

2016

ANNUAL REPORT



BALOCHISTAN GLASS LIMITED

An ISO 9001:2008 Certified Company

• Corporate Information	01
• Vision & Mission Statement	02
• Notice of Annual General Meeting	03
• Directors' Report To The Members	07
• Code of Conduct	14
• Summary of Last Six Year's Financial Results	17
• Statement Of Compliance With The Best Practices Of Code Of Corporate Governance	18
• Review Report To The Members on The Statement of Compliance With The Best Practices of Corporate Governance	20
• Auditors' Report to the Members	21
• Balance Sheet	22
• Profit and Loss Account	23
• Statement of Comprehensive Income	24
• Cash Flow Statement	25
• Statement of Changes In Equity	26
• Notes to the Financial Statements	27-50
• Pattern of Shareholding	51
• From of Proxy	54



BOARD OF DIRECTORS

Mr. Muhammad Tousif Paracha	CEO
Mr. Tariq Siddiq Paracha	
Mr. Mustafa Tousif Ahmed Paracha	Chairman
Mr. Jawaid Aziz Paracha	
Mr. Mian Nazir Ahmed Paracha	
Mr. Nasir Malik	
Mr. Shamim Anwar	

COMPANY SECRETARY

Mr. Sheikh Arif Moin-ul-Haq

AUDIT COMMITTEE

Mr. Mian Nazir Ahmed Paracha	Chairman
Mr. Mustafa Tousif Ahmed Paracha	Member
Mr. Jawaid Aziz Paracha	Member
Mr. Shamim Anwar	Member

HR & REMUNIRATION COMMITTEE

Mr. Mustafa Tousif Ahmed Paracha	Chairman
Mr. Jawaid Aziz paracha	Member
Mr. Tariq Siddiq Paracha	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
Summit Bank Limited
MCB Bank Limited

AUDITORS

PKF F.R.A.N.T.S.
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.
Tel : 0853 - 363657

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. 4, 3rd Floor,
Block 09, Clifton, Karachi.
Ph. No. 021-35377977-80

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.

VISION STATEMENT

To attain and maintain second to none status in Quality, Customers' Satisfaction, Cost Effectiveness and Market Leadership

Mission Statement

To Establish, Maintain and continuously improve the management system by:

- Developing and maintaining the Lean organization structure
- Monitoring and reducing the cost without compromising the quality
- Establishing, maintaining and continuous improvement of process efficiency and effectiveness
- Developing a culture of process ownership

Notice of Annual General Meeting



Notice is hereby given that 36th Annual General Meeting of Balochistan Glass Limited will be held on October 31, 2016 at 12:00 p.m at Plot # M-8, H.I.T.E. Hub, Hub Industrial Estate Lasbela, Balochistan to transact the following businesses:

Ordinary Business

1. To confirm the minutes of last Annual General Meeting held on October 31, 2015.
2. To receive, consider and adopt the audited financial statements of the company for the year ended June 30, 2016 together with Auditor's and Director's report thereon
3. To appoint Auditors of the Company for the year ending June 30, 2017 and to fix their remuneration.
4. Special Business:

(4 a) Investment in Associated Undertaking

To consider and if deemed fit, to pass the following resolution as special resolution under Section 208 of the Companies Ordinance, 1984, with or without modification, addition(s) or deletion(s):

RESOLVED that pursuant to the requirements of Section 208 of the Companies Ordinance, 1984, Balochistan Glass Limited ("the Company") be and is hereby authorized to make long term equity investment upto Rs. 150 million (Rupees one hundred and fifty million) within a period of 12-months from the date of passing of this special resolution by way of acquisition/allotment upto 15 million (fifteen million) ordinary shares of Paidar Hong Glass (Pvt) Limited at par value. Further resolved that Balochistan Glass Limited (BGL) will initially inject this amount as share deposit money and shares to be issued within 90-days of payment of share deposit money and no markup will be charged for this period, however, in case of delay a markup @ 1% above the average borrowing cost of company will be charged.

RESOLVED that pursuant to the requirements of Section 208 of the Companies Ordinance, 1984, Balochistan Glass Limited ("the Company") be and is hereby authorized to lease out a surplus portion of land (up to 20-Kanals only) for a period not exceeding 15-years to Paidar Hong Glass (Pvt) Limited, on mutually agreed terms including monthly/quarterly lease rentals amounts.

FURTHER RESOLVED that Chief Executive Officer and/or Company Secretary of the Company, singly any one, be and are hereby authorized to take all steps and actions necessary, incidental and ancillary for the acquisition/allotment of shares of Paidar Hong Glass (Pvt.) Limited including execution of any and all documents and lease agreements as may be required in this regard and to do all acts, matters, deeds and things as may be necessary or expedient for the purpose of giving effect to the spirit and intent of this special resolution.

FURTHER RESOLVED that Chief Executive Officer and/or Company Secretary, singly any one, of the Company be and are hereby authorized to dispose-off through any mode, a part or all of equity investments made by the Company from time to time as and when deemed appropriate and necessary in the best interest of the Company and its shareholders.

(4 b) Transmission of Annual Report to the members

RESOLVED that consent to shareholders be obtained in annual general meeting for transmission of the annual audited accounts through CD/DVD/USB instead of transmitting the said accounts in hard copies. However, if any member opt for hard copy, Company shall provide all future accounts in hard copy to him.

Notice of Annual General Meeting



5. Other Business: To transact any other business with the permission of chairman.

By Order of the Board

Date: October 05, 2016

Place: Lahore.

Sheikh Arif Moin-ul-Haq
Company Secretary

Notes:

1. The share transfer books will remain closed from October 24, 2016 to October 31, 2016 both days inclusive. Transfer received by the share registrar of the company Corplink Pvt Ltd, 1-k commercial, Model Town, Lahore upto October 23, 2016 will be considered in time for the purpose of attendance at AGM.
2. A member entitled to attend and vote at the AGM may appoint another member as his/her proxy to attend, speak and vote instead of him/her. Forms of proxy to be valid must be properly filled in /executed and received at the registered office of the company not later than 48 hours before the time of the meeting.
3. Shareholders whose shares are deposited with Central Depository Company are requested to bring their CNIC along with their CDC Account Number for verification. In case of corporate entity, the Board of Directors resolution / power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
4. For attending the meeting and appointing proxies CDC account holders will further have to follow the guidelines as laid down in circular 01 dated January 26, 2000 issued by the SECP.
5. Members are requested to notify the share registrar of the company promptly of any change in their addresses and also provide copy of their CNIC for updating record.
6. The financial statements of the company for the year ended June 30, 2016 have been placed on the website of the company www.balochistanglass.com

Notice of Annual General Meeting



STATEMENT UNDER SECTION 160 (1) (B) OF THE COMPANIES ORDINANCE, 1984;
This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on October 31, 2016.

Investment In Associated Undertaking (Section 208 Of Companies Ordinance, 1984)

“Paidar Hong Glass (Pvt) Limited (PHGL)” is a joint venture project with a Chinese Company in which Balochistan Glass Limited will own and control up to 50% shares. PHGL has been incorporated in September 2016 and has started work on the project and it is expected to start production by April 2017. Project is proposed to be located at Lahore Sheikhpura road adjacent to Balochisan Glass Limited.

"Paidar Hong Glass (Pvt) Limited (PHGL)" had also signed contract for import of complete manufacturing facility of high-quality USP Type-1 neutral glass tubing, vial and ampoule in Pakistan using advanced technology and equipment. USP Type-1 neutral glass tubing has excellent chemical resistance and great mechanical strength. PHGL will produce high-quality Borosilicate USP Type -I (flint & amber glass) tubing under the supervision of highly-skilled Chinese glass technologists & engineers to cater the demand of pharmaceutical companies. Furthermore, it is proposed that BGL be allowed to lease out a surplus portion of land (up to 20-Kanals only) for a period not exceeding 15-years to Paidar Hong Glass (Pvt) Limited, on mutually agreed terms including monthly/quarterly lease rentals amounts.

Balochistan Glass Limited expects dividends, capital gains and lease rental income from this equity investment which will eventually enhance the return on investment of the shareholders of the company.

The directors have carried out their due diligence for the proposed investment and the duly signed due diligence report shall be available for inspection of members in the general meeting.

Ref. No.	Requirement	Information
1	Name of associated company	Paidar Hong Glass (Pvt) Limited
2	Criteria of associated relationship	Proposed investment in shareholding upto 50% of issued capital of Paidar Hong Glass (Pvt) Limited
3	Purpose	To enter in the growing market of Borosilicate Glass (USP Type-I) for manufacturing of glass tubing, vials and ampules (Flint & Amber) for Pharmaceutical companie through equity investment. Presently, BGL is not involved in manufacturing of this type of Glass
4	Benefits	To earn return on equity through dividend income & capital gain from investment in associated company
5	Period of investment	Strategic long term investment
6	Maximum amount of investment	Up to Rs. 150 million (Rupees one hundred and fifty million)
7	Maximum price/share	Rs. 10/- per share (at par)
8	Maximum number of shares to be acquired	Up to fifteen million shares
9	Shareholding before investment	Nil
10	Shareholding after investment	It will be up to fifty percent (50%)
11	Shareholding after investment in listed associated company	Not applicable as the associated company is unlisted and private company.

Notice of Annual General Meeting



12	Fair market value of shares	NA (not applicable) Paidar Hong Glass (Pvt) Limited has yet to start its operations and BGL will invest funds to get share in the initial equity to be raised for execution of project, so, its breakup value, EPS etc. are not applicable because it's a new business venture.
13	Break-up value of shares	N A
14	Earnings per share for the last three years	N A
15	Sources of fund from which shares will be acquired	Internal sources or Loan from directors as and when required
16	Requirements if shares are intended to be acquired using borrowed funds (Pledge of assets, guarantees etc.)	No special requirements i.e. no pledge of assets or guarantees etc. as company is not borrowing any funds from banks or financial institutions for this investment
17	Salient features of agreement(s) entered into with the associated company	No special agreement is reached – terms of loan, if any, will be same as of prevailing terms to sponsor loan i.e. principal and mark up payable at Liquidity ease of company. Presently, company is accruing markup @ 10% p.a. and it is payable at liquidity ease of company. Furthermore, broad terms of lease agreement has already explained in resolution.
18	Direct/Indirect interest of directors in the associated company	Directors are interested up to the extent of their shareholding in the company. Mr. Muhammad Tousif Peracha (CEO of BGL) own one (1) share of Paidar Hong Glass (Pvt) Limited and acting as Director on BOD of Paidar Hong Glass (Pvt) Limited.
19	Any other important detail	BGL will own or control up to 50% equity whereas other will be owned & controlled by Chinese Investor/partner. Board has proposed that Mr. Muhammad Tousif Peracha will represent on the Board of Paidar Hong Glass (Pvt) Limited as Director on behalf of BGL. He already own one (1) share of Paidar Hong Glass (Pvt) Limited to qualify as director on board
20	(Project means "Paidar Hong Glass (pvt) Ltd.")	Manufacturing of specialty Glass tubes, vials and Ampules for use of pharmaceutical companies
21	Starting date of work	Work on project has been started from September 2016 after incorporation of company
22	Completion of work of Project	March 2017
23	Commercial operations date	April 2017
24	Expected time by which the project shall start paying return on investment	From FY 2017-18 and onwards

Transmission of Annual Report to the members

As per SRO 470(I)/2016, it is proposed to obtain consent to shareholders in annual general meeting for transmission of the annual audited accounts through CD/DVD/USB instead of transmitting the said accounts in hard copies. However, if any member opt for hard copy, Company shall provide all future accounts in hard copy to him, furthermore, to facilitate the shareholders, company will also place on its website a standard request form in this regard.

The Directors of your company are pleased to present the Annual Report along with the Audited Financial Statements of your company for the year ended June 30, 2016.

COMPANY PERFORMANCE

Analysis of key operating results for the current year in comparison with the previous year is given below
(Rupees in thousands)

	2016	2015
Sales - Net	1,494,503	1,605,793
Gross (Loss)	(280,015)	(141,874)
Operating (Loss)	(322,289)	(209,165)
Depreciation for the year	132,482	(131,159)
(Loss) before Tax	(528,081)	(461,597)
(Loss) after Tax	(524,329)	(459,487)
Basic and diluted (Loss) per share (Rs.)	(3.06)	(2.68)

During the current financial year, the Company has achieved better production in glass products by increase of 20% as compared to previous year, which shows better utilization of capacity and enhanced the stock level to cater the market demand. Because of revision in prices of tableware products to remain competitive in the market, net sales revenue of the Company has slightly dropped down by 6.9% as compared to previous year.

Closure of Unit III and partial closure of Unit -I during the year have also contributed operational losses that resulted negative figures in the financial statements. Unavailability of smooth gas was also remained a big challenge for the Company to continue its productions during the year. Management was in continuous negotiations with government departments for provision of required gas supply, due to which Company remained successful to operate its Unit II, comprising almost half of the total production capacity of the Company, since last quarter of previous financial year. Unit II is now fully operational and achieving planned production related targets.

Unit I also restarted its operations in December 2015 after the completion of reconstruction/ refurbishment of its furnace, but it was closed in the last month of the financial year with a strategy to relocate its certain production facilities to Unit III for better management of production, reduction in fixed cost and improve the cost efficiency along with the modernization of its existing production facilities.

Unit-III was closed during the first quarter of the financial year, due to refurbishing/rehabilitation of its furnaces. Once such rehabilitation and modernization is completed, it will fetch improved results in future for the Company.

