



**BALOCHISTAN  
GLASS LIMITED**



**CONDENSED INTERIM  
FINANCIAL STATEMENTS  
(UN-AUDITED)  
FOR THE PERIOD ENDED  
SEPTEMBER 30, 2022**

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# COMPANY INFORMATION



## BOARD OF DIRECTORS

Mr. Muhammad Tousif Paracha  
Mr. Mian Nazir Ahmed Paracha  
Mr. Faisal Aftab Ahmad  
Mrs. Tabassum Tousif Paracha  
Mr. Shaffi Uddin Paracha  
Mr. Muhammad Niaz Paracha  
Mr. Sana Ullah Khan Ghory

Chairman  
CEO



## AUDIT COMMITTEE

Mr. Faisal Aftab Ahmad  
Mr. Muhammad Tousif Paracha  
Mr. Muhammad Niaz Paracha

Chairman  
Member  
Member

## HR & REMUNERATION COMMITTEE

Mr. Sana Ullah Khan Ghory  
Mr. Muhammad Tousif Paracha  
Mr. Mian Nazir Ahmed Paracha

Chairman  
Member  
Member



## BANKERS

The Bank of Punjab  
Bank Al Falah Limited  
Al Baraka Bank (Pakistan) Limited  
Faysal Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
United Bank Limited  
BankIslami Pakistan Limited  
JS Bank Limited  
MCB Bank Limited



## 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.  
Tel: 042 37164071  
Web: [www.balochistanglass.com](http://www.balochistanglass.com)  
Email: [info@balochistanglass.com](mailto:info@balochistanglass.com)



## AUDITORS

PKF F.R.A.N.T.S.  
Chartered Accountants

## LEGAL ADVISOR

Masood Khan Ghory  
(Advocate & Legal Consultant)

## 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' REVIEW

The Directors of your company are pleased to present the Condensed Interim Financial Information of your company for the first quarter ended September 30, 2022.

## COMPANY PERFORMANCE

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

	Quarter Ended September 30,	
	2022	2021
	Rupees in thousands	
Sales - Net	90,272	336,493
Gross (Loss)	(54,425)	(30,679)
Operating (Loss)/ Profit	(63,712)	39,884
Depreciation for the period	32,741	48,839
(Loss) / Profit before Tax	(95,150)	21,045
(Loss) / Profit after Tax	(91,703)	18,209
Basic & diluted (Loss) / Earnings per share - Rs	(0.35)	0.07

Since last year, company was not generating desirable margins due to continuous high energy costs, stiff market competitions, high inventory levels and other teasing factors, management was forced to shut down the tableware glass production at Unit - III, as on May 27, 2022. Due to this temporary closure (at Unit - III Kot Abdul Malik), sales have been declined majorly and caused negative financial results as stated above.

However, the company still has enough stock in a saleable condition to meet consumer demands in the coming months and to minimize its operational liabilities. Further, the management is fully confident to overcome the prevailing situations in terms of resumption of sustainable production and to re-capture market share after the implementation of desirable strategic revisions. Furthermore, the company is also continuously honoring its financial liabilities towards financial intuitions.

The Company is continuously looking for different options to resume the production of tableware glass production at Unit - III. The management is intending to take major strategic decisions to make cost efficient operations before restarting its production of tableware glass at Unit - III by the end of second quarter of this financial year. Management is also planning to revise various company's policies including better marketing strategies, efficient production controls and effective human resource across the company. Management is also focusing to reconstitute its board of directors in upcoming BOD elections.

The operations at Unit - I & II are still suspended and management intends to replan the operational strategies at these Units subject to availability of funds. However, the management is fully committed to resolve all the operational related matters and revive these projects.

The Board of Directors appreciates the assistance and co-operation extended by our banks and financial institutions. The Board recognizes and values dedication and commitment demonstrated by all the employees of the Company as well as cooperation extended by our distributors, dealers, suppliers and other stakeholders of the company.

