khan

Audit Committee:

Mrs. Shazia Tariq Paracha (Chairman)
Mr. Mohammad Rehman (Member)
Mr. Mohammad Usman (Member)

Bankers:

ABN-AMRO BANK N.V
Al Baraka Islamic Bank Limited
Bank Al Falah Limited
Citibank N.A
Crescent Commercial Bank Limited
Faysal Bank Ltd.
Meezan Bank Limited
National Bank of Pakistan
PICIC Commercial Bank Limited
United Bank Limited

Auditors:

Faruq Ali & Co.
Chartered Accountants

Legal Advisor:

Syed Ehsan Raza

Registered Office:

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

Head Office:

D-66, Block 9,
Ch. Khaliq-uz-Zaman Road
Clifton, Karachi

Factories:

Unit I- Plot No. 8, Sector M
H.I.T.E., Hub, District Lasbella
Balochistan

Unit II-29 KM
Lahore Sheikhpura Road
Sheikhpura

Unit III- 12 KM
Sheikhpura Road
Kot Abdul Malik, Lahore

Shares Registrar:

THK Associates (Pvt.) Ltd.
Ground Floor
State Life Building No. 3, Dr. Ziauddin
Ahmed Road, Karachi.



DIRECTORS' REPORT

Your Directors have pleasure to present you the un-audited financial statements of the Company for the nine months ended March 31, 2007.

The results for the period under review are well below our estimates for the reasons beyond our control. Frequent shut down and reduction in gas pressure from utility companies due to intense cold resorted us to reduce production beyond economical level. Due to intense cold, beverage season started late and we had to concentrate on exports at low margin. Despite growth in sales by 27% in comparison with similar preceding period the margins were slashed by high production cost due to significant proportion of fixed elements in production overheads coupled with high financial charges and lower sale price. This resulted in reducing Earning per share to -ve 0.73/share from +ve 0.25/share in comparison with similar preceding period.

Management is pleased to update the valued shareholders that all major Capex projects undertaken by the company has been completed. All four lines for the plastic shell manufacturing are in production and are contributing to profitability of the company. The newly rebuilt furnace of Table ware has started producing quality glass. However the production has not reached the optimal level due to initial teething problems. This has also delayed the proper launch by two months. The proper launch of Tableware is now planned in the first week of May 2007. The New 12 section IS Machine with Narrow neck press and blow technology has also been commissioned and is in trial production.

All production units are working satisfactorily with sizeable local and export orders in hand. With the launch of Tableware products and start of new IS machine with the grace of Almighty Allah we are quite confident to have encouraging results in the next quarter.

Your Company has met all its financial obligations during the period.

In the end we once again pray that with the support of Almighty Allah we achieve our defined objectives for the year and register another land mark of our business growth during the current year.

For and on behalf of the Board of Directors

Tariq Siddiq Paracha
Chief Executive Officer


**BALANCE SHEET
as at March 31, 2007**

	(Un-audited) March 31, 2007	(Audited) June 30, 2006
	Note	(Rupees in thousand)
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital 50,000,000 Ordinary shares of Rs.10/- each	500,000	500,000
Issued, subscribed and paid-up capital	429,000	429,000
Accumulated (Loss) / Profit	(4,417)	26,971
	<u>424,583</u>	<u>455,971</u>
NON-CURRENT LIABILITIES		
Subordinated loan - Unsecured	388,127	384,034
Long term morabaha - Secured	--	5,000
Long term loan - Secured	391,388	281,388
Liabilities against assets subject to finance lease	114,051	74,707
Deferred and other liabilities	84,121	78,458
CURRENT LIABILITIES		
Trade and other payables	319,746	333,674
Markup accrued	21,326	11,580
Short term borrowings	597,359	555,973
Current portion of long term loans	105,662	123,825
Current portion of liabilities against assets subject to finance lease	64,905	56,865
Current portion of long term morabaha	5,000	5,000
	<u>1,113,998</u>	<u>1,086,917</u>
CONTINGENCIES AND COMMITMENTS	4	--
	<u>2,516,268</u>	<u>2,366,475</u>
ASSETS		
NON-CURRENT ASSETS		
Property plant and Equipments	1,367,240	1,209,237
Long-term deposits	30,395	19,482
CURRENT ASSETS		
Stores, spares and loose tools	265,389	274,912
Stock-in-trade	538,323	554,840
Trade debts - Unsecured, Considered good	218,963	205,426
Loans and advances - unsecured, considered good	28,129	27,430
Trade deposits, prepayments, balances with statutory authorities and other receivables	39,010	38,831
Taxes recoverable	25,270	23,725
Cash and bank balances	3,549	12,592
	<u>1,118,633</u>	<u>1,137,756</u>
	<u>2,516,268</u>	<u>2,366,475</u>

