

(Un-audited)

Quarterly Accounts
for the Quarter ended
March 31, 2012



Balochistan Glass Limited

An ISO 9001-2000 Certified Company

Corporate Information

BOARD OF DIRECTORS'

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

COMPANY SECRETARY

Hassan Farooq

AUDIT COMMITTEE

Mr. Muhammad Niaz Paracha	Chairman
Mr. Muhammad Ishaq Khokhar	Member
Mr. Mian Nazir Ahmed Paracha	Member

BANKERS

The Bank of Punjab
Bank Al Falah Limited
Al Baraka Islamic Bank Limited
Citibank N.A
Faysal Bank Limited
KASB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
United Bank Limited
BankIslami Pakistan Limited
MCB Bank Limited

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.

HEAD OFFICE

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

KARACHI OFFICE

Dime Centre, B.C. 3, 3rd Floor, Clifton, Karachi.
Ph. No. 021-35377977-82

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, Lahore Sheikhpura Road,
Kot Abdul Malik,
Lahore.

SHARE REGISTRAR

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

Directors' Report

Board of Directors' of Balochistan Glass Limited takes pleasure in presenting the Third Quarter Report & Financial Statements of the company for the quarter ended March 31, 2012.

COMPANY PERFORMANCE & FUTURE OUTLOOK

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

	For the third quarter		Cumulative	
	Jan - Mar 2012	Jan - Mar 2011	Jul - Mar 2012	Jul - Mar 2011
	(Rupees in thousands)			
Sales-Net	543,699	237,532	1,232,647	726,337
Gross Profit / (Loss)	24,400	(53,492)	16,787	(146,599)
Operating Profit / (Loss)	11,633	(57,455)	(12,366)	(173,558)
(Loss) before tax	(26,231)	(100,625)	(131,338)	(302,092)
(Loss) after tax	(30,611)	(101,834)	(140,493)	(305,857)
(Loss) per share	(0.36)	(1.19)	(1.64)	(3.56)

Net sales of the company for the quarter have increased by 129% approx. and loss after tax has reduced by 70% in comparison to last period. The company has now entered the recovery phase as Furnace of Unit-II, being the largest of all three units, has been successfully fired and commercial production has started from this unit with continuous improvements in production efficiencies from other units as well. Improvement in production efficiencies and increase in sales quantities have helped company in achieving gross profit for the quarter and the year to date and to reduce cumulative operating loss to minimum level. Your company was also successful in achieving operating profit for the March quarter.

During the period Unit-III suffered badly due to load management of Sui gas in Punjab, similarly, load management schedule has also been announced by SSGC. In order to remain in operation, we had to use expensive alternative fuels like Furnace Oil & LPG. We feel pleasure to inform that Furnace-I of Unit-III has been fired by the grace of Allah. Commercial production from this furnace has been started at the date of report. After operation of all the units of company, we hope that this financial year will depict better results for our stakeholders.

As we continue with our mission, we would like to record our appreciation of continued patronage of our valued customers, bankers and sustained efforts of our employees.

For and on the behalf of Board of Directors'



Muhammad Tousif Paracha
Chief Executive

Lahore : April 30, 2012

Balance Sheet

as at March 31, 2012 - (Un-audited)

Un-audited
March 31, 2012 Audited
June 30, 2011
(Rupees in thousands)

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized capital

171,600,000 (June 30, 2011: 85,800,000)

Ordinary shares of Rs. 10/- each

5,000,000 (June 30, 2011: 34,200,000)

Preference shares of Rs. 10/- each

1,716,000 858,000

50,000 342,000

1,766,000 1,200,000

Issued, subscribed and paid up capital

Accumulated loss

858,000 858,000

(2,304,822) (2,170,218)

(1,446,822) (1,312,218)

