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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 are pleased to submit the un-audited financial statements of the Company for the quarter ended September 30, 2006.

The results for the period under review are much below expectations. This is due to technical problems faced by Unit-I in the month of July and August, 2006 which curtailed production level. This fact was also mentioned in the annual report 2006. The technical issues were dealt accordingly and the unit is now returning to normal operating capacity. We are hopeful that the losses occurred would be made up within the next two quarters. One of the furnaces at Unit III was under rebuild as scheduled and the second furnace was also working partially due to scheduled expansion. All these factors reduced the Sales for the period and impacted the overall profit margin significantly in comparison with similar preceding period..

As mentioned in Annual Report 2005-06, the table ware project is in full swing and we are quite hopeful that the project will be in operation in current quarter. The Fourth Plastic Injection Moulding Machine has been installed and has become operational in the October, 2006. The narrow neck press and blow machine and ancillary equipments have reached the site and will be operational in the next quarter. Newly imported two sets of Waukesha Gensets have reached at port to support the power generation with the enhanced capacity.

Your company was able to get substantial export as well as local orders which will help to run the plant at optimal capacity during coming quarters which is non beverage season. In the lights of above, we are quite confident to have encouraging results of the next quarters with the grace of Almighty Allah.

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



## Balochistan Glass Limited

### BALANCE SHEET as at September 30, 2006

	30-Sep-06	30-Jun-06
	(Rupees in thousand)	
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorized capital 50,000,000 Ordinary shares of Rs.10/- each (2006: 50,000,000 ordinary shares of Rs.10/- each)	500,000	500,000
Issued, subscribed and paid-up capital	429,000	429,000
Accumulated profit	5,155	26,971
	434,155	455,971
<b>NON-CURRENT LIABILITIES</b>		
Subordinated loan - Unsecured	385,145	384,034
Long term loans - Secured	283,055	281,388
Liabilities against assets subject to finance lease	62,239	74,707
Long term morabaha - Secured	--	5,000
Deferred and other liabilities	83,083	78,458
<b>CURRENT LIABILITIES</b>		
Trade and other payables	289,386	333,674
Markup accrued	13,468	11,580
Short term borrowings	575,877	555,973
Current portion of long term loans	114,125	123,825
Current portion of liabilities against assets subject to finance lease	59,826	56,865
Current portion of long term morabaha	5,000	5,000
	1,057,682	1,086,917
<b>CONTINGENCIES AND COMMITMENTS</b>		
	--	--
	2,305,359	2,366,475
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property plant and equipment	1,215,859	1,209,237
Long-term deposits	19,982	19,482
<b>CURRENT ASSETS</b>		
Stores, spares and loose tools	269,875	274,912
Stock-in-trade	502,996	554,840
Trade debts - Unsecured, Considered good	197,412	205,426
Loans and advances - unsecured, considered good	29,319	27,430
Trade deposits, prepayments, balances with statutory authorities and other receivables	39,851	38,831
Taxes recoverable	24,776	23,725
Cash and bank balances	5,289	12,592
	1,069,518	1,137,756
	2,305,359	2,366,475

The annexed notes form an integral part of these accounts.

TARIQ SIDDIQ PARACHA  
CHIEF EXECUTIVE

SHAZIA TARIQ PARACHA  
DIRECTOR





**PROFIT AND LOSS ACCOUNT**  
**For the quarter ended September 30, 2006**

	2006	2005
	(Rupees in thousand)	
Sales	248,497	272,881
Cost of sales	217,764	224,267
Gross profit	<u>30,733</u>	<u>48,614</u>
Selling and administrative expenses	<u>19,361</u>	<u>10,017</u>
Operating profit	<u>11,372</u>	<u>38,597</u>
Financial charges	<u>30,430</u>	<u>24,480</u>
Workers' profit participation fund	<u>--</u>	<u>706</u>
	<u>30,430</u>	<u>25,186</u>
	<u>(19,058)</u>	<u>13,411</u>
Other Income	<u>1,566</u>	<u>--</u>
Profit/(Loss) before taxation	<u>(17,492)</u>	<u>13,411</u>
TAXATION		
Current	<u>1,199</u>	<u>1,364</u>
Deferred	<u>3,125</u>	<u>3,100</u>
	<u>4,324</u>	<u>4,464</u>
Profit/(Loss) after taxation	<u>(21,816)</u>	<u>8,946</u>
Un appropriated Profit brought forward	26,971	1,110
Un appropriated Profit carried forward	<u>5,155</u>	<u>10,056</u>
Earning/(Loss) per share - Basic (Rupees)	<u>(0.51)</u>	<u>0.27</u>

