

(Un-audited)

Quarterly Accounts

for the Quarter ended

March 31, 2010



Balochistan Glass Limited

An ISO 9001-2000 Certified Company

Corporate Information

BOARD OF DIRECTORS'

Mr. Muhammad Tousif Paracha	Chairman & Chief Executive
Mr. Tariq Siddiq Paracha	
Mr. Muhammad Niaz Paracha	
Mr. Jawaid Aziz Paracha	
Mr. Muhammad Shareef Paracha	
Mr. Arshad Siddiq Paracha	
Mr. Muhammad Ishaq Khokhar	

COMPANY SECRETARY

Hassan Farooq

AUDIT COMMITTEE

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

BANKERS

The Bank of Punjab
Bank Al Falah Limited
Al Baraka Islamic Bank Limited
Citibank N.A
Faysal Bank Limited
Meezan Bank Limited
National Bank of Pakistan
United Bank Limited
Hong Kong Shanghi Banking Corporation Limited
Atlas Bank Limited
Muslim Commercial Bank Limited
BankIslami Pakistan Limited

AUDITORS

Faruq Ali & Company
Chartered Accountants

LEGAL ADVISOR

Syed Afaq Ali

REGISTERED OFFICE

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

HEAD OFFICE

34- Main Gulberg,
Lahore.
Ph. # 042-35871055-57
Fax # 042-35871039 & 59
Web: www.balochistanglass.com
Email: info@balochistanglass.com

KARACHI OFFICE

M 7-10, Mezzanine floor, cornice residence,
Khayaban-e-saadi, com-3, Block-2,
Clifton, Karachi

FACTORIES

UNIT-I

Plot no. 8, Sector M, H.I.T.E.,
Hub, District Lasbella,
Balochistan.

UNIT-II

29-KM, Sheikhpura Road,
Sheikhpura.

UNIT-III

12-KM, Sheikhpura Road,
Kot Abdul Malik,
Lahore.

SHARE REGISTRAR

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

Directors' Report

We are pleased to present the un-audited financial statements of the company for the Nine Month period ended March 31, 2010. The operating results of the current quarter are as under:

Financial Indicators	March 31, 2010	March 31, 2009
	(Rupees in thousand)	
Sales-Net	272,275	295,274
Gross (Loss)	(22,694)	(13,016)
Net (Loss) after tax	(75,891)	(73,777)

Net sale was decreased by 7.78% in comparison to last period. Sales of the company decreased mainly due to non operation of Unit-II. Despite of the fact that Unit-II of the company remained closed during this period and one furnace of Unit-III also remained un-operative partially during the current period our sales for the nine months has not reduced drastically, which is mainly due to increase in selling prices and better operational performance of our plants, however, fixed cost of Unit-II and III not recovered fully.

As per company BMR plan, Unit-III is now converted on Tableware Production and partially flint pharma & food. It has started its production from November, 2009 and our initial results from this plant are very encouraging. After firing the furnace, Unit-III suffered production loss due to the load management by SNGPL, which was a longer one as compared to last year, even now due to load management by SNGPL & low gas pressure in night plant management has to use expensive fuels to save the furnace from any major damage. We feel that if present energy crisis is not improved in Pakistan then whole glass industry will have to use alternate expensive fuels for production which in result will increase the cost of production of all units which are operating in north. Our new printing machine has also arrived at the site and we will introduce our printed range of "Marimax" by end of June 2010. Plastic Division of Unit-II has also not operated up to the mark due to energy crisis. Production of Unit-I has also started to improve and after operation of Unit-II, BGL will become a profitable venture.

Sponsor directors are fully committed to re-fire furnace of Unit-II as they had already injected funds of Rs. 1.5 billion (approx.) including capital injection of Rs. 429.0 million in the year 2008. We are already requesting our financial institutions to support company in this hard phase. Some banks had curtailed the working capital lines of the company due to which timely completion of BMR of our Unit-II suffered. If Unit-II had been operated then our results are much better for our shareholders. However, directors are committed to complete this project as per revised plan. We are very hope full that now results of every next quarter will be better than preceding quarter.

