

(Un-audited)

Quarterly Accounts

for the Quarter ended
September 30, 2010



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. Muhammad Shareef Paracha	
Mr. Arshad Siddiq Paracha	
Mr. Muhammad Ishaq Khokhar	

COMPANY SECRETARY

Hassan Farooq

AUDIT COMMITTEE

Mr. Muhammad Ishaq Khokhar	Chairman
Mr. Muhammad Niaz Paracha	Member
Mr. Jawaid Aziz Paracha	Member

BANKERS

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

AUDITORS

Faruq Ali & Company
Chartered Accountants

LEGAL ADVISOR

Masood Khan Ghory

REGISTERED OFFICE

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

HEAD OFFICE

34-C Main Gulberg,
Lahore. & 12-KM, Sheikhpura Road,
Kot Abdul Malik, Lahore.
Ph. # 042-37923993-4
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, 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 un-audited quarterly financial statements of the company for the quarter ended September 30, 2010.

COMPANY PERFORMANCE & FUTURE OUTLOOK

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

	September 30, 2010	September 30, 2009
	(Rupees in thousand)	
Sales-Net	264,552	240,328
Gross (Loss)	(22,553)	(12,950)
Operating (Loss)	(33,582)	(25,141)
(Loss) before Tax	(66,760)	(64,293)
(Loss) after Tax	(66,917)	(64,495)

Net Sales increased by 10.08% in comparison to last quarter which is mainly due to the start of operations of Unit-III. However, loss during the year increased mainly due to:

- Closure of unit-II as fixed cost was not consumed fully
- Increase in Cost of Production during the year
- Increase in cost due to gas shut down and use of alternate fuels
- High financial cost & depreciation charge
- Low production and sale of plastic shells

Recent flood in the country has disturbed the country population of more than 20 million, directly or indirectly, and it has not only effected the life's of poor peoples of our beloved country but sale of most of the companies which are operating in consumer products had also suffered very badly. Therefore, sale of unit-III has also affected badly and our finished goods stocks started to increase. However, by aggressive marketing strategy and addition of printing machine we are trying to minimize its effects on our company.

Directors' are still committed to revive the company and CEO also shown willingness to convert his loan into equity and management is taking all possible steps to start furnace of Unit-II; which has a largest production capacity. We are hopeful that after completion of BMR, BGL will become a profitable venture.

Board of Directors appreciates assistance and co-operation extended by our banks & financial institutions and efforts, dedication and commitment demonstrated by all the employees and contractors of the company.

For and on the behalf of Board of Directors'



Mr. Tariq Siddiq Peracha
Director

Lahore : November 08, 2010

Balance Sheet

as at September 30, 2010 (Un-audited)

		September 30,2010	June 30,2010
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES	Notes	(Rupees in thousand)	
Authorized capital			
120,000,000 (2009:120,000,000)			
Ordinary & preference shares of Rs. 10/- each		1,200,000	1,200,000
Issued, subscribed and paid-up capital		858,000	858,000
Accumulated loss		(1,678,531)	(1,613,780)
		(820,531)	(755,780)
Surplus on revaluation of property plant and equipment		275,127	277,293
NON-CURRENT LIABILITIES			
Subordinated loan - Unsecured		482,080	482,080
Long term loans		990,069	1,026,535
Liabilities against asset subject to finance lease		39,955	42,107
Deferred liabilities		76,514	76,646
CURRENT LIABILITIES			
Trade and other payables		559,090	550,907
Markup accrued		190,064	184,138
Short term borrowings		675,420	639,466
Current maturity of non current liabilities		146,296	172,814
		1,570,870	1,547,325
CONTINGENCIES AND COMMITMENTS		--	--
		2,614,084	2,696,206
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,625,568	1,671,657
Long term deposits		22,000	22,000
CURRENT ASSETS			
Stores, spares and loose tools		246,707	268,914
Stock in trade		221,636	199,389
Trade debts - Considered good		193,782	256,977
Loans and advances - Considered good		113,195	106,761
Trade deposits, prepayments and other receivable		119,667	102,290
Taxes recoverable		52,305	52,113
Cash and bank balances		19,224	16,105
		966,516	1,002,549
		2,614,084	2,696,206

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

Statement u/s 241(2) of Companies Ordinance, 1984

The Chief Executive of the company is presently out of the country, therefore these financial statements have been signed by two directors of the company duly authorised by the board of directors.