FUTURE OUTLOOK

The management has decided to re-operate its Unit -III situated at Kot Abdul Malik with maximum capacity to produce Pharma glass products, for which necessary equipments, installation of capital items, refurbishment of furnace have been completed in subsequent period. Unit shall be fully operative in the second quarter of next financial year.

Furthermore as the Company has introduced new brands in tableware market; response of the relevant market was remained highly demanding so far. Our Marimax & Pearl brands have also performed remarkably well in past few years.

Since the company had worked to enhance its tableware manufacturing capacity in order to meet the growing demand of local and export market, therefore, we are highly confident that these decisions shall support the company to compete in the long-run.

COMMENTS ON AUDITORS OBSERVATIONS /QUALIFICATION

Going Concern Assumption

Auditors' has raised their observation about going concern of company. In assessing the going concern status of the Company, management has carefully assessed a number of factors covering the operational performance of the business, the ability to implement a significant debt restructuring of the Company's existing debts and the appetite of directors & associates to continue financial support. Based on the analysis of these, and key management efforts and decisions as mentioned above, management is comfortable that the Company will be able to continue as a going concern in the foreseeable future.

Based on analysis of theses, key management decisions as mentioned in 'future outlook' and below mentioned factors, management is comfortable that the Company will be able to continue as a going concern in the foreseeable future.

- Establishing projects of Pharma glass products.
- Continuous increase in revenue of its tableware products since few years.
- Continued financial support of its sponsors and associates.
- Improvement in production and increase in capacity utilization.
- All operational units of the company are meeting their operational liabilities.
- Settlement of major loan facilities with financial institutions.
- Restructuring with other major lenders of the company.
- Availability of working capital finance from market.
- Future prospects of industry, better selling prices and company presence in local and export market.

We feel that by considering all the above factors, performance of glass industry, present and future demand of glass products in local & export market and continued support and commitment of directors & associates, management of the company is fully justified to prepare the financial statements by using going concern assumption.

Corporate and Financial Reporting Framework

In compliance with the Code of Corporate Governance, we give below statements on Corporate and Financial Reporting Framework:

- i. The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- ii. Proper books of accounts of the Company have been maintained.
- iii. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- iv. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.
- v. The system of internal control is sound in design and has been effectively implemented and monitored.
- vi. Management feels that there is no significant doubt on the Company's ability to continue as going concern. We had already provided our reply on Auditors' Observation in this report and mitigating factors are also disclosed in detail.
- vii. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations. Company has also constituted Audit Committee and HR

- viii. The detail of trading in shares of the Company, if any, carried out by the directors, CEO, CFO, and Company Secretary and their spouses and minor children is provided in pattern of shareholding annexed with this report.
- ix. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relate and the date of Directors' report.
- x. Key operating and financial data for last six years is annexed.
- xi. The pattern of shareholding is also annexed.
- xii. The Company has fulfilled its major statutory and financial obligations, except as disclosed in the Financial Statements in detail (refer note 9, 14, & 15) due to liquidity issues.
- xiii. No dividend or bonus shares are declared because of loss during the year.
- xiv. Company has arranged in house training programs for its directors; however, most of directors meet criteria as laid down in code of corporate governance regarding directors' training.
- xv. The Statement of compliance with the best practices of Code of Corporate Governance is annexed with this report.

BOARD & AUDIT COMMITTEE MEETINGS

Attendances by each director at the Board of Directors (BoD), Board Audit Committee (BAC) and HR&R Committee (HR&R) meetings are as under:

	Re-appointed on	Meetings attended		
		BOD	BAC	HR&R
Number of meetings held		4	4	2
1. Mr. Muhammad Tousif Paracha	27-01-14	4	-	-
2. Mr. Tariq Siddiq Paracha	27-01-14	3	-	2
3. Mr. Nazir Ahmad Paracha	27-01-14	4	4	-
4. Mr. Muhammad Mustafa Tousif Paracha	27-01-14	3	3	2
5. Mr. Jawaid Aziz Paracha	27-01-14	2	2	1
6. Mr. Muhammad Nasir Malik	27-01-14	3	-	-
7. Mr. Shamim Anwer	27-01-14	4	2	-

Auditors

The auditors of the company M/s PKF F.R.A.N.T.S. Chartered Accountants retire and are eligible for re-appointment for the next year. Audit Committee has recommended the re-appointment of M/s PKF F.R.A.N.T.S. Chartered Accountants, as auditors of the Company for the forthcoming year.

Acknowledgment

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

For on the behalf of Board of Directors'

Lahore: October 05, 2016

یونٹ-III فرنس کی تزئین نو/بحالی کے پیش نظر، رواں مالی سال کی پہلی سہ ماہی کے دوران بند کر دیا گیا۔ مستقبل قیاب میں از سر نو بحالی کے بعد کمپنی کے لئے مستقبل میں بہتر نتائج لانے گا۔

مستقبل کے تناظر میں

مینجمنٹ نے کوٹ عبدالملک میں واقع یونٹ -III کو فارما - گلاس کی مصنوعات پیدا کرنے کے لئے زیادہ سے زیادہ صلاحیت کے ساتھ دوبارہ شروع کرنے کا فیصلہ کیا ہے، جس کے لئے ضروری سازوسامان، مالیاتی اشیاء کی تنصیب اور فرنس کی تزئین نو حالیہ عرصے میں مکمل ہو چکے ہیں۔ یونٹ آئندہ مالی سال کی دوسری سہ ماہی میں مکمل طور پر آپریٹو ہو گا۔

مزید برآں کمپنی کٹلری مارکیٹ میں نئے برانڈز متعارف کروا چکی ہے کے نتیجتاً متعلقہ مارکیٹ کا رسپانس اب تک انتہائی مطالبہ انگیز/ شاندار رہا۔ ہمارا "میری میکس" اور "پرل" برانڈز بھی گزشتہ چند سال سے اچھی کارکردگی کا مظاہرہ کر رہی ہیں۔

چونکہ کمپنی نے مقامی اور برآمدی منڈی کی بڑھتی ہوئی مانگ کو پورا کرنے کے لئے (Tableware) کی پیداواری صلاحیت کو بڑھانے کا اعادہ کیا تھا، اس وجہ سے، ہم انتہائی پُراعتماد ہیں کہ ان فیصلوں کی بدولت کمپنی طویل المدتی کامیابی حاصل کرے گی۔

آڈیٹرز کے مشاہدات / اہلیت پر تبصرے

موجودہ پُرتشویش مفروضہ جات

آڈیٹرز نے کمپنی کے بارے میں کی تشویش ظاہر کی ہے۔ کمپنی کی تشویشی حیثیت کا تعین کرنے میں، کے مینجمنٹ نے محتاط طریقے سے کاروبار کی آپریشنل کارکردگی پر اثر انداز ہونے والے عوامل کا اندازہ لگایا ہے، کمپنی کے موجودہ قرض کی ریستروکچرنگ اور ڈائریکٹرز اور ان کے ساتھیوں کی مالی امداد جاری رکھنے کی صلاحیت کا بھی اندازہ لگایا ہے۔ اس تجزیے، اور اہم انتظامی کوششوں اور فیصلوں، جیسا کہ اوپر بیان کیا گیا ہے، کی بنیاد پر، مینجمنٹ مستقبل میں کمپنی جاری رکھنے کے قابل ہو جائے گی۔

اس تجزیے، اہم انتظامی فیصلے اور ذیل میں مذکور عوامل میں کی بنیاد پر مینجمنٹ مطمئن ہے کہ مستقبل میں کام جاری رکھنے کے قابل ہو جائے گی۔

- فارما گلاس کی مصنوعات کی منصوبوں کا قیام۔
- کٹلری مصنوعات کی آمدنی میں مسلسل اضافہ۔
- اس کے سپانسرز اور ساتھیوں کی مالی امداد۔
- پیداوار اور پیداواری صلاحیت میں اضافہ۔
- کمپنی کے تمام آپریشنل یونٹس ان کی آپریشنل واجبات پورے کر رہے ہیں۔
- مالیاتی اداروں کے ساتھ بڑے قرضوں کی سہولیات۔
- کمپنی کے دوسرے بڑے قرض دہندہ کے ساتھ دوبارہ ساخت۔
- مارکیٹ سے ورکنگ لیپیٹل سرمایہ کی دستیابی۔
- کمپنی کے مستقبل کے لئے مقامی اور برآمدی منڈی میں صنعت اور بہتر فروخت کی قیمت کی تقرری۔

ہم سب متفق ہیں کہ مندرجہ بالا عوامل پر عمل کر کے، گلاس صنعت کی کارکردگی، مقامی اور برآمدی منڈی میں شیشے کی مصنوعات کی موجودہ اور مستقبل کی ضروریات اور ڈائریکٹرز اور ساتھیوں کے عزم اور مسلسل حمایت میں، کمپنی کی انتظامیہ مالی بیانات تیار کرنے کی حق بجانب ہے۔

ڈائریکٹرز رپورٹ

کمپنی ڈائریکٹرز نے 30 جون، 2016 کو اختتام پذیر ہونے والے مالی سال کے لئے، کمپنی کی سالانہ رپورٹ، آڈٹڈ فائینانشیل رپورٹ کے ہمراہ پیش ہوتے ہیں۔

کمپنی پرفارمنس

گزشتہ اور موجودہ سال کے آپریٹنگ رزلٹس کا موازنہ مندرجہ ذیل ہے:

2015	2016	
روپے (ہزاروں میں)		
1,605,793	1,494,503	سیلز - نیٹ
(141,874)	(280,015)	مجموعی (نقصان)
(209,165)	(322,289)	آپریٹنگ (نقصان)
131,159	132,482	سالانہ ڈپریسیشن
(461,579)	(528,081)	(نقصان) ٹیکس سے پہلے
(459,487)	(524,329)	(نقصان) ٹیکس کے بعد
(2.68)	(3.06)	Basic اور Diluted (نقصان) فی شیئر

پچھلے سال کے مقابلے میں، اس سال گلاس پرائیکٹس کی پیداوار میں 20 فیصد اضافہ ہوا، جو کہ کمپنی کی بڑھتی ہوئی پیداوار کو ظاہر کرتی ہے۔ مارکیٹ میں برسرِ مقابلہ (Competitive) رہنے کے لئے (Tableware) مصنوعات کی قیمتوں میں نظر ثانی کیا گیا، جس کے باعث کمپنی کی خالص فروخت آمدنی (Sales Revenue) گزشتہ سال کے مقابلے میں 6.9 فیصد کم ہوئی۔

سال کے دوران یونٹ-III کی بندش اور یونٹ-I کی جزوی بندش سے ہونے والے آپریشنل لاسز بھی مالی بیانات میں منفی اعداد و شمار کا سبب ہیں۔ بلا تعطل گیس کی عدم دستیابی بھی سال کے دوران پروڈکشن جاری رکھنے کے لئے کمپنی کے لئے ایک بڑا چیلنج رہا۔ مینجمنٹ کے گیس کی فراہمی کیلئے سرکاری محکموں کے ساتھ مسلسل مذاکرات، جس کی بدولت کمپنی یونٹ-II چالو رکھنے میں کامیاب رہی اور گزشتہ مالی سال کی آخری سہ ماہی کے بعد، یونٹ-II سے حاصل شدہ پیداوار کمپنی کی کل پیداواری صلاحیت کے تقریباً نصف حصہ پر مشتمل رہی۔ یونٹ-II اب مکمل طور پر آپریشنل اور پیداواری منصوبہ بندی سے متعلق اہداف حاصل کر رہا ہے۔

یونٹ-I نے بھی فرنس کی تعمیر نو / ری فریشمنٹ کے بعد دسمبر 2015 میں اپنے آپریشنز دوبارہ شروع کئے، لیکن پیداوار کے بہتر انتظام، غیر مشروط لاگت میں کمی اور اس کی موجودہ پیداواری سہولیات کی جدت کے ساتھ ساتھ قیمت کی کارکردگی کو بہتر بنانے کے لئے یونٹ-I کی اپنی مخصوص پیداواری تنصیبات کو یونٹ-III منتقل کرنے کے کی حکمت عملی کی بابت رواں مالی سال کے آخری مہینے میں بند کر دیا گیا تھا۔

بورڈ اور آڈٹ کمیٹی کے اجلاس

بورڈ آف ڈائریکٹرز، بورڈ آڈٹ کمیٹی (BAC) اور HR & R میں سے ہر ایک کے ڈائریکٹر کی طرف سے اجلاسوں میں حاضری، حسب ذیل ہے:

حاضری		
BOD	BAC	HR&R
4	4	2
4	-	-
3	-	2
4	4	-
3	3	2
2	2	1
3	-	-
4	2	-

منعقد ملاقاتوں کی تعداد	
1 جناب محمد توصیف پراچہ	
2 جناب طارق صدیق پراچہ	
3 جناب نذیر احمد پراچہ	
4 جناب محمد مصطفیٰ توصیف پراچہ	
5 جناب جاوید عزیز پراچہ	
6 جناب محمد ناصر ملک	
7 جناب شمیم انور	

ان تمام ڈائریکٹرز کو مورخہ 27 جنوری 2014 کو دوبارہ منتخب کیا گیا۔


آڈیٹرز

کمپنی کے آڈیٹرز ریٹائر ہوئے اور اگلے سال دوبارہ تعیناتی کے لئے اہل ہیں۔ آڈٹ کمیٹی نے M/s PKF F.R.A.N.T.S چارٹرڈ اکاؤنٹنٹس کی آئندہ سال کے لئے کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کی سفارش کی ہے۔