The annexed notes form an integral part of these accounts.

TARIQ SIDDIQ PARACHA
CHIEF EXECUTIVE

SHAZIA TARIQ PARACHA
DIRECTOR



Balochistan Glass Limited

PROFIT AND LOSS ACCOUNT For the nine months ended March 31, 2007 (Un-audited)

	For the nine months ended		For the quarter ended	
	March 31, 2007	March 31, 2006	March 31, 2007	March 31, 2006
	(Rupees in thousand)			
Sales	854,699	826,274	334,549	262,878
Cost of sales	705,120	682,132	294,583	225,312
Gross profit	149,579	144,142	39,966	37,566
Selling and administrative expenses	77,782	43,356	23,219	17,139
Operating profit	71,797	100,786	16,747	20,427
Financial charges	94,177	85,266	32,604	27,684
Workers' profit participation fund	--	776	--	(363)
	94,177	86,042	32,604	27,321
	(22,380)	14,744	(15,857)	(6,894)
Other Income	4,217	3,882	687	937
	(18,163)	18,626	(15,170)	(5,957)
TAXATION				
Current	4,271	4,131	1,673	1,314
Deferred	8,954	6,123	3,024	2,135
	13,225	10,254	4,697	3,449
(Loss)/Profit after taxation	(31,388)	8,372	(19,867)	(9,406)
Accumulated Profit brought forward	26,971	1,110	15,450	18,888
Accumulated (Loss)/Profit carried forward	(4,417)	9,482	(4,417)	9,482
Earning per share - Basic (Rupees)	(0.73)	0.25	(0.46)	(0.29)

The annexed notes form an integral part of these accounts.

TARIQ SIDDIQ PARACHA
CHIEF EXECUTIVE

SHAZIA TARIQ PARACHA
DIRECTOR



STATEMENT OF CHANGES IN EQUITY
For the nine months ended March 31, 2007 (Un-audited)

	Share Capital	Accumulated (Loss)/Profit	Total
	(Rupees in thousand)		
Balance as at July 01, 2005	330,000	1,110	331,110
Net profit for the period	--	8,372	8,372
Balance as at March 31, 2006	330,000	9,482	339,482
Balance as at July 01, 2006	429,000	26,971	455,971
Net profit for the period	--	(31,388)	(31,388)
Balance as at March 31, 2007	429,000	(4,417)	424,583

The annexed notes form an integral part of these accounts.

TARIQ SIDDIQ PARACHA
 CHIEF EXECUTIVE

SHAZIA TARIQ PARACHA
 DIRECTOR



Balochistan Glass Limited

CASH FLOW STATEMENT For the nine months ended March 31, 2007 (Un-audited)