*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 quarter ended September 30, 2006**

	Share Capital	Accumulated (Loss)/Profit	Total
	(Rupees in thousand)		
Balance as on July 01, 2005	330,000	1,110	331,110
Net profit for the year ended June 30, 2006	--	25,861	25,861
Right Issue during the period	99,000	--	99,000
Balance as at June 30, 2006	429,000	26,971	455,971
Balance as at July 01, 2006	429,000	26,971	455,971
Net loss for the period	--	(21,816)	(21,816)
Balance as at September 30, 2006	429,000	5,155	434,155

*The annexed notes form an integral part of these accounts.*

TARIQ SIDDIQ PARACHA  
CHIEF EXECUTIVE

SHAZIA TARIQ PARACHA  
DIRECTOR



## CASH FLOW STATEMENT

### For the quarter ended September 30, 2006

	September 30, 2006	September 30, 2005
	(Rupees in thousand)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	(17,492)	13,411
Adjustments for:		
Depreciation	22,203	22,050
Financial charges	30,430	24,480
Workers' profit participation fund	--	706
Provision of gratuity	1,888	1,296
Other Income	(1,566)	-
	<u>35,463</u>	<u>61,943</u>
<b>Movement in:</b>		
Working capital	19,586	(25,459)
Cash used in operations	<u>55,049</u>	<u>36,484</u>
Payments for:		
Financial charges	(28,542)	(23,646)
Taxes	(2,250)	(3,168)
Gratuity	(388)	(217)
Net cash used in operating activities	<u>23,869</u>	<u>9,452</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for capital expenditure	(28,825)	(1,768)
Long term advances and deposits	(500)	(103)
	<u>(29,325)</u>	<u>(1,871)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings of long term loans	--	15,000
Repayment of lease facility	(9,507)	(16,649)
Loan from sponsors / associated company	--	(1,425)
Repayment of long term loans	(7,244)	(4,651)
Repayment of Morabaha Facility	(5,000)	(5,000)
Net cash inflow from financing activities	<u>(21,751)</u>	<u>(12,725)</u>
Net (decrease) / increase in cash and cash equivalents	(27,207)	(5,144)
Cash and cash equivalents as at beginning of the period	(543,381)	(433,285)
Cash and cash equivalents as at end of the period	<u>(570,588)</u>	<u>(438,429)</u>
<b>Movement in working capital</b>		
(Increase) in current assets		
Stores, spares and loose tools	5,037	4,215
Stock-in-trade	51,844	15,286
Trade debts	8,014	(33,936)
Advances, deposits, prepayments and other receivables	(1,889)	(706)
Trade Deposits, Prepayments, balances with statutory authorities and other receivables	(1,020)	--
	<u>61,986</u>	<u>(15,141)</u>
Increase in current liabilities		
Creditors and accrued expenses	(42,400)	(10,318)
	<u>19,586</u>	<u>(25,459)</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 quarter ended September 30, 2006**

1. Balochistan Glass Limited is a public listed company engaged in the production of glass containers.
2. These accounts are subject to review by the auditors in accordance with Code of Corporate Governance and have been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting as applicable in Pakistan and are being presented as required under section 245 of the Companies Ordinance, 1984.
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 change in Contingencies and Commitments during the period.
5. Transactions with related parties:

	September 30, 2006	September 30, 2005
	(Rupees in thousand)	
Purchase from associated companies	1,558	2,717
Short term loan received	46,375	9,000
Repayment of short term loan	375	9,000
Mark up charged on loan	3,407	--

6. Figures for period have been rearranged wherever necessary for the purpose of comparison.
7. Figures have been rounded off to the nearest thousand rupees.

TARIQ SIDDIQ PARACHA  
CHIEF EXECUTIVE

SHAZIA TARIQ PARACHA  
DIRECTOR