اعترافیہ

بورڈ آف ڈائریکٹرز بینکوں اور مالیاتی اداروں کی امداد اور تعاون کے ساتھ ساتھ تمام ملازمین اور کمپنی کے ٹھیکیداروں کی کوششوں، لگن اور عزم اور تقسیم کاروں، ڈیلرز، سپلائرز اور اسٹیک ہولڈرز کے تعاون کا شکریہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے


جناب محمد توصیف پراچہ
سی۔ای۔او

لاہور۔ اکتوبر، 05، 2016

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

کارپوریٹ گورننس کے کوڈ کے تناظر میں، ہمارے کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیانات ذیل میں ہیں:

- I. کمپنی کی انتظامیہ کی طرف سے تیار مالی بیانات، موجودہ امور، کاروباری معاملات کے نتائج، نقدی بہاؤ کے نتائج اور تبدیلیوں کو منصفانہ طور پر بیان کرتا ہے۔
- II. کمپنی کے اکاؤنٹس کی مناسب کتابوں کو برقرار رکھا گیا ہے۔
- III. مالی بیانات اور اکاؤنٹنگ اندازوں کی تیاری مناسب اکاؤنٹنگ پالیسیوں کو لاگو کیا گیا ہے، اور یہ پالیسیاں مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- IV. پاکستان میں قابل بین الاقوامی اکاؤنٹنگ کے معیارات کی مالی بیانات کی تیاری میں پیروی کی گئی ہے، اور ان پالیسیوں سے انحراف بھی ظاہر کر دیا گیا ہے۔
- V. اندرونی کنٹرول کے نظام کی مؤثر طریقے سے عملدرآمدگی اور نگرانی کی گئی ہے۔
- VI. مینجمنٹ کو محسوس ہوتا ہے حالیہ تشویش کے باوجود کمپنی کی صلاحیت پر کوئی قابل ذکر شک نہیں ہے۔ ہم نے پہلے ہی اس رپورٹ میں آڈیٹرز کے مشاہدات پر جواب داخل کرا دیئے ہیں۔
- VII. لسٹنگ کے ضابطے میں کارپوریٹ گورننس کے بہترین طریقوں میں کوئی واضح انحراف موجود نہیں۔ سے تفصیلی طور پر، اضافہ ہورہا ہے۔ کمپنی نے آڈٹ کمیٹی اور HR & R کمیٹی تشکیل دی ہے اور اس کے اراکین کے نام سالانہ رپورٹ میں ظاہر ہیں۔
- VIII. کمپنی کے حصص میں ٹریڈنگ کی تفصیل، اگر کوئی ہے تو، ڈائریکٹرز، CEO، CFO اور کمپنی سیکریٹری اور ان کے اہل و عیال کی تفصیل سنیر ہولڈنگ رپورٹ میں پیٹرن کے مطابق فراہم کی جاچکی ہے۔
- IX. اس مالی سال کے آخر اور اس مالی سال کے درمیان، جس سے یہ مالی بیانات مالی بیانات اور ڈائریکٹرز کی رپورٹ تعلق رکھتے ہیں، کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی خاطر خواہ تبدیلیاں اور وعدے واقع نہیں ہوئے۔
- X. اہم آپریٹنگ اور گزشتہ چھ سال کا مالیاتی ڈیٹا آن ریکارڈ ہے۔
- XI. سنیر ہولڈنگ کا پیٹرن بھی آن ریکارڈ ہے۔
- XII. کمپنی نے اہم قانونی اور مالی ذمہ داریوں کو پورا کیا ہے سوائے ان کے، کے جو ایکویٹیڈ مسائل کی وجہ سے مالیاتی بیانات (حوالہ جات 9، 14، اور 15) میں واضح ہوئے۔
- XIII. رواں مالی سال خسارے کے باعث، کوئی منفعتی یا بونس شیئرز جاری نہیں ہوئے۔
- XIV. کمپنی نے ڈائریکٹرز کے لئے "ان ہاؤس ٹریننگ پروگرام" مرتب کئے ہیں، تاہم اکثر ڈائریکٹرز اس ٹریننگ کے معاملے میں کارپوریٹ گورننس کے معیار پر پورا اترتے ہیں۔
- XV. کارپوریٹ گورننس کے کوڈ کے بہترین طریقوں کے ساتھ تعمیل کا بیان اس رپورٹ کے ساتھ منسلک ہیں۔



Balochistan Glass Limited (BGL) places the highest value on the integrity of the Company as integrity is a bedrock principle of all our behaviors. All employees must abide by and uphold the Code of Business Conduct and all laws. All directors, officers and employees and all representatives, including all agents, consultants, independent contractors and suppliers of BGL, are responsible for complying with all applicable laws and regulations and complying with this Code of Business Conduct and other policies of the Company. Violations of law or this Code or other policies of the Company are subject to disciplinary action, which may include termination. The policies in this Code apply across BGL.

BGL provides this Code of Conduct to its employees for their guidance in recognizing and resolving properly the ethical and legal issues they may encounter in conducting the Company's business. The Code and its terms may be modified or eliminated at any time by the Company. Directors, officers and employees and other representatives of the Company are responsible for being familiar with its contents. The Code does not include all of the policies of the Company. Each BGL employee shall comply with the letter and spirit of the Code of Business Conduct and with the policies and procedures of the Company, and shall communicate any suspected violations promptly.

1. Relationship with the Company and Each Other

BGL most important resource is its employees whose skills, energy and commitment to excellence and the Company's vision and values are the source of the Company's character and central to its leadership and success.

2. We Respect the Individual and Diversity

Company recognizes the dignity of each individual, respects each employee, provides compensation and benefits that are competitive, promotes self-development through training that broadens work-related skills, and values diversity and different perspectives and ideas.

3. We Live Our Values

As representatives of the Company to the outside world, and regardless of the pressures inherent in conducting business, BGL employees are expected to act responsibly and in a manner that reflects favorably on Company. We will carry out our assignments guided by the principles set forth in our vision and values and in compliance with this Code of Business Conduct and our corporate policies.

4. We Avoid Conflicts of Interest

Each of us and our immediate families should avoid any situation that may create or appear to create a conflict between our personal interests and the interests of the Company.

5. We Invite Full Participation and Support Diversity

BGL is committed to an all-inclusive work culture. We believe and recognize that all people should be respected for their individual abilities and contributions. The Company aims to provide challenging, meaningful and rewarding opportunities for personal and professional growth to all employees without regard to gender, race, ethnicity, sexual orientation, physical or mental disability, age, pregnancy, religion, veteran status, national origin etc.

6. We Work in a Positive Environment

BGL endeavors to provide all employees an environment that is conducive to conducting business and allows individuals to excel, be creative, take initiatives, seek new ways to solve problems, generate opportunities and be accountable for their actions. The Company also encourages teamwork in order to leverage our diverse talents and expertise through effective collaboration and cooperation.



7. We Do Not Employ Child or Forced Labor

BGL does not and will not employ child labor or forced labor. BGL defines a child as anyone under the age of eighteen.

8. We Provide a Safe Workplace

It's BGL policy to establish and manage a safe and healthy work environment and to manage its business in ways that are sensitive to the environment. The Company will comply with all regulatory requirements regarding health, safety and protection of the environment.

9. We Safeguard Company Property and Business Information

Safeguarding Company assets is the responsibility of all directors, officers and employees and Company representatives. All employees, directors' must use and maintain such assets with care and respect while guarding against waste and abuse.

Similarly, all directors, officers and employees and Company representatives are not expected to share any business secrets, inside information or strategies with BGL competitors either directly or indirectly.

10. We Maintain Accurate Books and Records and Report Results with Integrity

BGL financial, accounting, and other reports and records will accurately and fairly reflect the transactions and financial condition of the Company in reasonable detail, and in accordance with generally accepted and Company-approved accounting principles, practices and procedures and applicable government regulations.

11. Our Relationship with Our Customers

BGL serves many industrial, corporate and non-corporate enterprises, dealers and distributors as well as of governmental bodies and individual consumers, for whom we design, develop, manufacture and market quality products.

12. We Obey All Laws and Regulations

Our customer relationships are critical to BGL. In meeting our customers' needs, the Company is committed to doing business with integrity and according to all applicable laws. Products must be designed and produced to internal standards and to comply with external regulations, the standards of the appropriate approval entities, and any applicable contractual obligations.

13. We Provide Quality Products and Services

Committed to being a Six Sigma Company, we strive to provide products and services that meet or exceed our customers' expectations for quality, reliability and value, and to satisfy their requirements with on-time deliveries.

14. We Seek Business Openly and Honestly

Sales are the lifeblood of the organization, and we commit that we will market our products fairly and vigorously based on their proven quality, integrity, reliability, delivery and value to our customer.

15. We Follow Accurate Billing Procedures

It is the Company's policy to reflect accurately on all invoices to customers the sale price and other terms of sales. Every employee has the responsibility to maintain accurate and complete records. No false, misleading or artificial entries may be made in BGL books and records.



16. Our Relationship with our Suppliers

BGL suppliers are our partners in Six Sigma Plus. The high caliber of the materials, goods and services they provide is linked directly to the quality, reliability, values and prompt delivery of the Company's products to our customers and, thus, leads to customer's satisfaction.

17. We Will Not Be Influenced by Gifts

We will not be influenced by gifts or favors of any kind from our suppliers or potential suppliers. The Company expects each employee to exercise reasonable judgment and discretion in accepting any gratuity or gift offered to the employee in connection with employment at BGL.

18. We Do Not Make Improper Political Contributions

Company funds generally can not to be used for political contributions, directly or indirectly, in support of any party or candidate.

19. We Protect the Environment

BGL abides by all applicable health, safety and environmental laws and regulations. We will also abide by Company's own standards.

20. We Comply with Export Control and Import Laws

BGL will comply with all Export Control and Import laws and regulations that govern the exportation and importation of commodities and technical data, including items that are hand-carried as samples or demonstration units in luggage.

21. Supervisory Personnel

Managers and supervisors have key roles in the Integrity and Compliance Program and are expected to demonstrate their personal commitment to the Company's standards of conduct and to lead their employees accordingly.

22. Trading in Company's Shares

All executives and directors of the company who purchase company shares must inform the company secretary in writing about their sale and purchase transactions. However, no employee, director or executive of the company is allowed to trade during 'closed period', as intimated prior to the announcement of interim/final results, and business decisions, and all directors, employees and officers are prohibited to take advantage from any price sensitive information which may materially affect the market price of company's securities.

23. Smoking & Use Of Alcohol

Employees are prohibited from smoking at restricted places and they are also prohibited to use Alcohol inside organization at any place during working hours.

Summary of Last Six Year's Financial Results



	2016	2015	2014	2013	2012	2011
Operating Results	Rupees in Thousands					
Net sales	1,494,503	1,605,793	2,203,968	2,714,121	1,960,672	1,098,795
Gross profit/ (loss)	(280,015)	(141,874)	(241,183)	13,989	77,167	(257,995)
Profit/ (loss) before tax	(528,081)	(461,597)	(571,513)	(216,368)	(245,366)	(569,934)
Profit/ (loss) after tax	(524,329)	(459,487)	(568,533)	(226,299)	(260,816)	(565,101)
Dividend/ bonus	-	-	-	-	-	-

Financial Position

Property, plant and Equipment	1,377,110	1,450,322	1,456,893	1,534,156	1,526,580	1,612,831
Current Assets	717,844	548,844	648,460	790,840	723,936	595,345
Current Liabilities	1,861,172	1,637,102	1,468,158	1,538,323	1,503,026	1,303,483
Current portion of Long term Liabilities	222,567	231,017	190,404	146,375	176,912	290,680
Long Term Loans	1,592,116	1,101,947	1,179,852	916,411	808,028	738,188
Subordinated Loan-Unsecured	482,080	482,080	482,080	482,080	482,080	482,080
Share Capital	1,716,000	1,716,000	1,716,000	1,716,000	858,000	858,000

Financial Ratios

Gross Profit /(loss) ratio	-18.74%	-8.84%	-10.40%	0.52%	3.94%	-23.48%
Loss before Tax ratio	-35.33%	-28.75%	-25.93%	-7.97%	-12.51%	-51.87%
Loos after Tax ratio	-35.08%	-28.62%	-25.80%	-8.34%	-13.30%	-51.43%
Current ratio	0.39:1	0.34:1	0.44:1	0.51:1	0.48:1	0.37:1
Working Capital	(1,143,328)	(1,088,012)	(819,698)	(747,483)	(779,090)	(998,817)

Statement of Compliance with best Practices of Code of Corporate Governance



This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in listing regulations of Pakistan Stock Exchange (formerly as Karachi and Lahore Stock Exchange) for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director	Mr. Muhammad Shamim Anwar
Executive Directors	Mr. Muhammad Tousif Peracha Mr. Tariq Siddiq Paracha
Non-Executive Directors	Mr. Mian Nazir Ahmed Paracha Mr. Mustafa Tousif Ahmed Paracha Mr. Jawaid Aziz Paracha Mr. Nasir Malik

Independent director meets the criteria of independence under clause 5.19.1. (b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy on the Board was occurred.
5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executives and non-executive directors, have been taken by the Board/shareholders.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. In accordance with the criteria specified on clause 5.19.7 of CCG, majority of Directors of the Company are exempted from the requirement of Directors' training program. The Board arranged two in house training programs for its directors during the year.