Share deposit money

Surplus on revaluation of property, plant and equipment

343,200 343,200

262,741 268,630

NON-CURRENT LIABILITIES

Subordinated loan - Unsecured

Long term loans

Liabilities against asset subject to finance lease

Deferred liabilities

482,080 482,080

762,579 738,188

30,774 40,766

76,547 76,626

1,351,980 1,337,660

CURRENT LIABILITIES

Trade and other payables

Markup accrued

Short term borrowings

Current maturity of non current liabilities

555,388 499,990

370,711 296,206

513,618 507,287

338,169 290,680

1,777,886 1,594,163

CONTINGENCIES AND COMMITMENTS

2,288,985 2,231,435

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment

Long term deposits

4 1,548,967 1,612,831

23,259 23,259

1,572,226 1,636,090

CURRENT ASSETS

Stores, spares and loose tools

Stock in trade

Trade debts

Loans and advances

Trade deposits, prepayments and other receivable

Taxes recoverable

Cash and bank balances

241,447 239,299

108,031 65,397

169,138 126,298

69,781 75,097

77,261 60,353

14,299 22,595

36,802 6,306

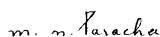
716,759 595,345

2,288,985 2,231,435

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



Chief Executive



Director

Profit and Loss Account

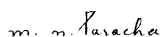
for the Period Ended March 31, 2012 - (Un-audited)

	For the nine months ended		For the quarter ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
	(Rupees in thousands)			
Sales - Net	1,232,647	726,337	543,699	237,532
Cost of sales	1,215,860	872,936	519,299	291,024
Gross profit / (loss)	16,787	(146,599)	24,400	(53,492)
Administrative and selling expenses	29,153	26,959	12,767	3,963
Operating profit / (loss)	(12,366)	(173,558)	11,633	(57,455)
Financial charges	118,972	128,534	37,864	43,170
Loss before taxation	(131,338)	(302,092)	(26,231)	(100,625)
Taxation - Current	12,326	7,263	5,437	2,375
Taxation - Deferred	(3,171)	(3,498)	(1,057)	(1,166)
Loss after taxation	<u>(140,493)</u>	<u>(305,857)</u>	<u>(30,611)</u>	<u>(101,834)</u>
Loss per share - Basic and diluted (Rupees)	<u>(1.64)</u>	<u>(3.56)</u>	<u>(0.36)</u>	<u>(1.19)</u>

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



Chief Executive



Director

Statement of Comprehensive Income / (Loss)

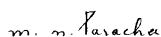
for the Period Ended March 31, 2012 - (Un-audited)

	For the nine months ended		For the quarter ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
	(Rupees in thousands)			
Loss for the period	(140,493)	(305,857)	(30,611)	(101,834)
Other comprehensive income / (loss)				
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	9,060	9,995	3,020	3,332
Related deferred tax	(3,171)	(3,498)	(1,057)	(1,166)
	5,889	6,497	1,963	2,166
Total comprehensive loss for the period	<u>(134,604)</u>	<u>(299,360)</u>	<u>(28,648)</u>	<u>(99,669)</u>

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



Chief Executive



Director

Cash Flow Statement

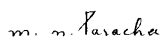
for the Period Ended March 31, 2012 - (Un-audited)

	March 31, 2012	March 31, 2011
	(Rupees in thousands)	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(131,338)	(302,092)
Adjustments for non-cash charges and other items:		
Depreciation	95,648	105,318
Financial charges	118,972	122,659
Provision for exchange loss	--	5,875
Provision for gratuity	4,833	4,137
Operating profit/ (loss) before working capital changes	88,115	(64,103)
Working capital changes		
<i>(Increase)/Decrease in current assets</i>		
Stores, spares and loose tools	(2,148)	1,622
Stock in trade	(42,634)	1,757
Trade debts	(42,840)	37,645
Loans and advances	5,316	1,800
Trade deposits, prepayments and other receivable	(16,908)	22
Increase/(Decrease) in current liabilities		
Trade and other payables	55,398	22,564
	(43,816)	65,410
Cash generated from / (used in) operations	44,299	1,307
Payments for:		
Financial charges	(42,389)	(33,176)
Taxes	(4,030)	(2,210)
Gratuity	(1,741)	(690)
Net cash inflow / (outflow) from operating activities	(3,861)	(34,769)
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(34,705)	(13,200)
Net cash outflow from investing activities	(34,705)	(13,200)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans - net	(76,985)	(328,690)
Share deposit money	--	343,200
Lease rentals paid	(15,411)	(1,151)
Increase / (decrease) in short term borrowings	161,458	36,215
Net cash outflow / (inflow) from financing activities	69,062	49,574
Net increase in cash and cash equivalents	30,496	1,605
Cash and cash equivalents as at July 1	6,306	16,105
Cash and cash equivalents as at March 31	36,802	17,710