For and on behalf of Board of Directors



MIAN NAZIR AHMED PERACHA  
Chief Executive Officer



Muhammad Tousif Paracha  
Chairman / Director

Lahore : October 29, 2022

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT SEPTEMBER 30, 2022

	Note	Un-Audited September 30, 2022	Audited June 30, 2022
(Rupees in 000s)			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital		2,666,000	2,666,000
Issued, subscribed and paid-up share capital		2,616,000	2,616,000
Discount on shares		(514,800)	(514,800)
		2,101,200	2,101,200
<b>Capital reserve</b>			
Revaluation surplus on property, plant and equipment - net of deferred tax		1,054,534	1,057,577
<b>Revenue reserve</b>			
Accumulated loss		(6,083,375)	(5,994,715)
		(2,927,641)	(2,835,938)
Subordinated loans - unsecured	5	3,635,082	3,635,082
Director's loan - unsecured	6	313,235	313,235
		1,020,676	1,112,379
<b>NON-CURRENT LIABILITIES</b>			
Long term liabilities	7	81,741	82,167
Deferred liabilities	8	58,827	64,149
		140,568	146,316
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	766,525	832,425
Unclaimed dividend		164	164
Mark up accrued		137,266	109,880
Short term borrowings	10	853,181	852,179
Current maturity of long term loans		5,158	7,746
		1,762,294	1,802,394
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11		
<b>TOTAL EQUITY AND LIABILITIES</b>		2,923,538	3,061,089
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	2,455,394	2,488,135
Long term investment	13	-	-
		2,455,394	2,488,135
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		85,311	89,327
Stock in trade		190,291	282,075
Trade debts		9,470	11,848
Loans and advances		29,397	34,009
Trade deposits, prepayments and other receivable		4,893	4,893
Taxes recoverable		-	5,576
Cash and bank balances		9,368	5,812
		328,730	433,540
Non-current assets classified as held for sale	13	139,414	139,414
<b>TOTAL ASSETS</b>		2,923,538	3,061,089

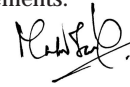
The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended September 30,	
	2022	2021
Note	(Rupees in 000s)	
Sales - net	90,272	336,493
Cost of sales	(144,697)	(367,172)
Gross (loss) / profit	(54,425)	(30,679)
Administrative and selling expenses	(9,287)	(20,308)
Other expenses	-	(1,606)
Other income	-	92,477
Operating (loss) / profit	(63,712)	39,884
Finance cost	(31,438)	(18,839)
(Loss) / profit before taxation	(95,150)	21,045
Taxation		
- Current	(1,128)	(4,206)
- Deferred	4,575	1,370
	3,447	(2,836)
(Loss) / profit after taxation	(91,703)	18,209
(Loss) / earnings per share - basic and diluted (Rs.)	(0.35)	0.07

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended September 30,	
	2022	2021
	(Rupees in 000s)	
(Loss) / profit after taxation	(91,703)	18,209
Other comprehensive income	-	-
Items that may be subsequently reclassified to statement of profit or loss:		
Revaluation surplus on property, plant and equipment	-	-
Related deferred tax	-	-
	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(91,703)</b>	<b>18,209</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2022

	Issued, subscribed and paid-up share capital	Discount on shares	Revaluation surplus on property, plant and equipment	Accumulated Loss	Total Equity
(Rupees in 000s)					
Balance as on June 30, 2021 (audited)	2,616,000	(514,800)	1,070,997	(5,738,693)	(2,566,496)
Incremental depreciation arising due to revaluation surplus on property, plant and equipment (net of deferred tax)	-	-	(3,355)	3,355	-
Total comprehensive income for the period					
Profit after taxation for the period	-	-	-	18,209	18,209
Other comprehensive income for the period -net	-	-	-	-	-
	-	-	(3,355)	21,564	18,209
Balance as on September 30, 2021 (Un-audited)	2,616,000	(514,800)	1,067,642	(5,717,129)	(2,548,287)
Balance as on June 30, 2022 (audited)	2,616,000	(514,800)	1,057,577	(5,994,715)	(2,835,938)
Incremental depreciation arising due to revaluation surplus on property, plant and equipment (net of deferred tax)	-	-	(3,043)	3,043	-
Total comprehensive loss for the period					
Loss after taxation for the period	-	-	-	(91,703)	(91,703)
Other comprehensive loss for the period -net	-	-	-	-	-
	-	-	(3,043)	(88,660)	(91,703)
<b>Balance as on September 30, 2022 (Un-audited)</b>	<b>2,616,000</b>	<b>(514,800)</b>	<b>1,054,534</b>	<b>(6,083,375)</b>	<b>(2,927,641)</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR



## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2022

	Note	Quarter Ended September 30,	
		2022	2021
		(Rupees in 000s)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
(Loss) / Profit before taxation		(95,150)	21,045
<b>Adjustments for non-cash charges and other items:</b>			
Depreciation for the period	12	32,741	48,839
Reversal of accrued markups on settlement with bank & associates		-	(91,789)
Gain on disposal of operating fixed assets		-	(688)
Finance cost		31,438	18,839
Workers' profit participation fund		-	1,130
Workers' welfare fund		-	429
<b>Operating profit / (loss) before working capital changes</b>		<b>(30,971)</b>	<b>(2,195)</b>
<b>Working capital changes</b>			
(Increase) / Decrease in current assets			
Stores, spare parts and loose tools		4,016	(10,697)
Stock in trade		91,784	(71,853)
Trade debts		2,378	7,533
Loans and advances		4,612	(9,487)
Trade deposits, prepayments and other receivables		-	34
Increase / (Decrease) in current liabilities			
Trade and other payables		(59,825)	32,681
		42,965	(51,789)
<b>Cash generated from / (used in) operations</b>		<b>11,994</b>	<b>(53,984)</b>
<b>Payments for:</b>			
Finance cost		(4,052)	(2,590)
Taxes		(1,086)	(3,527)
Staff retirement benefits		(1,714)	(449)
<b>Net cash (outflow) / inflow from operating activities</b>	A	<b>5,142</b>	<b>(60,550)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure paid		-	(26,179)
Proceeds from disposal of operating fixed assets		-	700
<b>Net cash outflow from investing activities</b>	B	<b>-</b>	<b>(25,479)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Director's loan - net		-	51,962
Long term liabilities - net		(2,588)	(10,698)
Short term borrowings - net		1,002	23,741
<b>Net cash inflow/ (outflow) from financing activities</b>	C	<b>(1,586)</b>	<b>65,005</b>
<b>Net decrease in cash and cash equivalents</b>	A+B+C	<b>3,556</b>	<b>(21,024)</b>
Cash and cash equivalents at beginning of the period		5,812	47,382
<b>Cash and cash equivalents at end of the period</b>		<b>9,368</b>	<b>26,358</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2022

### 1 STATUS AND NATURE OF BUSINESS

Balochistan Glass Limited (the Company) was incorporated in Pakistan as a public limited company in 1980 under the repealed Companies Act, 1913 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange. The Company is engaged in manufacturing and sale of glass containers, glass tableware, pharmaceutical glass bottles and plastic shells. Following are the business units of the Company, along with their respective geographical locations:

- Registered office and Unit-I: Plot no. 8, Block M, Hub Industrial Trading Estate, Lasbella - Hub
- Head office and Unit-III: 12-Km Lahore, Sheikhpura Road, Kot Abdul Malik, Sheikhpura
- Unit-II: 29 – Km Lahore, Sheikhpura Road, Sheikhpura

### 2 STATEMENT OF COMPLIANCE

"These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issues under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements are being presented and submitted to the shareholders as required by the Listing Regulations of the Pakistan Stock Exchange and section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information required for the complete set of financial statements and should be read in conjunction with the annual audited financial statements for the year ended June 30, 2022. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

### 3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of financial statements of the company for the year ended June 30, 2022.