Statement of Compliance with best Practices of Code of Corporate Governance



10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises four members, of whom three are non-executive directors and one is independent director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has formed an HR and Remuneration Committee. It comprises three members, of whom two are non-executive directors including the chairman of the committee.
18. The Board has set up an effective internal audit function.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that all other material principles enshrined in the CCG have been complied with except as required under provisions of clause 5.19.1(a) to some extent which shall take effect when the Board is reconstituted on expiry of its current term.

For and on behalf of Board of Directors

Muhammad Tousif Paracha
CEO

Review Report to the Members on the Statement of Compliance with the Best Practices of Code of Corporate Governance



We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Balochistan Glass Limited ('the Company') for the year ended June 30, 2016 to comply with the relevant requirements of Listing Regulations of the Pakistan Stock Exchange, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for the review and approvals its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justifications for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2016.

Further, we highlight the matter in relation to the requirement of the Code in respect of appointment of the Chairman and the Chief Executive Officer (CEO), being the same person during the year.

Lahore: October 05, 2016

PKF F.R.A.N.T.S.
Chartered Accountants
Engagement Partner: Nouman Razaq Khan

We have audited the annexed balance sheet of Balochistan Glass Limited as at June 30, 2016 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion, and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2016 and of the loss, total comprehensive loss, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Without qualifying our report, we draw attention of the members towards note 2 of the financial statements, which indicates that the Company incurred net loss amounting to Rs. 524.329 million during the year ended June 30, 2016 and as of that date its accumulated loss of Rs. 4,445.553 million have resulted in net capital deficiency of Rs. 3,244.353 million and its current liabilities exceeded its current assets by Rs. 1,143.328 million. These conditions, along with other matters as set forth in note 2 indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

Lahore: October 05, 2016

PKF F.R.A.N.T.S.
Chartered Accountants
Engagement Partner: Nouman Razaq Khan

Balance Sheet

as at June 30, 2016



	Notes	2016 (Rupees in thousands)	2015
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorized capital	4	1,766,000	1,766,000
Issued, subscribed and paid-up capital	5	1,716,000	1,716,000
Discount on shares	6	(514,800)	(514,800)
Accumulated loss		(4,445,553)	(3,926,504)
		(3,244,353)	(2,725,304)
Surplus on revaluation of property, plant and equipment	7	297,646	307,141
Subordinated loan - Unsecured	8	482,080	482,080
NON-CURRENT LIABILITIES			
Long term loans	9	1,592,116	1,101,947
Liabilities against assets subject to finance lease	10	-	-
Deferred liabilities	11	1,106,293	1,196,200
		2,698,409	2,298,147
CURRENT LIABILITIES			
Trade and other payables	12	1,042,484	837,024
Markup accrued	13	184,559	180,193
Short term borrowings	14	411,562	388,868
Current maturity of non current liabilities	15	222,567	231,017
		1,861,172	1,637,102
CONTINGENCIES AND COMMITMENTS			
	16		
		2,094,954	1,999,166
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	17	1,377,110	1,450,322
CURRENT ASSETS			
Stores, spares and loose tools	18	232,542	243,774
Stock in trade	19	234,760	65,003
Trade debts	20	69,858	80,467
Loans and advances	21	47,305	50,301
Trade deposits, prepayments and other receivable	22	47,622	55,516
Taxes recoverable	23	65,951	43,068
Cash and bank balances	24	19,806	10,715
		717,844	548,844
		2,094,954	1,999,166

The annexed notes 1 to 40 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

Profit & Loss Account

For The Year Ended June 30, 2016



	Notes	2016 (Rupees in thousands)	2015
Sales - Net	25	1,494,503	1,605,793
Cost of sales	26	1,774,518	1,747,667
Gross loss		(280,015)	(141,874)
Administrative and selling expenses	27	43,296	57,455
Other expenses	28	8,577	9,954
		51,873	67,409
Other incomes	29	9,599	118
Operating loss		(322,289)	(209,165)
Financial charges	30	205,792	252,432
Loss before taxation		(528,081)	(461,597)
Taxation	31	(3,752)	(2,110)
Loss after taxation		(524,329)	(459,487)
Loss per share - Basic and diluted (Rupees)	32	(3.06)	(2.68)

The annexed notes 1 to 40 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

Statement of Comprehensive Income

For The Year Ended June 30, 2016



	2016	2015
	(Rupees in thousands)	
Loss for the year	(524,329)	(459,487)
Other comprehensive income:		
Items that will not be reclassified to profit and loss account:		
Acturial gain / (loss) on gratuity re-measurement	(4,215)	594
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	13,564	9,462
Related deferred tax	(4,069)	(2,878)
	9,495	6,584
Total comprehensive loss for the year	(519,049)	(452,309)

The annexed notes 1 to 40 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

Cash Flow Statement

For The Year Ended June 30, 2016



	Note	2016 (Rupees in thousands)	2015
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(528,081)	(461,597)
Adjustments for non-cash charges and other items:			
Depreciation		132,482	131,159
Provision for store and spares		-	4,258
Provision for doubtful balances		5,210	5,694
Provision for gratuity		13,251	9,156
Loss on disposal of fixed assets		3,367	2
Financial charges		205,792	252,432
Gain on settlement of liabilities		(9,529)	-
Operating loss before working capital changes		(177,508)	(58,896)
Working capital changes			
<i>(Increase)/Decrease in current assets</i>			
Stores, spares and loose tools		11,232	(23,815)
Stock in trade		(169,757)	75,464
Trade debts		10,609	2,140
Loans and advances		(2,214)	(6,040)
Trade deposits, prepayments and other receivables		7,894	21,952
<i>Increase/(Decrease) in current liabilities</i>			
Trade and other payables		221,420	(45,798)
		79,184	23,903
Cash used in operations		(98,324)	(34,993)
Payments for:			
Financial charges		(20,230)	(20,695)
Taxes		(39,783)	(21,396)
Gratuity		(30,738)	(6,598)
Net cash outflow from operating activities	A	(189,075)	(83,682)
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditures		(63,287)	(45,593)
Proceeds from disposal of fixed asset		650	20
Net cash outflow from investing activities	B	(62,637)	(45,573)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term loans - Net		135,244	(88,251)
Lease rentals paid		(15,993)	-
Short term borrowings - Net		141,552	178,946
Net cash inflow from financing activities	C	260,803	90,695
Net increase/ (decrease) in cash and cash equivalents	A+B+C	9,091	(38,560)
Cash and cash equivalents as at 1st July		10,715	49,275
Cash and cash equivalents as at 30th June	24	19,806	10,715

The annexed notes 1 to 40 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

Statement of Changes in Equity

For The Year Ended June 30, 2016



	Issued, subscribed and paid-up capital	Discount on issuance of shares	Accumulated Loss	Total
(Rupees in thousand)				
Balance as on July 01, 2014	1,716,000	(514,800)	(3,474,195)	(2,272,995)
Total comprehensive income/(loss) for the year				
Loss after taxation	-	-	(459,487)	(459,487)
Other comprehensive income:				
Actuarial gain on gratuity re-measurement	-	-	594	594
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	6,584	6,584
Total comprehensive loss for the year	-	-	(452,309)	(452,309)
Balance as on June 30, 2015	1,716,000	(514,800)	(3,926,504)	(2,725,304)
Total comprehensive income/(loss) for the year				
Loss after taxation	-	-	(524,329)	(524,329)
Other comprehensive income:				
Actuarial loss on gratuity re-measurement	-	-	(4,215)	(4,215)
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	-	-	9,495	9,495
Total comprehensive loss for the year	-	-	(519,049)	(519,049)
Balance as on June 30, 2016	1,716,000	(514,800)	(4,445,553)	(3,244,353)

The annexed notes 1 to 40 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

Notes to the Financial Statements

For The Year Ended June 30, 2016



1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public company in 1980 under the Companies Act, 1913 (now the Companies Ordinance, 1984). Its shares are listed on the Pakistan Stock Exchange. The Company is engaged in manufacturing and sale of glass containers, glass table wares and plastic shells. The registered office of the Company is situated at Hub, Balochistan whereas head office of the Company is situated at Kot Abdul Malik, Lahore.

2 GOING CONCERN ASSUMPTION

The financial statements for the year ended June 30, 2016 are showing loss after taxation amounting to Rs. 524.329 million (2015: loss Rs. 459.487 million) and has accumulated loss of Rs. 4,445.553 million (2015: accumulated loss Rs. 3,926.504 million) at the year end which resulted in negative equity of Rs. 3,244.353 million (2015: Rs. 2,725.304 million). In addition, the Company's current liabilities exceeded its current assets by Rs. 1,143.328 million (2015: Rs. 1,088.258 million).

As the above conditions are continually prevailing from last few years, thus raising significant doubts on the Company's ability to continue as a going concern as the Company may be unable to realize its assets and discharge its liabilities in normal course of business.

As a result of the strategy to retain/enhance the market share in low inflationary market environment, sales revenue has decreased slightly as compared to last year in monetary terms while quantity sold has remained almost at the same level. Management was in continuous negotiations with government departments for provision of required gas supply, due to which Company remained successful to operate its Unit II, comprising almost half of the total production capacity of the Company, since last quarter of previous financial year. Unit II is now fully operational and achieving planned production related targets. Unit I also restarted its operations in December 2015 after the completion of reconstruction/ refurbishment of its furnace, but it was closed in the last month of the financial year with a strategy to relocate its certain production facilities to Unit III for better management of production, reduction in fixed cost and improve the cost efficiency along with the modernization of its existing production facilities. Unit-III was closed during the first quarter of the financial year, due to refurbishing/rehabilitation of its furnaces.

The management is confident to have consistent capacity utilization during the coming period at Unit II while it is planned that Unit III will be operational in the last quarter of 2016 after the completion of its machinery installation and rehabilitation, which will be resulting in increased revenues and improved financial results. Management is also continuously focusing on streamlining the operations and enhancing their production efficiencies keeping in view the positive market factors of lower petroleum prices, steady product demand and market potential of the Company products.

The Company has also entered into settlement agreements with three of its lending financial institutions and paid off their overdue outstanding liabilities during the current financial year. Furthermore, during the year, the Company has also entered into an agreement with one of its lending financial institution for the restructuring of its overdue credit facilities. The Company is committed to honoring its existing restructuring agreements and complying with repayment terms of such agreements with the continuous support from its directors and associates. Management is confident that it will be able to handle the liquidity related issues in future with the adamant financial support from its directors and associates.

Based on continuing support from directors and associates along with future prospects of industry and other steps taken by the management, Board of Directors' feels that Company will have adequate resources to operate its business on a sustainable basis for foreseeable future, therefore, these financial statements have been prepared on going concern basis.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Companies Ordinance, 1984 (the Ordinance) and the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by Securities and Exchange Commission of Pakistan differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives prevail.

Notes to the Financial Statements

For The Year Ended June 30, 2016



3.1.1 New standards, amendments or interpretations which became effective during the year:

During the year certain amendments to Standards or new interpretations became effective, however, the amendments or interpretation were either not relevant to the Company's operations or were not expected to have any significant impact on the Company's financial statements.

3.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the companies having accounting periods beginning on or after July 01, 2015 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

3.2 Basis of preparation

These financial statements have been prepared under the historical cost convention except that certain properties are stated at revalued amounts and certain staff benefits are carried at present value. The Company's significant accounting policies are stated in note 3.3.

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

3.2.1 Staff retirements benefits

Certain actuarial assumptions have been adopted as disclosed in note to the financial statements for valuation of present value of defined benefit obligations. Any changes in these assumptions in future years might affect actuarial gains and losses in those years.

3.2.2 Income taxes

The Company takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment and appellate stages and where the Company considers that its views on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

3.2.3 Property, plant and equipment

The Company reviews the appropriateness of rate of depreciation, useful lives and residual value of property, plant and equipment on regular basis. The estimates of revalued amount of land and buildings are based on valuation carried out by a professional valuer. Further where applicable, an estimate of recoverable amount of an asset is made for possible impairment on annual basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

3.2.4 Provision for doubtful receivables

The Company reviews its doubtful trade debts and other receivables at each reporting date to assess whether provision should be recorded in the profit and loss account. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.



3.2.5 Stores, Spares and Loose Tools

The Company reviews the Net Realizable Value (NRV) and impairment of stores, spares and loose tools to assess any diminution in the respective carrying values and wherever required provision for NRV/impairment is made. The calculation of the provision involves the use of estimates with regard to future estimated use and respective fair value of stores, spares and loose tools.

3.3 SIGNIFICANT ACCOUNTING POLICIES

3.3.1 Staff retirement benefits

The Company operates unfunded gratuity scheme covering all employees eligible to the benefit. Provisions are based on actuarial recommendations. Actuarial valuations are carried out using the projected unit credit method as required by International Accounting Standard 19 "Employee Benefits".

3.3.2 Taxation

Current

Provision for current taxation is based on current rates of tax after taking into account tax credits and rebates available, if any.

Deferred

Deferred tax is recognized on all timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- when receivables and payables are stated with the amount including sales tax;
- when the sales tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in that case sales tax is recognised as part of the cost of acquisition of asset or as part of the expense item, as applicable.

Net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.3.3 Property, plant and equipment and depreciation

Owned

These are stated at cost less accumulated depreciation except for freehold land & building which is stated at revalued amount less accumulated depreciation. All expenditures connected with specific assets incurred during installation and construction period are carried under capital work in progress at cost. These are transferred to specific assets as and when these assets are available for use.