Director


Director



Profit and Loss Account

for the Quarter ended September 30, 2010 (Un-audited)

	September 30,2010	September 30,2009
	(Rupees in thousand)	
Sales - Net	264,552	240,328
Cost of sales	287,105	253,278
Gross Loss	(22,553)	(12,950)
Administrative and selling expenses	11,029	12,191
Operating Loss	(33,582)	(25,141)
Financial charges	33,178	39,152
Loss before taxation	(66,760)	(64,293)
Taxation:		
Current	1,323	1,202
Deferred	(1,166)	-
	157	1,202
Loss after taxation	(66,917)	(65,495)
Earning Per Share	(0.78)	(0.76)

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Director

m. m. Karacha
Director

Cash Flow Statement

for the Quarter ended September 30, 2010 (Un-audited)

	September 30,2010	September 30,2009
(Rupees in thousand)		
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(66,760)	(64,293)
Adjustments for non-cash charges and other items:		
Depreciation	40,891	30,952
Financial charges	33,178	39,189
Provision for gratuity	1,379	1,379
Operating profit / (loss) before working capital changes	8,688	7,227
Working capital changes (Increase)/Decrease in current assets		
Stores, spares and loose tools		
Stock in trade	22,207	(66)
Trade debts	(22,247)	34,491
Loans and advances	63,195	(266)
Trade deposits, prepayments and other receivable	(6,434)	(4,457)
Increase/(Decrease) in current liabilities	(17,377)	8,742
Trade and other payables	8,183	(23,894)
Cash generated from operations	56,215	21,777
Payments for:		
Financial charges	(27,252)	(16,781)
Taxes	(192)	(1,677)
Gratuity	(343)	(206)
Net cash inflow from operating activities	28,428	3,113
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(50)	(9,203)
Net cash outflow from investing activities	(50)	(9,203)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans repaid	(36,467)	--
Repayment of liability against assets subject to finance lease	(24,746)	(519)
Short term borrowings - Net	35,954	(1,046)
Net cash (outflow) from financing activities	(25,259)	(1,565)
Net (decrease) / increase in cash and cash equivalents	3,119	(7,655)
Cash and cash equivalents as at 1st July	16,105	34,484
Cash and cash equivalents as at 30th september	19,224	26,829

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Director



Director

Statement of Changes in Equity

for the Quarter ended September 30, 2010 (Un-audited)

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	(Rupees in thousand)		
Balance as on July 01, 2009	858,000	(1,014,111)	(156,111)
Total comprehensive income for the year			
Loss after taxation	--	(65,495)	(65,495)
Other comprehensive income:			
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	--	--	--
Total comprehensive income for the year	--	(65,495)	(65,495)
Transactions with owners, recognized directly in equity:	--	--	--
Balance as on September 30, 2009	858,000	(1,079,606)	(221,606)
Balance as on July 01, 2010	858,000	(1,613,780)	(755,780)
Total comprehensive income for the year			
Loss after taxation	--	(66,917)	(66,917)
Other comprehensive income:			
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	--	2,166	2,166
Total comprehensive income for the year	--	(64,751)	(64,751)
Transactions with owners, recognized directly in equity:	--	--	--
Balance as on September 30, 2010	858,000	(1,678,531)	(820,531)

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Statement u/s 241(2) of Companies Ordinance, 1984

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Director


Director



Notes to the Financial Statement

for the Quarter ended September 30, 2010 (Un-audited)

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a public limited company in 1980 under 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. BASIS OF PREPARATION

These financial statements are unaudited and have been prepared in accordance with the requirements of section 245 of the Companies Ordinance, 1984 and IAS 34 "Interim Financial Reporting".

3. SIGNIFICANT ACCOUNTING POLICIES

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, 2010.

4. CONTINGENCIES AND COMMITMENTS

There is no material change in Contingencies and Commitments during the period.

September 30,2010	June 30,2010
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(Rupees in thousand)

5. PROPERTY PLANT AND EQUIPMENT

Operating Asset at cost less accumulated depreciation	1,485,601	1,531,690
Capital work in progress - At cost	139,967	139,967
	<u>1,625,568</u>	<u>1,671,657</u>

September 30,2010	September 30,2009
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(Rupees in thousand)

6. TRANSACTION WITH RELATED PARTIES

Purchases	600	1,166
Short term loan received	15,000	22,642
Short term loan repaid	5,000	6,513
Markup charged on loan	7,663	4,275
Loan received from director	500	-
Loan paid to director	-	-

7. DATE OF AUTHORISATION FOR ISSUE

These financial statements are authorised for issue on November 08, 2010 in accordance with the resolution of the board of directors of Company

8. GENERAL

These financial statements are presented in rupees and figures have been rounded off to nearest thousand rupees.

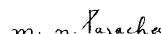
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Director



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