Directors acknowledge and appreciate the efforts, dedication and commitment demonstrated by all the employees & contractors of the company and their performance, contributions and excellent response to the challenges faced during the current period. We also appreciate the support extended by our Financial Institutions specially "The Bank of Punjab."

For and on the behalf of Board of Directors'



Muhammad Tousif Paracha
Chief Executive

Lahore : May 24, 2010

Condensed Interim Balance Sheet

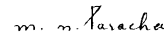
as at March 31, 2010

	Un-audited March 31, 2010	Audited June 30, 2009
	(Rupees in thousands)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital		
120,000,000 (June 2009: 120,000,000)		
Ordinary shares of Rs. 10/- each	1,200,000	1,200,000
Issued, subscribed and paid up capital		
85,800,000 Ordinary shares of Rs. 10/- each	858,000	858,000
Accumulated loss	(1,287,887)	(1,014,111)
	(429,887)	(156,111)
Surplus on revaluation	5 283,482	--
NON-CURRENT LIABILITIES		
Subordinated loan - Unsecured	482,080	482,080
Long term loans	967,826	888,283
Deferred liabilities	21,597	19,207
CURRENT LIABILITIES		
Trade and other payables	427,510	509,813
Markup accrued	246,409	156,141
Short term borrowings	657,688	649,321
Current portion of long term loans	47,664	99,357
Current and overdue portion of finance lease	137,389	146,424
	1,516,660	1,561,056
CONTINGENCIES AND COMMITMENTS		
	--	--
	2,841,758	2,794,515
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	6 1,631,658	1,360,688
CURRENT ASSETS		
Stores, spares and loose tools	260,297	304,488
Stock-in-trade	409,616	552,558
Trade debts - Considered good	236,977	253,162
Loans and advances - Considered good	74,336	67,877
Trade deposits, prepayments and other receivable	127,574	153,777
Taxes recoverable	70,953	67,481
Cash and bank balances	30,347	34,484
	1,210,100	1,433,827
	2,841,758	2,794,515

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



Chief Executive



Director

Condensed Interim Profit and Loss Account

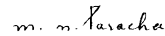
for the Quarter & Nine Months ended March 31, 2010 (Un-audited)

	Quarter Ended		Nine Months Ended	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
	(Rupees in thousands)		(Rupees in thousands)	
Sales - Net	272,275	295,274	743,686	790,898
Cost of sales	294,969	308,290	847,038	901,254
Gross Loss	(22,694)	(13,016)	(103,352)	(110,356)
Administrative and Selling expenses	11,175	15,238	37,422	78,918
Operating Loss	(33,869)	(28,254)	(140,774)	(189,274)
Financial charges	40,661	45,523	129,284	151,597
Loss before taxation	(74,530)	(73,777)	(270,058)	(340,871)
Taxation - Current	1,361	--	3,718	--
Loss after taxation	(75,891)	(73,777)	(273,776)	(340,871)
Other comprehensive income for the period	--	--	--	--
Total comprehensive loss for the period	(75,891)	(73,777)	(273,776)	(340,871)
Loss per share - Basic and diluted (Rupees)	(0.88)	(0.85)	(3.19)	(3.97)

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



Chief Executive



Director

Condensed Interim Cash Flow Statement

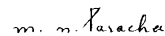
for the Nine Months ended March 31, 2010 (Un-audited)