Increase in the carrying amount arising on revaluation of property, plant and equipment is credited to surplus on revaluation of property, plant and equipment. Decrease in the previous increase of the same assets is charged against this surplus, all other decreases are charged to income. Each year the difference between depreciation based on revalued carrying amount of the asset (the depreciation charged to the income) and depreciation based on the assets' original cost is transferred from surplus on revaluation of property, plant and equipment to unappropriated profit/accumulated loss.

Leased

Assets subject to finance lease are initially recorded at lower of the present value of minimum lease payments under the lease agreements and the fair value of leased assets. The related obligation under the lease less financial charges allocated to future period are shown as a liability. These financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

Depreciation charge is based on the reducing balance method at the rates specified in note 17 to the financial statements.



Depreciation on additions is charged from the month in which the asset is available for use and on disposals no depreciation is charged in the month of disposal.

Maintenance and normal repairs are charged to income as and when incurred; major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Gains and losses on disposal of assets are taken to profit and loss account.

3.3.4 Stores and spares

These are valued at lower of average cost and net realizable value except for those in transit, which are valued at cost. Provision is made for slow moving and obsolete stores and spares.

3.3.5 Stock in trade

These are stated at the lower of cost and net realizable value. The cost is determined as follows:

Raw and packing materials	Average cost
Work in process	Average material cost only. Conversion costs are not included as these are not significant.
Finished goods	Average cost which includes prime cost and appropriate portion of production overheads.
Items in transit	Cost comprising invoice values plus other charges incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred to make the sale.

3.3.6 Trade debts and other receivables

Trade debts are carried at original invoice amount less an estimate made for doubtful receivable balances based on review of outstanding amounts at the year end. A provision for doubtful debt is created when there is an objective evidence that the Company will not be able to collect all the amounts due according to the original terms of receivable. The provision is recognised in the profit and loss account. When trade debt is uncollectable, it is written off against provision. Subsequent recoveries of amounts previously written off are credited to profit and loss account.

3.3.7 Foreign currency translation

Transactions in foreign currencies are recorded using the rates of exchanges ruling at the date of transaction.

Assets and liabilities in foreign currencies are translated into Rupees at exchanges rates approximating those prevailing at the balance sheet date except where forward exchange contracts have been entered into, in which case the rates contracted for are used.

All other exchanges differences are taken into profit and loss account.

3.3.8 Transaction with related parties

Transactions with related parties are based on the policy that all the transactions between the Company and related parties are carried out at arm's length. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods sold in an economically comparable market to a buyer unrelated to the seller.

3.3.9 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably. Revenue is measured at fair value of consideration received or receivable on the following basis :

Notes to the Financial Statements

For The Year Ended June 30, 2016



Sales are recorded on dispatch of goods to customers. Profits / mark-up on deposits and investments are accounted for when it becomes receivable.

3.3.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss as incurred.

3.3.11 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

3.3.12 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised at the time when the Company substantially transfers all the risks and rewards of ownership of the financial asset. Financial liabilities are derecognised at the time when the obligation specified in the contract is discharged, cancelled or expired.

3.3.13 Trade and other payables

Short term liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company

3.3.14 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is an indication of impairment loss. Any impairment loss arising is recognized as expense in the profit and loss account.

3.3.15 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash at bank which are subject to an insignificant risk of change in value.

3.3.16 Loans, advances and deposits

These are initially recognised at cost, which is the fair value of consideration given. Subsequent to the initial recognition assessment is made at each balance sheet date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such indication exists, the estimated recoverable amount of that asset or group of assets is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.3.17 Off setting of financial assets and liabilities

A financial asset and a financial liability are offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Notes to the Financial Statements

For The Year Ended June 30, 2016



3.3.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors of the Company that makes strategic decisions.

3.3.19 Functional and presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional and presentational currency.

3.3.20 Earnings per share

Basic Earnings Per Share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into and post tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares.

	2016	2015
	(Rupees in thousands)	
4 AUTHORIZED CAPITAL		
171,600,000 (June 30, 2015: 171,600,000) Ordinary shares of Rs. 10 each	1,716,000	1,716,000
5,000,000 (June 30, 2015: 5,000,000) Preference shares of Rs. 10 each	50,000	50,000
	<u>1,766,000</u>	<u>1,766,000</u>
5 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
85,300,000 Ordinary shares of Rs.10 each fully paid in cash (2015: 85,300,000 of Rs.10 each)	853,000	853,000
85,800,000 Ordinary shares of Rs.10 issued on 60% discount each fully paid in cash (2015: 85,800,000)	858,000	858,000
500,000 Ordinary shares of Rs.10 each issued as fully paid Bonus Shares (2015: 500,000 shares of Rs.10 each)	5,000	5,000
	<u>1,716,000</u>	<u>1,716,000</u>

5.1 42,235,422 (2015: 42,235,422) ordinary shares of the Company are held by associated company.

6 DISCOUNT ON SHARES

In September 2012, the Company has issued 85.800 million ordinary shares to Mr. Muhammad Tousif Paracha at 60% discount against the outstanding share deposit money of Rs. 343.200 million and recorded Rs. 514.800 million as discount on shares.

Notes to the Financial Statements

For The Year Ended June 30, 2016



		2016	2015
		(Rupees in thousands)	
7	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
	Opening Balance - net of deferred tax	307,141	247,096
	Incremental surplus arose during the year on fresh revaluation	-	66,629
	Transfer to accumulated loss in respect of incremental depreciation charged during the year - Net of tax	(9,495)	(6,584)
	Surplus on revaluation of fixed assets - Closing	<u>297,646</u>	<u>307,141</u>
8	SUBORDINATED LOAN - Unsecured		
	From related parties (Directors)		
	- Local currency	82,493	82,493
	From sponsors and shareholders		
	- Foreign currency	399,587	399,587
		<u>482,080</u>	<u>482,080</u>
8.1	The above loans are interest free, unsecured and were repayable in respective currencies. These loans shall be treated as subordinated to the principal amounts of the debts owing to the banks and financial institutions and accordingly may only be repaid by the Company in whole or in part provided that upon such repayment, the Company shall comply with the debt to equity ratio requirements of the Prudential Regulations of State Bank of Pakistan as applicable to the Company for the time being.		
8.2	Keeping in view the heavy losses incurred by the Company in recent years, foreign currency loans have been frozen by the mutual consent of the directors / sponsors of the Company at exchange rates prevailing at June 30, 2007. The loans will be payable in foreign currencies equivalent to the rupee amounts reflected as on June 30, 2007, thereby eliminating the effect of foreign currency translation loss to the Company.		
8.3	In the absence of identifiable repayment period due to peculiarity of Company's circumstances and unconditional right held by the Company to delay the payment till the availability of ample resources for its repayment, these loans are not measured at amortized cost using effective interest rate method as per requirement of IAS 39 rather these loans are classified in accordance with the guidance provided by the Institute of Chartered Accountants of Pakistan through Technical Release (TR-32 "Accounting Directors' Loan") and are measured at their fair values as initially recognized.		
9	LONG TERM LOANS		
	Banks and financial institutions	9 A	324,739
	Related parties - Directors	9 B	1,267,377
		<u>1,592,116</u>	<u>1,101,947</u>
9 A	From banks and financial institutions - Secured		
	Demand finance I	9.1 & 9.3 & 9.4	119,500
	Demand finance II (Frozen Markup)	9.2 & 9.3 & 9.4	342,449
	Deferred mark up - BOP	9.3	(99,087)
			362,862
	Demand Finance	9.5	-
	Morabaha	9.6	-
	Demand Finance - Loan	9.7	19,303
	- Markup	9.7	6,767
	FBL - Restructured loan	9.8	102,671
	FBL - Mark up	9.8	52,517
	Deferred mark up - FBL	9.8	(52,517)
		<u>491,603</u>	<u>295,916</u>

Notes to the Financial Statements

For The Year Ended June 30, 2016



Current and overdue portion presented under current liabilities		2016 (Rupees in thousands)	2015 (Rupees in thousands)
Demand Finance I	9.1 & 9.3 & 9.4	(109,500)	(105,000)
Demand Finance II		(24,000)	-
Demand Finance - Loan	9.7	(12,000)	(12,000)
- Markup	9.7	(3,864)	(3,864)
FBL - Restructured loan	9.8	(7,500)	-
Demand finance I - over due	9.1 & 9.3 & 9.4	(10,000)	(21,000)
Demand Finance - over due	9.5	-	(8,303)
Morabaha - over due	9.6	-	(9,154)
		(166,864)	(159,321)
		324,739	136,595
9 B From related parties (directors) - Unsecured			
Muhammad Tousif Paracha	9.9	1,154,111	852,086
Tariq Siddiq Paracha	9.9	94,215	94,215
Javaid Aziz Paracha	9.9	19,051	19,051
		1,267,377	965,352

- 9.1** The Demand Finance I facility has been obtained from The Bank of Punjab (BOP) initially for the purpose of swap of debts from other banks. During the year 2010, the Bank re-structured / re-scheduled facility for the purpose of conversion of outstanding principal amounting to Rs.463.664 Million. During the year 2012, the Company again entered into a settlement agreement with BOP for re-structuring/ rescheduling of loan with an upfront payment of Rs. 63 Million. The loan is payable in 58 monthly step up installments and carries mark up @ 3 months KIBOR with floor of bank's cost of funds.
- 9.2** This Demand Finance II facility has been restructured/rescheduled by BOP against unserviceable markup of Rs. 240.444 million as on June 30, 2012. It includes frozen markup on DF-I amounting Rs. 99.087 million which will be waived at the tail end subject to no defaults in repayment agreed under the revised restructuring arrangements. The balance amount of Rs. 141.357 million is payable in 8 monthly step up installments till October 2018.
- 9.3** According to the agreement, the principal will be repaid in variable monthly installments till April 30, 2017 started from July 31, 2012. Markup amounting to Rs. 161.519 million to be accrued till April 30, 2017 is deferred and will be payable in unequal monthly installments till March 31, 2018 starting from May 31, 2017; and accordingly grouped under deferred markup as mentioned in note 11.
- 9.4** These facilities are secured against ranking charge of Rs. 833.334 million through equitable and registered mortgages over the present and future fixed assets of the Company and personal guarantee of certain directors.
- 9.5** The Demand Finance facility restructured by KASB Bank Limited was repayable in 12 monthly installments starting from October 2013 to September 2014. It carried markup @ 11% p.a. It was secured against 1st pari passu charge upto Rs. 227 million over the Company's fixed assets (Land, Building, Plant and Machinery), charge of Rs. 183 Million over current & movable assets of the Company and against the personal guarantee of director. The Demand Finance facility has been settled by the Company with Bank Islami Limited and the bank has released the related securities of the Company.
- 9.6** The Company had entered into Morabaha facility with Meezan Bank Limited which was secured by way of first pari passu charge over present and future stocks & book debts of the Company to the tune of Rs. 97 million and additional ranking charge of Rs. 35 million and personal guarantees of directors. The Company has entered into settlement agreement regarding Morabaha facility with Meezan Bank Limited during the year. The settlement amount has been paid by the Company and bank has released and vacated the charges on the assets of the Company.

Notes to the Financial Statements

For The Year Ended June 30, 2016



- 9.7 The Company had entered into an amicable compromised restructuring of its running finance facility along with markup with Bank Alfalah Limited. The loan along with markup is payable in monthly installments upto March 31, 2018. It carries markup rate of 8.5% chargeable on the outstanding value of the finance only. It is secured against 1st pari passu charge for Rs.94 million over the Company's fixed assets, ranking charge of Rs. 67 million on current assets of the Company and personal guarantees of sponsor directors of the Company.
- 9.8 The Company has entered into an amicable restructuring of its running finance facility, overdue amount of letter of credit along with mark up thereon with Faysal Bank Limited. Through restructuring agreement balance amount of loan amounting to Rs. 104.17 million after the adjustment of upfront payment of Rs. 14.686 million is repayable in 65 monthly stepped up installments upto August-2021. It carries markup @ 3 month KIBOR plus 0% payable on the outstanding value of the finance only. Previous and future markup will be payable in 19 monthly equal installments after the adjustment of the principal liability till March 2023. This facility is secured against the first pari passu hypothecation charge over current assets of the Company amounting to Rs. 34 million, pari passu charge over plant and machinery of the Company amounting to Rs. 234 and personal guarantees of the directors of the Company.
- 9.9 These unsecured loans have been obtained from directors and carry mark up @ 10% (2015: 16.5%) per annum. Repayment of the loan and mark up is deferred till the time liquidity position of the Company improves and Company is regular in payment of its financial and operational obligations. Subsequent to the reporting date, the directors have agreed to revise the mark up rate from 16.5% to 10% per annum for 2 year with retrospective effect from July 01, 2015 resulting in adjustment of mark up amounting to Rs. 69.53 million recorded during the year.

10 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	2016		2015	
	Minimum	Present Value	Minimum	Present Value
	(Rupees in thousand)		(Rupees in thousand)	
Not later than one year	55,703	55,703	71,696	71,696
Later than one year but not later than five years	-	-	-	-
Total	55,703	55,703	71,696	71,696
Less: Finance charge allocated to future periods	-	-	-	-
Present value of minimum lease payments	55,703	55,703	71,696	71,696
Less: Current portion- under current liabilities	-	-	-	-
Over due portion-under current liabilities	55,703	55,703	71,696	71,696
	-	-	-	-

- 10.1 Overdue amount includes Rs. 6.909 million (2015: Rs 8.256 million) which is to be adjusted with related lease deposit money. However, these amounts could not be adjusted as at balance sheet date due to non availability of title/ no-objection certificate from leasing companies.
- 10.2 The rentals under these lease agreements were payable monthly and quarterly. Mark up rate ranges from 8.50% to 22% per annum (2015: 8.50% to 22% per annum) have been used as discounting factors. The cost of operating and maintaining the leased assets is borne by the Company. The Company intends to exercise its option to purchase the leased assets upon settlement of lease liabilities.
- 10.3 The Company has also entered into settlement agreement regarding lease finance facility with Summit Bank Limited during the year. The settlement amount has been paid by the Company and bank has released and vacated the charge over the assets of the Company. The Company is in continuous process of active negotiation with rest of the leasing companies/financial institutions in order to settle/reschedule its remaining lease liabilities and hopeful to achieve amicable agreement.