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



Chief Executive



Director

Statement of Changes in Equity

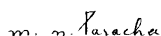
for the Period Ended March 31, 2012 - (Un-audited)

	Share Capital	Accumulated Loss	Total
	(Rupees in thousands)		
Balance as at July 01, 2010	858,000	(1,613,780)	(755,780)
Total comprehensive income / (loss) for the period			
Loss after taxation	--	(305,857)	(305,857)
Other comprehensive income: Transfer from surplus on revaluation of property, plant and equipment - Net of tax	--	6,497	6,497
Total comprehensive loss for the period	--	(299,360)	(299,360)
Balance as at March 31, 2011	858,000	(1,913,140)	(1,055,140)
Balance as at July 01, 2011	858,000	(2,170,218)	(1,312,218)
Total comprehensive income / (loss) for the period			
Loss after taxation	--	(140,493)	(140,493)
Other comprehensive income: Transfer from surplus on revaluation of property, plant and equipment - Net of tax	--	5,889	5,889
Total comprehensive loss for the period	--	(134,604)	(134,604)
Balance as at March 31, 2012	858,000	(2,304,822)	(1,446,822)

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



Chief Executive



Director

Notes to the Financial Statements

for the Period Ended March 31, 2012 - (Un-audited)

1. STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public listed company in 1980 under the Companies Act 1913 (now Companies Ordinance, 1984). The registered office of the company is situated at Quetta and head office of the company is situated at Lahore. 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.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under The Companies Ordinance, 1984. In case where requirements differ, the provisions of directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements for the year ended June 30, 2011.

3. ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

"The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2011; except for the adoption of new / amended standards and interpretations as mentioned below. The adoption of these new / amended standards and interpretations does not have significant impact on this condensed interim financial information. Judgments and estimates made by management in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2011."

3.1. New and amended standards and interpretations adopted during the period

The Company has adopted the following amended IASs, IFRSs and IFRICs which became effective during the period: IFRS 7 - Financial Instruments Disclosures (Amendment)

IAS 24 - Related Party Disclosures (Revised)

IAS 34 - Interim Financial Reporting (Amendment)

IFRIC 14 - Prepayment of Minimum Funding Requirement

IFRIC 14 - IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (Amendment)

4. PROPERTY PLANT AND EQUIPMENT

	March 31, 2012	June 30, 2011
	(Rupees in thousands)	
Operating fixed assets	1,323,517	1,416,621
Capital work in progress	225,450	196,210
	<u>1,548,967</u>	<u>1,612,831</u>
	March 31, 2012	March 31 2011
	(Rupees in thousands)	

5. TRANSACTION WITH RELATED PARTIES

Significant related party transactions during the period are as follows:

Associated companies

Short term loan received	25,250	21,810
Repayment of short term loan	9,452	9,617
Purchases	1,559	488
Markup charged on loan	20,153	7,963

Directors

Loan received	11,854	30,543
Loan repaid	12,147	533

Notes to the Financial Statements for the Period Ended March 31, 2012 - (Un-audited)

6. DATE FOR AUTHORIZATION FOR ISSUE

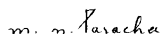
This condensed interim financial information is authorized for issue by Board of Directors of the company on April 30, 2012.

7. GENERAL

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

A handwritten signature in black ink, appearing to read 'M. M. Karacha', written over a horizontal line.

Chief Executive

A handwritten signature in black ink, appearing to read 'm. m. Karacha', written over a horizontal line.

Director