	March 31, 2010	March 31, 2009
(Rupees in thousand)		
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(270,058)	(340,871)
Adjustments for non-cash charges and other items:		
Depreciation	92,895	104,220
Financial charges	129,284	151,597
Provision for exchange loss	4,270	--
Provision for gratuity	2,759	6,625
Operating (loss) / profit before working capital changes	(40,850)	(78,429)
Working capital changes		
<i>(Increase)/Decrease in current assets</i>		
Stores, spares and loose tools	44,191	(26)
Stock in trade	142,942	82,825
Trade debts	16,185	11,914
Loans and advances	(6,459)	(35,455)
Trade deposits, prepayments and other receivable	26,203	(5,908)
<i>Increase/(Decrease) in current liabilities</i>		
Trade and other payables	(82,303)	140,791
	140,759	194,141
Cash generated from / (used in) operations	99,909	115,712
Payments for:		
Financial charges	(39,016)	(104,907)
Taxes	(7,190)	(17,825)
Gratuity	(369)	(12,916)
Net cash inflow / (outflow) from operating activities	53,334	(19,936)
CASH FLOW FROM INVESTING ACTIVITIES		
Short term deposit	--	(40,100)
Payment for capital expenditure	(80,383)	(65,805)
Net cash outflow from investing activities	(80,383)	(105,905)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans - Net	23,580	122,728
Repayment of liability against assets subject to finance lease	(9,035)	(17,835)
Short term borrowings - Net	8,367	16,748
Net cash (outflow) / inflow from financing activities	22,912	121,641
Net increase in cash and cash equivalents	(4,137)	(4,200)
Cash and cash equivalents as at 1st July	34,484	17,204
Cash and cash equivalents as at 31st March	30,347	13,004

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



Chief Executive



Director

Condensed Interim Statement of Changes in Equity

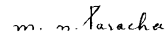
for the Year ended March 31, 2010 (Un-audited)

	Issued, subscribed and paid-up capital	Accumulated loss	Total
		(Rupees in thousand)	
Balance as at June 30, 2008	429,000	(49,529)	379,471
Total comprehensive income for the Nine Months period ended March 31, 2009	--	(73,777)	(73,777)
Balance as at March 31, 2009	429,000	(123,306)	305,694
Balance as at June 30, 2009	858,000	(1,014,111)	(156,111)
Total comprehensive income for the Nine Months period ended March 31, 2010	--	(273,776)	(273,776)
Balance as at March 31, 2010	858,000	(1,287,887)	(429,887)

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



Chief Executive



Director

Notes to the Interim Condensed Financial Statement

for the Quarter & Nine Months ended March 31, 2010 (Un-audited)

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a public listed company in 1980 under the Companies Act 1913 (now Companies Ordinance, 1984). The registered office of the company is situated at Firdousi Manzil, Rustamji Lane, M.A. Jinnah Road, Quetta and head office of the company is situated at 34 - Main Gulberg, Lahore. Its shares are listed on the Karachi and Lahore Stock Exchanges. The Company is engaged in manufacturing and sale of glass containers and plastic shells.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these accounts are the same as those applied in the preparation of the accounts for the year ended June 30, 2009, except for land which has now been stated at revalued amount.

4. CONTINGENCIES AND COMMITMENTS

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

5. SURPLUS ON REVALUATION

Company has revalued land of all the plants on December 31, 2007 and surplus on revaluation has now been incorporated in the books of accounts to meet the requirements of prudential regulations. However company is also in the process of fresh revaluation and its amount will be incorporated in the annual accounts for the year ended June 30, 2010. The valuation was carried out by M/S Iqbal Nanjee & Co.

6. PROPERTY PLANT AND EQUIPMENT

There are additions of Rs. 80.383 million in BMR Expansion project at Unit-II & Unit-III and depreciation of Rs. 92.895 million is charged during nine months ended March 31, 2010.

7. TRANSACTION WITH RELATED PARTIES

There is no material transaction with the related parties during the quarter, however, company received from directors net loan of Rs.23.580 million during the quarter.

8. DATE FOR AUTHORIZATION FOR ISSUE

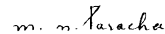
These financial statements are authorized for issue on May 24, 2010 in accordance with the resolution of the Board of Directors of the company.

9. GENERAL

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



Chief Executive



Director