	March 31, 2007	March 31, 2006
	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(18,163)	18,626
Adjustments for:		
Depreciation	68,063	69,753
Financial charges	94,177	85,266
Workers' profit participation fund	--	776
Provision of gratuity	5,687	4,737
Other Income	(4,217)	(3,882)
Movement in:		
Working capital	7,622	(37,590)
Cash generated from operations	<u>153,169</u>	<u>137,686</u>
Payments for:		
Financial charges	(84,431)	(84,271)
Taxes	(5,816)	(6,708)
Gratuity	<u>(1,552)</u>	<u>(1,552)</u>
Net cash generated from operating activities	62,110	45,155
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(226,066)	(23,493)
Sale of Fixed Assets	--	3,082
Long term advances and deposits	<u>(10,913)</u>	<u>(4,051)</u>
	(236,979)	(24,462)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans	91,837	11,063
Long term Morabaha	(5,000)	(5,000)
Repayment of lease facility	(41,970)	(46,904)
Exchange (Loss)/Gain on Sub-ordinated loan	(3,959)	(2,067)
New lease acquired	89,354	25,800
Net cash inflow from financing activities	<u>138,180</u>	<u>(17,108)</u>
Net (decrease) / increase in cash and cash equivalents	(37,429)	3,585
Cash and cash equivalents as at beginning of the period	<u>(264,215)</u>	<u>(171,274)</u>
Cash and cash equivalents as at end of the period	<u>(301,644)</u>	<u>(167,689)</u>
Movement in working capital		
(Increase)/decrease in current assets		
Stores, spares and loose tools	9,523	41,953
Stock-in-trade	16,517	(31,661)
Trade debts	(13,537)	(3,514)
Advances, deposits, prepayments and other receivables	<u>(699)</u>	<u>3,356</u>
	11,804	10,134
(Decrease) in current liabilities		
Creditors and accrued expenses	<u>(4,182)</u>	<u>(47,724)</u>
	<u>7,622</u>	<u>(37,590)</u>

The annexed notes form an integral part of these accounts.

TARIQ SIDDIQ PARACHA
CHIEF EXECUTIVE

SHAZIA TARIQ PARACHA
DIRECTOR



NOTES TO THE FINANCIAL STATEMENTS

For the nine months ended March 31, 2007 (Un-audited)

- 1 The Company was incorporated in Pakistan as a public listed company in 1980 under the Companies Act 1913 (now 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 and plastic shells.
- 2 These financial statements are unaudited and have been prepared in accordance with the requirements of section 245 of the Companies Ordinance 1984 and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".
- 3 The accounting policies adopted for the preparation of these accounts are the same as those applied in the preparation of the accounts for the year ended June 30, 2006.
- 4 There is no material change in Contingencies and Commitments during the period.

5 PROPERTY, PLANT AND EQUIPMENT

		March 31, 2007	June 30, 2006
		(Rupees in thousand)	
Operating fixed assets	5.1	1,163,854	1,028,854
Capital work in progress		<u>203,386</u>	<u>180,383</u>
		<u>1,367,240</u>	<u>1,209,237</u>
		March 31, 2007	March 31, 2006
5.1 Additions and disposals during the period			
Additions			
Owned			
Building on free hold land:			
Non Factory		--	948
Plant & machinery		<u>149,462</u>	<u>39,845</u>
		<u>149,462</u>	<u>40,793</u>
Leased			
Vehicles		2,250	3,339
Plant & machinery		<u>74,354</u>	<u>22,461</u>
		<u>76,604</u>	<u>25,800</u>
		<u>226,066</u>	<u>66,593</u>
Disposals (net)			
Vehicles		<u>--</u>	<u>524</u>



	March 31, 2007	March 31, 2006
6. Transactions with associated undertaking:		
Associated Companies		
Purchase	9,823	6,796
Directors/Sponsors		
Mark up charged on associated company's loan	6,936	6,936

7 DATE FOR AUTHORIZATION FOR ISSUE

These financial statements are authorized for issue on 28 April 2007 in accordance with the resolution of the Board of Directors of company.

8 GENERAL

Figures have been rounded off to the nearest thousand rupees.

TARIQ SIDDIQ PARACHA
CHIEF EXECUTIVE

SHAZIA TARIQ PARACHA
DIRECTOR