Notes to the Financial Statements

For The Year Ended June 30, 2016



11 DEFERRED LIABILITIES	2016 (Rupees in thousands)	2015
Deferred taxation	11.1 42,081	46,150
Employees retirements benefits	11.3 31,823	45,095
Deferred mark up (related parties)	9.9 880,785	774,037
Deferred mark up (financial institution)	9.3 & 9.8 151,604	330,918
	<u>1,106,293</u>	<u>1,196,200</u>
11.1 Deferred taxation		
Credit balances arising due to:		
- Accelerated tax depreciation allowances	141,386	142,454
- Relating to finance lease	16,296	17,658
Debit balances arising due to:		
- Staff gratuity	(9,344)	(12,882)
- Unused tax losses	(1,005,089)	(949,486)
- Available tax credits	(31,930)	(31,930)
Deferred tax asset	(888,681)	(834,186)
Deferred tax asset not recognized	888,681	834,186
	-	-
Deferred tax liability relating to surplus on revaluation		
of property, plant and equipment - opening balance	46,150	36,641
of property, plant and equipment - arose during the year	-	12,385
Incremental depreciation	(4,069)	(2,876)
	<u>42,081</u>	<u>46,150</u>
11.2 Deferred tax asset arising due to tax losses which has not been recognized as the future taxable profits may not be available against which the said losses will be adjusted.		
11.3 Employees retirements benefits		
Staff gratuity:		
Movement in balance		
Opening balance	45,095	43,131
Payments during the year	30,738	6,598
	<u>14,357</u>	<u>36,533</u>
Charge for the year	11.3.1 13,251	9,156
Actuarial (gain) / loss chargeable to OCI during the year	4,215	(594)
	<u>31,823</u>	<u>45,095</u>
11.3.1 Charge for the year		
Service cost	10,427	4,974
Interest cost	2,824	4,182
	<u>13,251</u>	<u>9,156</u>
11.3.2 Balance sheet reconciliation		
Present value of defined benefit obligations	<u>31,823</u>	<u>45,095</u>

Notes to the Financial Statements

For The Year Ended June 30, 2016



In accordance with the requirements of IAS-19 "Employee benefits" actuarial valuation was carried out at June 30, 2016 using the 'projected unit credit method'. Provision has been made in the financial statements to cover the obligations in accordance with the actuarial recommendations. Detail of significant assumptions used for valuation and disclosures in respect of above mentioned scheme are given as follows:

11.3.3 Principal actuarial assumption	2016	2015
	(Rupees in thousands)	
Expected rate of increase in salaries	6.25 % p.a.	8.5 % p.a.
Discount factor used	7.25 % p.a.	9.5 % p.a.
Average expected remaining		
working life time of employees	9 years	10 years
duration of liability	9 years	9 years

12 TRADE AND OTHER PAYABLES

Bills payable		101,227	102,566
Trade creditors	12.1	242,819	176,163
Accrued expenses	12.2	368,275	229,137
Advances from customers		78,436	68,285
Unclaimed dividend		164	164
Sales tax payable		36,399	62,795
Taxes payable		124,061	106,505
Others		91,103	91,409
		<u>1,042,484</u>	<u>837,024</u>

12.1 This includes amount of Rs. 17.581 million (2015: Rs. 11.263 million) payable to M/S Pak Hy Oils Limited (associated company).

12.2 Included herein a sum of Rs. 206.393 million (2015: Rs. 114.355 million) outstanding on account of sui gas bills and Rs. 21.780 million (2015: Rs. 21.780 million) against the rent payable to the CEO.

13 MARK UP ACCRUED

Markup accrued		<u>184,559</u>	<u>180,193</u>
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13.1 This includes amount of Rs. 108.369 million (2015: 79.430 million) payable to associated persons.

14 SHORT TERM BORROWINGS

	Limits			
	Rs. '000'			
From banks and financial institutions - Secured				
Short term running finance	50,000	14.1 & 14.2	49,997	142,412
Forced Finance Trust		14.2	-	43,359
From related parties - Unsecured				
Associated company		14.3	243,277	2,519
Other associates		14.4	112,194	184,498
Others - Unsecured, interest free				
Temporary bank overdraft			6,094	16,080
			<u>411,562</u>	<u>388,868</u>

Notes to the Financial Statements

For The Year Ended June 30, 2016



14.1 The Company has entered into settlement agreement regarding running finance facility with Summit Bank Limited during the year. The settlement amount has been paid by the Company and bank has released related charge over the assets of the Company.

The facilities for running finances under mark-up arrangement available from various banks which carry mark up ranging from three to six months KIBOR plus 225 to 350 bps (2015:three to six months KIBOR plus 225 to 350 bps) payable quarterly in arrears. These facilities are secured by first pari passu hypothecation charge over the Company's present and future fixed assets and ranking charge over current assets and personal guarantees of directors; and are generally for a period of one year renewable annually. Running finance facilities from a bank amounting to Rs.50.00 million have not been renewed for which the active negotiations are under process.

14.2 The Company has entered into an amicable restructuring agreement with Faysal Bank Limited during the year in respect of running finance amounting to Rs. 75.5 million and overdue amount of outstanding letter of credit amounting to Rs. 43.359 million. These amounts are being classified in note 9 of these financial statements in accordance with the terms of restructuring agreement.

14.3 The unsecured loan/short term advance facility has been obtained from associated companies for working capital requirements which carries the mark up ranging from 8.55% to 17% (2015: 17%)

14.4 The Company has obtained the loan from other associate for meeting the working capital requirements which carries mark up @ 10%.(2015:16.5%)

15 CURRENT MATURITY OF NON CURRENT LIABILITIES

		2016	2015
		(Rupees in thousands)	
Demand Finance- I	9 A	119,500	126,000
Demand Finance- II	9 A	24,000	-
Demand Finance	9 A	-	8,303
Demand Finance - Loan	9.7	12,000	12,000
- Markup	9.7	3,864	3,864
Morabaha	9.6	-	9,154
FBL - Loan		7,500	-
Lease Liabilities	10	55,703	71,696
		222,567	231,017

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

16.1.1 Bank guarantees amounting to **Rs. 149.906 million** (2015:Rs.146.306 million) have been given by various banks on behalf of the Company.

16.1.2 Company is defendant in various legal proceedings initiated by various ex-employees, suppliers and contractors in various labor / civil / high courts. The aggregate of suit amounts is Rs. 25.643 million. The Company expects decisions in its favor based on grounds of cases, therefore, the Company has not made provision of amounts referred above.

16.1.3 Audit proceedings under the Income Tax Ordinance, 2001 against the Company in respect of tax year 2009 and under the Sales Tax Act, 1990 in respect of tax year 2012 and 2014 are underway. In addition to the above, proceedings under Sections 161/205 of the Income Tax Ordinance, 2001 were also initiated for tax years 2014 & 2015. The Company is currently pleading the aforementioned cases and submitting the required information/submissions as the cases are still not concluded, while proceedings under Sections 161/205 of the Income Tax Ordinance, 2001 for tax years 2012 & 2013 has been concluded during the year. Keeping in view the nature of proceedings and availability of tax losses and tax related provisions, management is of considered opinion that Company may not be liable for any major liability in addition to what has already been recorded in the books as on June 30, 2016.

16.2 Commitments

Nil (2015: Rs. Nil).

Notes to the Financial Statements

For The Year Ended June 30, 2016



17	PROPERTY, PLANT AND EQUIPMENT	2016	2015
		(Rupees in thousands)	
	Operating fixed assets	17.1	1,374,827
	Capital work in progress	17.6	2,283
			1,447,967
			2,355
			<u>1,377,110</u>
			<u>1,450,322</u>

17.1 Operating Assets - At cost less accumulated depreciation

Particulars	2016									
	Cost / Revaluation				Depreciation				Book value	Rate %
	As at July 01, 2015	Additions / Transfer	Disposal / Transfer	As at June 30, 2016	As at July 01, 2015	For the year ended June 30, 2016	Disposal / Transfer	As at June 30, 2016	As at June 30, 2016	
	(Rupees in thousand)									
Freehold land	244,500	-	-	244,500	-	-	-	-	244,500	--
Building on freehold land										
Factory	219,967	1,294	-	221,261	90,819	12,969	-	103,788	117,473	10
Non factory	64,343	-	-	64,343	20,690	2,183	-	22,873	41,470	5
Plant and machinery										
Owned	2,246,668	91,092	(13,329)	2,324,431	1,399,715	97,144	30,188	1,527,047	797,384	10 & 15
Leased	343,679	(47,670)	-	296,009	211,302	13,238	(39,500)	185,040	110,969	10
Electric and gas installation	59,380	12,888	-	72,268	20,510	4,409	-	24,919	47,349	10
Furniture and fixtures	11,809	10	-	11,819	9,019	279	-	9,298	2,521	10
Office equipment	8,211	172	-	8,383	5,196	315	-	5,511	2,872	10
Vehicles										
Owned	17,502	12,541	-	30,043	11,974	1,718	6,294	19,986	10,057	20
Leased	10,845	(6,968)	-	3,877	9,712	227	(6,294)	3,645	232	20
	<u>3,226,904</u>	<u>63,359</u>	<u>(13,329)</u>	<u>3,276,934</u>	<u>1,778,937</u>	<u>132,482</u>	<u>(9,312)</u>	<u>1,902,107</u>	<u>1,374,827</u>	

Particulars	2015									
	Cost / Revaluation				Depreciation				Book value	Rate %
	As at July 01, 2014	Additions / Transfer	Disposal / Transfer	As at June 30, 2015	As at July 01, 2014	For the year ended 30 June 2015	Disposal / Transfer	As at June 30, 2015	As at June 30, 2015	
	(Rupees in thousand)									
Freehold land	224,500	20,000	-	244,500	-	-	-	-	244,500	--
Building on freehold land										
Factory	167,933	52,034	-	219,967	81,085	9,734	-	90,819	129,148	10
Non factory	54,781	9,562	-	64,343	18,558	2,132	-	20,690	43,653	5
Plant and machinery										
Owned	2,168,221	78,447	-	2,246,668	1,301,346	98,369	-	1,399,715	846,953	10 & 15
Leased	343,679	-	-	343,679	196,593	14,709	-	211,302	132,377	10
Electric and gas installation	55,359	4,021	-	59,380	16,600	3,910	-	20,510	38,870	10
Furniture and fixtures	11,809	-	-	11,809	8,709	310	-	9,019	2,790	10
Office equipment	8,177	88	(54)	8,211	4,898	330	(32)	5,196	3,015	10
Vehicles										
Owned	17,502	-	-	17,502	10,592	1,382	-	11,974	5,528	20
Leased	10,845	-	-	10,845	9,429	283	-	9,712	1,133	20
	<u>3,062,806</u>	<u>164,152</u>	<u>(54)</u>	<u>3,226,904</u>	<u>1,647,810</u>	<u>131,159</u>	<u>(32)</u>	<u>1,778,937</u>	<u>1,447,967</u>	

17.2 The detail of fixed assets disposed off/sold are as follows:

Description	Cost	Acc. Dep.	Net Book Value	Sale Proceed	Mode of Disposal	Particulars of purchaser
	(Rupees in thousands)					
Furnace Bricks	6,529	3,741	2,788	-	Written off	---
Generator	6,800	5,571	1,229	650	Negotiation	Unrelated party
Total	13,329	9,312	4,017	650		

Notes to the Financial Statements

For The Year Ended June 30, 2016



17.3 Leased asset amounting to Rs. 6.968million has been transferred in owned assets after the settlement of lease liabilities with SummitBank Limited, however title of such assets has not been transferred in the name of the Company as at the reporting date.

	2016	2015
	(Rupees in thousands)	
17.4 Depreciation charge for the year has been allocated as follows:		
Cost of sales	130,124	128,822
Administrative and selling	2,358	2,337
	132,482	131,159

17.5 Land and building of the Company have been revalued as at June 22, 2015, by an independent valuer not connected with the Company. Land has been valued on the basis of present market values for similar sized plots in the vicinity for land and value of building is determined through a computation of remaining useful life of the assets with the present market value.

Had there been no revaluation the cost, accumulated depreciation and book value of revalued assets would have been as under:

	Cost as at June 30, 2016	Accumulated Depreciation as at June 30, 2016	Book Value as at June 30, 2016	Book Value as at June 30, 2015
	(Rupees in thousands)			
Freehold land	45,167	-	45,167	45,167
Building on freehold land				
Factory	52,239	40,524	11,715	11,639
Non factory	19,353	12,570	6,783	7,140
	116,759	53,094	63,665	63,946

17.6 Capital work in progress - At cost				
Opening			2,355	41,897
Additions			2,286	25,783
Less: Capitalized			(2,358)	(65,325)
Closing		17.7	2,283	2,355

17.7 Capital work in progress - Breakup				
Plant and Machinery			2,283	2,355
			2,283	2,355

18 STORES, SPARES AND LOOSE TOOLS				
Stores			65,336	77,164
Spares and loose tools (incl. moulds)			215,959	215,363
			281,295	292,527
Provision for slow moving and obsolete items			(48,753)	(48,753)
			232,542	243,774

18.1 Provision for slow moving and obsolete items				
Balance as at July 01			48,753	44,495
Provision for the year		28	-	4,258
			48,753	48,753

19 STOCK IN TRADE				
Raw and packing materials			48,547	26,269
Work in process			2,966	6,148
Finished goods		19.1	183,247	32,586
			234,760	65,003

19.1 Adjustments amounting to Rs. 11.221 million (2015:Rs. 7.529million) have been made to closing inventory to write down stocks to their net realizable value.