#### 3.1 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

##### (a) New standards, amendments and interpretation to published approved accounting and reporting standards which became effective during the period ended September 31, 2022

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on July 01, 2022. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.

##### (b) New standards and amendments to published approved accounting and reporting standards that are not yet effective

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the company's accounting periods beginning on or after July 1, 2022 and have not been early adopted by the Company. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

#### 4 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

Significant accounting estimates and judgments made by management in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2022.

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2022.

	Note	Un-Audited September 30, 2022	Audited June 30, 2022
(Rupees in thousands)			
<b>5 SUBORDINATED LOANS - Unsecured</b>			
Subordinated loans from directors and their associate		482,080	482,080
Subordinated loans	5.1	3,153,002	3,153,002
		<u>3,635,082</u>	<u>3,635,082</u>
<b>5.1 Subordinated loans</b>			
- Muhammad Tousif Paracha - Director			
- Long term loan	5.2	1,793,045	1,793,045
- Deferred mark-up	5.3	1,024,821	1,024,821
		2,817,866	2,817,866
- Shaffi Uddin Paracha - Director			
- Long term loan	5.2	97,399	97,399
- Mian Nazir Ahmed Paracha - Director / CEO			
- Long term loan	5.2	100,001	100,001
- Other associate			
- Long term loan	5.2	104,670	104,670
- Deferred mark-up	5.3	33,066	33,066
		137,736	137,736
	5.4	<u>3,153,002</u>	<u>3,153,002</u>
<b>5.2</b>			
These represent the long term loans provided by the directors / director's associate which were previously classified as long term loans under the mark up arrangement. Pursuant to the arrangements between the Company and the directors and their associate, these have become interest free and payable at the discretion of the Company. Therefore, these loans are not measured at amortized cost as per requirements of applicable financial reporting standards, rather these are treated as equity in accordance with the Technical Release -32 ("Accounting Directors' Loan") issued by the Institute of Chartered Accountants of Pakistan (ICAP).			
<b>5.3</b>			
These represent the amount of mark up charged, on long term loans from directors and their associate, which was previously classified as deferred mark up. Pursuant to the arrangement between the Company and the directors and their associate, no mark up is to be charged on these balances and outstanding balances of overdue mark up have become payable at the discretion of the Company and therefore treated as equity in accordance with the Technical Release -32 issued by the ICAP.			
<b>5.4</b>			
Subordination of such loans have been made vide Debt Subordination Agreement with Bank of Punjab (note: 10.1)			
<b>6 DIRECTOR'S LOAN - Unsecured</b>			
Muhammad Tousif Paracha			
Long term loan from the Director	6.1	<u>313,235</u>	<u>313,235</u>

- 6.1 The Company has obtained loan from Mr. Muhammad Tousif Paracha (Director) to meet its capital and operational requirements. The loan is interest free and payable at the discretion of the Company, accordingly, the said loan is not measured at amortized cost as per requirements of applicable financial reporting standards, rather treated as equity in accordance with the Technical Release -32 ("Accounting Directors' Loan") issued by the ICAP.

	Note	Un-Audited September 30, 2022	Audited June 30, 2022
(Rupees in thousands)			
<b>7 LONG TERM LIABILITIES</b>			
Long term loans - secured			
Banks and financial institutions		5,158	7,746
Less: Current portion presented under current liabilities		(5,158)	(7,746)
		-	-
Gas Infrastructure Development Cess (GIDC)			
GIDC payable		298,925	299,351
Current portion shown under trade and other payables	9	(217,184)	(217,184)
		81,741	82,167
		81,741	82,167
<b>8 DEFERRED LIABILITIES</b>			
Deferred taxation-net	8.1	55,907	60,482
Employees' retirement benefits - gratuity		2,920	3,667
		58,827	64,149

- 8.1 Deferred tax asset arising on deductible temporary differences amounting to Rs. 662.318 million (June 30, 2022: Rs. 709.066 million) has not been recognized as the future taxable profits may not be available against which the tax losses will be adjusted.