Notes to the Financial Statements

For The Year Ended June 30, 2016



		2016	2015
		(Rupees in thousands)	
20	TRADE DEBTS		
	Trade Debts - Unsecured- considered good	69,858	80,467
	Trade Debts - Unsecured and considered doubtful	51,553	59,357
		<u>121,411</u>	<u>139,824</u>
	Less: Provision for doubtful debts	20.1 (51,553)	(59,357)
		<u>69,858</u>	<u>80,467</u>
	20.1 Provision for doubtful debts		
	Balance as at July 01	59,357	59,357
	Bad debts written off	(7,804)	-
		<u>51,553</u>	<u>59,357</u>
21	LOANS AND ADVANCES		
	Employees	21.1 2,364	3,152
	Suppliers	97,235	94,199
	Against expenses	9,402	12,566
		<u>109,001</u>	<u>109,917</u>
	Less: provision for doubtful balances		
	Provision for Suppliers	(51,992)	(49,912)
	Provision against advance to employees and expenses	(9,704)	(9,704)
		21.2 (61,696)	(59,616)
		<u>47,305</u>	<u>50,301</u>
	21.1 Aggregate amount due from executives of the Company is Rs. 1.040 million (2015: Rs. 1.362 million).		
	21.2 Provision for doubtful loans and advances		
	Balance as at July 01	59,616	53,922
	Provision for the year (suppliers)	28 2,080	2,444
	Provision for the year (against advances to employees and expenses)	28 -	3,250
		<u>61,696</u>	<u>59,616</u>
22	TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLE		
	Short term deposits	22.1 63,471	68,235
	Margin deposit on letter of credit	532	532
	Other receivable	18,195	18,195
		<u>82,198</u>	<u>86,962</u>
	Less Provision for Short term Deposits	(16,381)	(13,251)
	Provision for Other Receivables	(18,195)	(18,195)
		22.2 (34,576)	(31,446)
		<u>47,622</u>	<u>55,516</u>
	22.1 This includes a sum of Rs. 29.988 million (2015: 36.842 million) relating to assets subject to finance lease.		
	22.2 Provision for doubtful loans and advances		
	Balance as at July 01	31,446	31,446
	Provision for the year (short term deposits)	28 3,130	-
		<u>34,576</u>	<u>31,446</u>

Notes to the Financial Statements

For The Year Ended June 30, 2016



	2016	2015
	(Rupees in thousands)	
23 TAXES RECOVERABLE		
Taxes recoverable	65,951	43,068
24 CASH AND BANK BALANCES		
Cash in hand	271	740
Cash at banks - Current accounts	19,367	7,794
- Saving accounts	168	2,181
	19,806	10,715
25 SALES - Net		
<i>Gross Sales</i>		
Local	1,728,369	1,792,590
Export	31,740	76,764
	1,760,109	1,869,354
Less: Sales tax	265,606	263,561
	1,494,503	1,605,793
26 COST OF SALES		
Raw material consumed		
Opening stock	26,269	45,168
Purchases	625,315	546,896
	651,584	592,064
Closing stock	(48,547)	(26,269)
	603,037	565,795
Power, fuel and water	543,070	403,219
Salaries, wages and other benefits	26.1 348,621	277,420
Stores and spares	102,174	107,861
Oil & lubricants	150,414	169,650
Repairs and maintenance	10,040	10,641
Communication	1,796	1,078
Traveling and conveyance	5,374	5,072
Legal and professional	12,672	12,062
Stationery, fees and subscription	960	739
Insurance	1,810	3,785
Entertainment	938	1,177
Depreciation	17.3 130,124	128,822
Rent, rates and taxes	4,873	1,984
Others	6,094	1,797
	1,921,997	1,691,102
Work In Process-Opening	6,148	3,325
Work In Process-Closing	(2,966)	(6,148)
	1,925,179	1,688,279
Cost of Goods Manufactured	1,925,179	1,688,279
Finished Goods - Opening	32,586	91,974
Finished Goods - Closing	(183,247)	(32,586)
	1,774,518	1,747,667

26.1 Salaries, wages and other benefits include amount of Rs. 9.276 million (2015:Rs. 6.592 million) relating to staff retirement benefits.

Notes to the Financial Statements

For The Year Ended June 30, 2016



		2016	2015
		(Rupees in thousands)	
27	ADMINISTRATIVE AND SELLING EXPENSES		
	Salaries and other benefits	27.1 6,489	9,702
	Communication	1,281	2,378
	Rent, rates and taxes	27.2 -	7,260
	Travelling and conveyance	11,202	9,682
	Legal and professional	6,477	4,164
	Advertisement	528	290
	Stationery, fees and subscription	294	252
	Power, fuel and water	420	258
	Entertainment	316	465
	Audit fee	27.3 1,200	900
	Depreciation	17.3 2,358	2,337
	Repairs and maintenance	205	19
	Freight, handling and forwarding on local sale	10,398	15,714
	Freight, handling and forwarding on export sale	445	2,924
	Charity and donation	27.4 1,261	482
	Miscellaneous	422	628
		<u>43,296</u>	<u>57,455</u>
	27.1 Salaries and other benefits include amount of Rs. 3.975 million (2015: Rs. 2.564 million) relating to staff retirement benefits.		
	27.2 This includes Rs. Nil (2015: Rs. 7.260 million) against the rent of property owned by the CEO.		
	27.3 Auditor's remuneration	780	525
	Half yearly review	400	300
	Out of pocket expenses	20	75
		<u>1,200</u>	<u>900</u>
	27.4 Recipients of donation do not include any donee in whom a director or his spouse had any interest.		
28	OTHER EXPENSES		
	Provision for:		
	- advances	2,080	2,444
	- other expenses	-	3,250
	- deposits	3,130	-
	- store and spares	-	4,258
	Loss on sales of fixed assets	3,367	2
		<u>8,577</u>	<u>9,954</u>
29	OTHER INCOMES		
	Liabilities and mark up written back on settlement with financial institutions	9,529	-
	Bank profit	70	118
		<u>9,599</u>	<u>118</u>
30	FINANCIAL CHARGES		
	Mark up on		
	- Long term loans		
	- banks and financial institutions	57,138	24,155
	- related parties (directors)	9.9 106,747	159,411
	- Liabilities against assets subject to finance lease	-	7,375
	- Short term borrowings		
	- banks and financial institutions	5,011	31,129
	- related parties	30,048	10,278
	Provision for default surcharge on taxation	624	15,278
	Bank charges (including B/G commission)	6,224	4,806
		<u>205,792</u>	<u>252,432</u>

Notes to the Financial Statements

For The Year Ended June 30, 2016



31 TAXATION	2016 (Rupees in thousands)	2015
Current	317	768
Deferred	(4,069)	(2,878)
	<u>(3,752)</u>	<u>(2,110)</u>

The current tax provision represents the final tax chargeable under section 154 only. Due to the gross loss before depreciation, minimum tax is not applicable under section 113 of the Income Tax Ordinance, 2001.

For the purpose of current taxation, the tax losses available for carry forward as at June 30, 2016 are estimated at Rs. 3,350.296 million (2015: Rs. 3,164.954 million).

The company is not presenting the tax charge reconciliation because the company has incurred tax loss during the year.

32 LOSS PER SHARE - Basic and diluted

There is no dilutive effect on the basic loss per share of

the Company, which is based on:

Loss after taxation	(524,329)	(459,487)
	Number of shares	
Weighted average ordinary shares in issue during the year	171,600,000	171,600,000
Loss per share - Basic and diluted (Rupees)	<u>(3.06)</u>	<u>(2.68)</u>

33 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The board of directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

33.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted. The Company's credit risk is primary attributable to its receivables and balances with banks.

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

Trade debts	69,858	80,467
Loans and advances	47,305	50,301
Deposits and other receivables	47,622	55,516
Bank balances	19,535	9,975
	<u>184,320</u>	<u>196,259</u>

For trade debts, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. Individual risk limits are set based on internal or external credit worthiness ratings in accordance with limits set by the management.

Notes to the Financial Statements

For The Year Ended June 30, 2016



	2016	2015
	(Rupees in thousands)	
The aging of trade debts at the reporting date was:		
Not past due	15,920	18,732
Past due 0-30 days	28,481	25,032
Past due 30-150 days	18,148	14,049
Past due 150 days	7,309	22,654
	69,858	80,467

Based on the past experience, management believes that no impairment allowance is necessary in respect of trade debts past due as management believes that the same will be recovered in short course of time. The credit quality of the Company's receivable can be assessed with their past performance. The credit quality of some of the Company's banks can be assessed by their external credit ratings:

Name of Bank	Agency	Rating	
		Short term	Long term
United Bank Limited	PACRA	A 1+	AA+
MCB Bank Limited	PACRA	A 1+	AAA
Meezan Bank Limited	JCR-VIS	A 1+	AA
Bank Alfalah Limited	PACRA	A 1+	AA
Al-Baraka Bank (Pakistan) Limited	JCR-VIS	A 1	A
Faysal Bank Limited	PACRA	A 1+	AA
The Bank of Punjab	PACRA	A 1+	AA-
National Bank of Pakistan	PACRA	A 1+	AAA
Summit Bank Limited	JCR-VIS	A 1	A -
Bank Islami Pakistan	PACRA	A 1	A +

33.2 Liquidity risk

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements. The following are the contractual maturities of the financial liabilities, including estimated markups:

	2016					
	Carrying Amount	Contractual Cash Flow	Six Months or Less	Six to Twelve Months	One to Five Years	More Than Five Years
	(Rupees in thousands)					
Financial Liabilities						
Long term loans	1,758,980	1,758,980	83,682	83,182	324,739	1,267,377
Liabilities against assets subject to finance lease	55,703	55,703	55,703	-	-	-
Trade and other payables	1,042,484	1,042,484	1,042,484	-	-	-
Deferred Markup	1,032,389	1,032,389	-	-	99,087	933,302
Markup accrued	184,559	184,559	184,559	-	-	-
Short term borrowings	411,562	411,562	299,368	112,194	-	-
	4,485,677	4,485,677	1,665,796	195,376	423,826	2,200,679
	2015					
	Carrying Amount	Contractual Cash Flow	Six Months or Less	Six to Twelve Months	One to Five Years	More Than Five Years
	(Rupees in thousands)					
Financial Liabilities						
Long term loans	1,101,947	1,101,947	45,000	60,000	130,500	866,447
Liabilities against assets subject to finance lease	71,696	71,696	71,696	-	-	-
Trade and other payables	837,024	837,024	558,295	278,729	-	-
Deferred markup	1,104,955	1,104,955	-	-	330,918	774,037
Markup accrued	180,193	180,193	180,193	-	-	-
Short term borrowings	388,868	388,868	258,757	6,000	20,328	-
	3,684,683	3,684,683	1,113,941	344,729	481,746	1,640,484

Notes to the Financial Statements

For The Year Ended June 30, 2016



All the financial liabilities of the Company are non derivative financial liabilities. The contractual cash flows relating to the above financial liabilities have been determined on the basis of markup rates effective as at June 30. The rates of mark-up have been disclosed in note 9, 10 and 14 to these financial statements.

Liquidity risk management

The Company's approach of managing the liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity for meeting its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors cash flow requirements and produces cash flow projections for the short and long term. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational cash flows, including servicing of financial obligations. This includes maintenance of balance sheet liquidity ratios, debtors and creditors concentration both in terms of overall funding mix and avoidance of undue reliance on large individual customer. The Company also maintains various lines of credit with banking companies.

Company has approached its lenders for the restructuring of its short term and lease liabilities which is under active consideration by them. Long term loans and short term borrowings from some of the financial institutions have been renewed/ restructured and active negotiations are under process with rest of the lenders.

33.3 Market Risk

Market risk is a risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of financial instruments. The Company is exposed to currency risk and interest rate risk only.

33.3.1 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. The financial instruments of the Company exposed to currency risk were as follow:

Financial Liabilities:	2016	2015
	(Rupees in thousands)	
Foreign creditors	5,222	3,840
	<u>5,222</u>	<u>3,840</u>
Net Exposure	<u>5,222</u>	<u>3,840</u>

The following significant exchange rate has been applied:

USD to PKR (Reporting date rate in Rupees)	<u>104.70</u>	<u>101.70</u>
USD to PKR (Average rate in Rupees)	<u>103.20</u>	<u>101.13</u>

Sensitivity analysis

At reporting date, if PKR had strengthened by 10% against the US Dollar with all other variables held constant loss / profit for the year would have been lower / higher by the amounts shown below, mainly as a result of foreign exchange gain on translation of foreign currency liabilities.

Effect on (loss) / profit	<u>(522)</u>	<u>(384)</u>
---------------------------	--------------	--------------

The 10% weakening of the PKR against US Dollar would have had an equal but opposite impact on the loss / profit for the year on the basis that all other variables remain constant.