**9 TRADE AND OTHER PAYABLES**

Trade creditors		310,201	348,384
Accrued expenses	9.1	105,597	132,765
Advances from customers		56,040	64,882
Employees' provident fund		1,814	2,475
Sales tax payable		37,829	32,564
Income taxes payable		22,008	18,312
Current and overdue portion of GIDC payable	7	217,184	217,184
Others		14,714	14,721
Workers' profit participation fund		198	198
Workers' welfare fund		940	940
		766,525	832,425

- 9.1 This includes Rs. 21.780 million (June 30, 2022: Rs. 21.780 million) against the rent payable to the Director.

	Note	Un-Audited September 30, 2022	Audited June 30, 2022
(Rupees in thousands)			
<b>10 SHORT TERM BORROWINGS</b>			
From Bank - Bank of Punjab (secured): Short term running finance	10.1	73,550	89,900
From related parties (unsecured): Associated company	10.2	587,366	587,366
Directors	10.3	192,265	174,468
		779,631	761,834
Temporary bank overdraft		-	445
		<u>853,181</u>	<u>852,179</u>

**10.1** This represents running finance facility limit of Rs. 75.000 million (June 30, 2022: Rs. 90.000 million) with accepted condition of reduction of exposure by Rs. 5.000 million (June 30, 2022: 5.000 million) every month during the currency of limit from Bank of Punjab (BOP) availed by the company to meet the working capital requirements. The facility is secured against ranking charge of Rs. 833.334 million (June 30, 2022: 833.334 million) over present and future fixed assets, ranking charge of Rs. 334.000 million (June 30, 2022: 334.000 million) over current assets, pledge of 58.000 million (June 30, 2022: 58.000 million) shares of Gharibwal Cement Limited in the name of Directors and personal guarantee of Director and subordination of loans as stated in note 5.4.

**10.2** This represents unsecured loan / short term advance facility of Rs. 600.000 million (June 30, 2022: Rs. 600.000 million) obtained from the associated company, Gharibwal Cement Limited (GCL), to meet the working capital requirements of the Company and carries mark up at 3 months KIBOR + 3.5% p.a. At period end, markup payable to GCL amounted to Rs. 133.337 million (June 30, 2022: Rs. 106.012 million) which has been disclosed under markup accrued.

**10.3** This represents interest free short term loan obtained from directors of the Company to meet the working capital requirements of the Company and is payable on demand.

## 11 CONTINGENCIES AND COMMITMENTS

### 11.1 Contingencies

There is no material change in the status of contingencies as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2022.

### 11.2 Commitments

There is no commitment at the period end (June 30, 2022; Nil).

## 12 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets - owned	12.1	2,430,349	2,463,090
Capital work in progress	12.2	25,045	25,045
		<u>2,455,394</u>	<u>2,488,135</u>

	Note	Un-Audited September 30, 2022	Audited June 30, 2022
(Rupees in thousands)			
<b>12.1 Operating fixed assets</b>			
Opening book value		2,463,090	2,559,344
Add: Additions / capitalization during the period / year - at cost			
Plant and machinery		-	27,444
Moulds		-	33,077
		-	60,521
Less: Disposals during the period / year - at book value (Vehicle)		-	(65)
Less: Depreciation charged during the period / year		(32,741)	(156,710)
Closing book value		2,430,349	2,463,090
<b>12.2 Capital work in progress</b>			
At period end, capital work-in-progress comprises of plant and machinery. Following is the movement in capital work-in-progress during the period/year:			
Opening balance		25,045	25,045
Closing balance	13.2.1	25,045	25,045
<b>12.3.1</b> This represents glass tempering machine purchased in previous years, however, due to change in business strategies, the same could not be installed / made available for intended use till period-end. The management expects its recoverable amount higher than its carrying value and therefore no impairment is required at period-end.			
<b>14 LONG TERM INVESTMENT</b>			
Equity accounted for investment - Paidar Hong Glass (Pvt.) Limited (PHGPL) Equity interest held: 49.99% (June 30, 2022: 49.99%)			
12,563,136 (June 30, 2022: 12,563,136) fully paid ordinary shares of Rs. 10 each - cost		125,631	125,631
Company's share of profit in PHGPL - brought forward		13,783	11,453
Share of profit for the period / year		-	2,330
		13,783	13,783
Less: Long term investment classified as held for sale	13.1	139,414 (139,414)	139,414 (139,414)
		-	-

13.1 The Company (hereinafter BGL) owned 49.99% shares in Paidar Hong Glass (Private) Limited (hereinafter PHGPL (an associated company and a joint venture between the BGL and Chinese investors) and have joint control with the Chinese investors. The joint venture has its registered office at 12 km Sheikhpura Road, Lahore. The PHGPL was formed with the objective to engage in the business of manufacturing of USP Type-I Borosilicate glass tubes, vials and ampules. During the financial year 2018, some of the machinery items for manufacturing of above mentioned products were imported. However, the machinery could have not been installed because of non-execution of contractual responsibility by Chinese investor with respect to establishing, running and functioning of project.

As a result of the management endeavors to resolve the issue, subsequent to the year end, the Board of Directors at its meeting held on September 30, 2022, has principally agreed and approved the divestment of entire shareholding in the aforementioned associated company at its current book value to Mr. M. Tousif Paracha (Director) to settle his current account balance provided to support financial / working capital requirements of the entity subject to execution of share purchase agreement and obtaining of requisite approvals. The Director has also expressed his willingness in the aforementioned transaction.

#### 14 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors and their associates, employees post employment benefit plans and key management personnel. Significant related party transactions made during the period are as follows:

Note	Un-Audited September 30, 2022	Un-Audited September 30, 2021
	(Rupees in thousands)	
<b>Associated Companies</b>		
Gharibwal Cement Limited (Common directorship)		
Purchases	-	252
Markup charged on short term loan	27,326	16,089
Shahpur Commerce (Pvt.) Limited (Common directorship)		
Purchases	-	2,259
<b>Directors</b>		
Short term loan received - net		
Mr. Tousif Paracha (Director)	17,797	27,262
Mian Nazir Ahmed Paracha (Director / CEO)	-	13,500
Shaffi Uddin Paracha (Director)	-	11,200
<b>Employees retirement benefit plan:</b>		
BGL Officers' Provident fund		
Contributions by the Company	153	397

#### 15 INFORMATION ABOUT BUSINESS SEGMENTS

15.1 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. However, the plastic shells segment has not been operative since 2016, therefore, the above figures present only one reportable segment of the Company i.e. glass containers segment.

#### 15.2 GEOGRAPHICAL INFORMATION

Local sales - net	90,272	336,493
Export sales	-	-
	<u>90,272</u>	<u>336,493</u>

## 16 FAIR VALUE ESTIMATION

The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements are a reasonable approximation of their fair values. During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. There was no transfer amongst the levels of fair value hierarchy and any changes in valuation techniques during the period.

The management estimates regarding fair values of financial instruments are same as disclosed in annual audited financial statements of the Company for the year ended June 30, 2022.

## 17 IMPACT OF COVID - 19

In light of ongoing COVID-19 pandemic, the Company has reviewed its exposure to business risks and has not identified any significant impact on its businesses, results of operations and carrying amount of assets and liabilities as at period end.

## 18 GENERAL

- 18.1 These condensed interim financial statements are presented in Pakistani Rupees and figures have been rounded off to the nearest thousand Pakistani Rupee, unless otherwise stated.
- 18.2 Comparative figures have been rearranged and reclassified wherever required to facilitate better comparison while no major reclassification has been made in corresponding figures.
- 18.3 These condensed interim financial statements are authorized for issue on October 29, 2022 in accordance with the resolution of the Board of Directors of the Company.



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