Notes to the Financial Statements

For The Year Ended June 30, 2016



33.3.2 Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the following:

Fixed rate instruments at carrying amounts:

Company does not have any of its financial instruments that can be classified as fixed rate.

	2016	2015
	<u>(Rupees in thousands)</u>	
<u>Variable rate instruments at carrying amounts:</u>		
Financial liabilities		
Long term financing	1,515,618	1,261,268
Lease liabilities	55,703	71,696
Short term borrowings	293,274	372,788
	<u>1,864,595</u>	<u>1,705,752</u>

Fair value sensitivity analysis for fixed rate instruments:

The Company does not account for any fixed rate financial assets at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments:

A change of 100 basis points in interest rates at the reporting date would have increased / decreased loss/profit for the year by the amounts shown below:

Effect on loss due to change of 100 BPs

Increase / (decrease)	<u>21,080</u>	<u>17,058</u>
-----------------------	---------------	---------------

The effective interest / mark up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

33.4 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction. The carrying values of financial instruments reflected in these financial statements approximate their fair values.

33.5 Capital risk management

The Company's prime objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Total debt (including directors' interest free loan)	3,740,714	3,308,867
Less: Cash and bank balances	<u>(19,806)</u>	<u>(10,715)</u>
Net debt	3,720,908	3,298,152
Total equity	<u>(3,244,353)</u>	<u>(2,725,304)</u>

The equity of the Company is negative and the Company is being financially supported by its directors and associates as mentioned in Note No. 2 of these financial statements.

33.6 Off balance sheet financial instruments

Off balance sheet financial liabilities are disclosed in note 16.2 to the financial statements.

Notes to the Financial Statements

For The Year Ended June 30, 2016



34 REMUNERATION OF DIRECTORS AND EXECUTIVES

	Chief Executive		Director		Executives		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	(Rupees in thousands)							
Managerial remuneration	-	-	1,620	4,679	23,301	23,301	24,921	27,980
House rent allowance	-	-	729	2,106	10,487	10,487	11,216	12,593
Utilities	-	-	162	468	2,331	2,331	2,493	2,799
Medical	-	-	27	79	393	393	420	472
Conveyance	-	-	162	468	2,331	2,331	2,493	2,799
	-	-	2,700	7,800	38,843	38,843	41,543	46,643
Number of persons	1	1	1	1	50	50	52	52

Two directors and some executives have been provided with Company maintained cars. No payment is made to directors for attending the meeting of board of directors.

35 TRANSACTIONS WITH RELATED PARTIES

2016
2015
(Rupees in thousands)

The related parties comprise associated companies, directors and key management personnel. Significant related party transactions made during the period are as follows: -

Associated Entities

Short term loan received - net	240,758	(13,254)
Purchases	16,021	5,367
Payment against supplies	9,704	5,975
Markup charged on loan	8,931	1,366

Other Associates

Short term loan received	67,605	191,798
Repayment of short term loan	139,909	7,300
Markup charged on loan	21,117	8,912

Directors

Loan received	322,025	-
Repayment of loan	20,000	-
Markup charged on loan	106,747	159,411
Rent of property charged by CEO	-	7,260

36 INFORMATION ABOUT BUSINESS SEGMENTS

36.1 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. The analysis for segments is given below:

	2016		
	Glass Containers	Plastic Shells	Total
	(Rupees in thousand)		
Revenue:			
Sales to external customers	1,737,425	22,684	1,760,109
Less: Sales tax	(262,310)	(3,296)	(265,606)
Net Revenue	1,475,115	19,388	1,494,503

Notes to the Financial Statements

For The Year Ended June 30, 2016



	2016		
	Glass Containers	Plastic Shells	Total
	(Rupees in thousand)		
Cost of goods sold	(1,754,441)	(20,077)	(1,774,518)
Admin and selling expenses	(42,734)	(562)	(43,296)
Other charges	(8,577)	-	(8,577)
Financial charges	(203,122)	(2,670)	(205,792)
Other income	9,599	-	9,599
	(1,999,276)	(23,308)	(2,022,584)
Segment result	(524,161)	(3,920)	(528,081)
Taxation			3,752
Loss for the period			(524,329)
Other Information:			
Capital expenditure	63,287	-	
Depreciation	130,775	1,707	
	2015		
	Glass Containers	Plastic Shells	Total
	(Rupees in thousand)		
Revenue:			
Sales	1,796,589	72,765	1,869,354
Less: Sales tax	(252,988)	(10,573)	(263,561)
	1,543,601	62,192	1,605,793
Cost of goods sold	(1,686,795)	(60,872)	(1,747,667)
Admin and selling expenses	(55,219)	(2,236)	(57,455)
Other charges	(9,954)	-	(9,954)
Financial charges	(251,468)	(964)	(252,432)
Other income	118	-	118
	(2,003,318)	(64,072)	(2,067,390)
Segment result	(459,717)	(1,880)	(461,597)
Taxation			2,110
Loss for the period			(459,487)
Other Information:			
Capital expenditure - Net	45,593	-	
Depreciation	126,054	5,105	

36.2 GEOGRAPHICAL INFORMATION

Revenue from external customers

Pakistan	1,462,763	1,529,029
Asia other than Pakistan	16,784	-
Africa	8,251	44,438
America	-	11,124
Europe	6,705	21,202
	1,494,503	1,605,793

The revenue information above is based on the location of customers.

All non-current assets of the Company as at 30 June 2016 are located in Pakistan. The detail of segment assets have not been disclosed in these financial statements as these are not reported to the chief operating decision maker on regular basis.

Notes to the Financial Statements

For The Year Ended June 30, 2016



37 CAPACITY AND PRODUCTION

Unit	2016		2015		
	Capacity	Production	Capacity	Production	
Based on 360 working days					
Glass containers	Tons	120,400	35,142	120,400	29,330
Plastic shells					
Full depth	Pieces	1,500,000	49,113	1,500,000	133,923
Half depth	Pieces	800,000	-	800,000	80
	Pieces	2,300,000	49,113	2,300,000	134,003

37.1 Shortfall between the plant capacity and actual production is due to the market demand and closure of units for refurbishing of its production facilities.

38 NUMBER OF EMPLOYEES

	Numbers	
Number of employees at end of the year	148	464
Average number of employees during the year	413	505

39 CORRESPONDING FIGURES

39.1 Comparative figures have been rearranged and reclassified wherever required to facilitate better comparison while no major reclassification has been made in corresponding figures.

40 GENERAL

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

40.2 These financial statements are authorised for issue on **October 05, 2016** in accordance with the resolution of the Board of Directors of the Company.


CHIEF EXECUTIVE


DIRECTOR

Pattern of Shareholding

As on June 30, 2016



THE COMPANIES ORDINANCE 1984

(Section 236(1) and 464)

PATTERN OF SHAREHOLDING

Pattern of holding of the shares held by the shareholders as at

30-06-2016

4. No. of Shareholders	-----Shareholding-----		Total Shares Held
	From	To	
815	1	100	26,350
527	101	500	152,669
243	501	1,000	207,728
412	1,001	5,000	1,198,812
117	5,001	10,000	950,649
44	10,001	15,000	578,953
18	15,001	20,000	343,000
26	20,001	25,000	626,400
15	25,001	30,000	424,435
12	30,001	35,000	397,767
9	35,001	40,000	349,313
3	40,001	45,000	132,000
10	45,001	50,000	496,000
4	50,001	55,000	213,080
1	55,001	60,000	57,096
2	60,001	65,000	124,500
3	70,001	75,000	221,000
1	75,001	80,000	80,000
1	80,001	85,000	82,000
2	90,001	95,000	182,500
4	95,001	100,000	396,324
1	100,001	105,000	105,000
1	105,001	110,000	110,000
3	115,001	120,000	351,039
1	140,001	145,000	145,000
2	170,001	175,000	344,590
1	180,001	185,000	180,500
2	195,001	200,000	400,000
1	200,001	205,000	200,500
1	215,001	220,000	220,000
1	230,001	235,000	231,000
1	250,001	255,000	251,000
1	300,001	305,000	300,041
1	370,001	375,000	370,734
1	395,001	400,000	397,000
2	495,001	500,000	1,000,000
1	590,001	595,000	590,465
1	610,001	615,000	614,500
1	625,001	630,000	626,558
1	1,295,001	1,300,000	1,300,000
1	2,005,001	2,010,000	2,009,708
1	2,885,001	2,890,000	2,888,458
1	3,990,001	3,995,000	3,995,000
1	8,995,001	9,000,000	9,000,000
1	9,555,001	9,560,000	9,557,635
1	16,520,001	25,715,000	42,235,422
1	86,935,001	86,940,000	86,935,274
2301			171,600,000

Pattern of Shareholding

As on June 30, 2016



5. Categories of shareholders	Share held	Percentage
5.1 Directors, Chief Executive Officers, and their spouse and minor children	111,496,181	64.9745%
5.2 Associated Companies, undertakings and related parties.	42,235,422	24.6127%
5.3 NIT and ICP	50	0.0000%
5.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	4,052,678	2.3617%
5.5 Insurance Companies	172,640	0.1006%
5.6 Modarabas and Mutual Funds	1,410,000	0.8217%
5.7 Share holders holding 10% or more	148,763,373	86.6919%
5.8 General Public (Local)	11,446,418	6.6704%
(Foreign)	33,637	0.0196%
5.9 Others (to be specified)		
Pension Funds	405,119	0.2361%
Joint Stock Companies	345,386	0.2013%
Other Companies	2,469	0.0014%

Pattern of Shareholding

As on June 30, 2016



BALOSHISTAN GLASS LIMITED
Categories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2016

Sr. No.	Name	No. of Shares Held	Percentage
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Associated Companies, Undertakings and Related Parties (Name Wise Detail):

1	PAK HY-OILS LIMITED. (CDC)	42,235,422	24.6127%
---	----------------------------	------------	----------

Mutual Funds (Name Wise Detail)

1	CDC TRUSTEE AKD OPPORTUNITY FUND (CDC)	1,300,000	0.7576%
2	GOLDEN ARROW SELECTED STOCKS FUND LIMITED (CDC)	110,000	0.0641%

Directors and their Spouse and Minor Children (Name Wise Detail):

1	MR. TARIQ SIDDIQ PARACHA (CDC)	19,592,027	11.4173%
2	MR. MUHAMMAD TAUSIF PARACHA (CDC)	86,935,924	50.6620%
3	MR. MUHAMMAD NIAZ PARACHA	500	0.0003%
4	MR. JAWAID AZIZ PARACHA. (CDC)	500	0.0003%
5	MIAN NAZIR AHMED PARACHA	500	0.0003%
6	MR. NASIR MALIK	500	0.0003%
7	MR. MUHAMMAD ISHAQUE KHOKHAR (CDC)	500	0.0003%
8	MRS. TABUSSAM TAUSIF PARACHA W/O MUHAMMAD TAUSIF PARACHA (CDC)	2,042,945	1.1905%
9	SHAZIA TARIQ PARACHA W/O TARIQ SIDDIQ PARACHA (CDC)	2,922,785	1.7033%

Executives:

-

Public Sector Companies & Corporations:

-

Foreign Companies

351,039 0.2046%

Banks, Development Finance Institutions, Non Banking Finance

Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:

4,681,383 2.7281%

Shares Held By The General Public

11,480,055 6.6900%

Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)

1	MR. MUHAMMAD TAUSEEF PARACHA	86,935,924	50.6620%
3	MR. TARIQ SODDIQ PARACHA	19,592,027	11.4173%
4	PAK HY-OILS LIMITED. (CDC)	42,235,422	24.6127%

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

S.No	NAME	SALE	PURCHASE
		NIL	NIL

Form of Proxy

36th Annual General Meeting



The Company Secretary
Balochistan Glass Limited
Dime Centre, B.C. 4, 3rd Floor,
Block 09, Clifton, Karachi.

Dear Sir,

I/We ----- of (full address) ----- being
a member(s) of Balochistan Glass Limited holding ----- Ordinary Shares as per Registered Folio No. /
CDC A/c No ----- hereby appoint Mr./Mrs./ Miss -----
-----of (full address) -----
or failing him / her Mr./Mrs./ Miss -----of (full address) -----
-----being member of the Company as my/our
Proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be
held on 05th October 2016

Signed this ----- day of -----2016

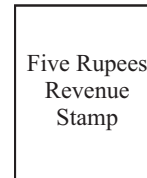
Witnesses:

Signature _____

Name _____

Address _____

CNIC No./ Passport Number _____



Signature should be agreed with
the Specimen Signatures with the
Company

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint a proxy to attend and vote instead of him/her.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his constituted attorney or if such appointer is a corporation or company under the common seal of such corporation or company.
3. In case of individual, the account holder or sub-account holder and / or the person whose securities are in group account shall submit the Proxy form along with following documents:
 - a. The Proxy form shall be witnessed by the two persons whose names, addresses and CNIC number shall be mentioned on the form.
 - b. Attested copies of CNIC or the passport of the beneficial owners and the Proxy shall be furnished with the Proxy form.
 - c. The Proxy shall produce his / her original CNIC or original passport at the time of the meeting.
 - d. In case of corporate entity, the Board of Director's resolution / power of attorney with specimen signature shall be submitted along with Proxy form to the company.
4. The Proxy Form, duly completed, must be deposited with the Company Secretary of Balochistan Glass Limited., 12-Km, Sheikhpura Road, Kot Abdul Malik, Lahore not less than 48 hours before the time for holding the meeting.



BALOCHISTAN GLASS LIMITED

