



**BALUCHISTAN
GLASS LIMITED**



www.balochistanglass.com
info@balochistanglass.com

**ANNUAL
REPORT | 2023**

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COMPANY INFORMATION



BOARD OF DIRECTORS

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

CEO
Chairperson



AUDIT COMMITTEE

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

Chairman
Member
Member

HR & REMUNERATION COMMITTEE

Mr. Sana Ullah Khan Ghory
Mrs. Tabassum Tousif Paracha
Mr. Shaffi Uddin Paracha

Chairman
Member
Member



COMPANY SECRETARY

Mr. M. Furquan Habib, ACCA



BANKERS

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



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.
Tel: 042 37164071
Web: www.balochistanglass.com
Email: info@balochistanglass.com

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

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

Mission



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 43rd Annual General Meeting of Balochistan Glass Limited will be held on October 28, 2023 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 read and confirm the minutes of Annual General Meeting held on October 28, 2022.
2. To receive, consider and adopt the audited financial statements of the company for the year ended June 30, 2023 together with Auditor's and Director's report thereon.
3. To appoint Auditors of the Company for the year ending June 30, 2024 and to fix their remuneration.

Special Business

4. To consider dissemination of Annual Audited Financial Statements through QR enabled code and web link instead of transmitting the same in the form of CD/DVD/USB.

QR Code and Weblink to access Annual Report June 2023:
https://www.balochistanglass.com/financial_reports/jun23.pdf



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

Date: October 07, 2023
Place: Lahore

By Order of the Board

Company Secretary

Notes:

- i. The share transfer books will remain closed from October 21, 2023 to October 28, 2023 both days inclusive. Transfer received by the share registrar of the company Corplink (Pvt) Ltd, 1-k commercial, Model Town, Lahore up to October 20, 2023 will be considered in time for the purpose of attendance at AGM.
- ii. 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.
- iii. 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.
- iv. 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.
- v. 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.
- vi. The Company ensures proper safety measures as defined by Securities & Exchange Commission of Pakistan (SECP) through its circular no. 5 dated March 17, 2020 and circular no. 25 dated August 31, 2020. Whereas the shareholders may send their comments & suggestions relating to the agenda items of the AGM at least two working days before the AGM, at the email address furquan.habib@balochistanglass.com. However, the financial statements of the company for the year ended June 30, 2023 would have been placed on the website of the company www.balochistanglass.com.
- vii. As per Section 72 of the Companies Act, 2017, all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of the Companies Act, 2017. The Securities and Exchange Commission of Pakistan through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their members who still hold shares in physical form, to convert their shares into book entry form. We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest.

Circulate Audited Financial Statements along with Notice of AGM through e-mail:

- I. The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated 8th September 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. Accordingly, members are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-mail. However, if shareholder, in addition, request for hard copy of Audited Financial Statements the same shall be provided free of cost within seven (7) days of receipt of such request. In order to avail this facility a Standard Request Form is available at the Company's website and in previous annual reports.

NOTICE OF ANNUAL GENERAL MEETING



CNIC of Members/Shareholders & Dividend Payment

- II. It has already been notified that the Securities and Exchange Commission of Pakistan (SECP) vide Notification S.R.O. 275(I)/2016 dated 31st March 2016 read with Notification S.R.O. 19(I)/2014 dated 10th January 2014 and Notification S.R.O. 831(1)/2012 dated July 5, 2012 required that the Dividend Warrant(s) should also bear the Computerized National Identity Card (CNIC) Number of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s). Henceforth, issuance of dividend warrant(s) will be subject to submission of CNIC (individuals) / NTN (corporate entities) by shareholders.

Members are requested to submit a copy of the Computerized National Identity Card (CNIC) to update our records. In case of non-submission of CNIC (copy), all future dividend warrants may be withheld.

Declaration as per Zakat & Usher Ordinance 1980

- III. Members are requested to submit declaration as per Zakat & Usher Ordinance 1980 for zakat exemption and to advise change in address, if any.

E-DIVIDEND

As per Section 242 of the Companies Act, 2017, in case of a Public listed company, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Therefore, through this notice, all shareholders are requested to update their bank account details in the Central Depository System through respective participants/stock brokers. In case of physical shares, please provide bank account details (IBAN account no.) directly to our Share Registrar, M/S Corplink (Private) Limited, 1-K Commercial, Model Town, Lahore. E-Dividend mandate form is enclosed and available at our website as well.

Please note that already, now after October 31, 2017 all cash dividends, declared by the Company, will only be remitted to designated bank accounts and not otherwise, so please ensure an early update of your particulars to avoid any inconvenience in future.

UNCLAIMED DIVIDENDS & BONUS SHARES

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact our Share Registrar M/S Corplink (Private) Limited, 1-K Commercial, Model Town, Lahore to collect/enquire about their unclaimed dividend or pending shares, if any.

Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government /SECP and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan (SECP).

VIDEO CONFERENCE FACILITY

Pursuant to the provisions of the Companies Act, 2017 the shareholders residing in other cities and holding at least 10% of the total paid up capital may demand the Company to provide the facility of video link for participation in the meeting. The demand for video-link facility shall be received at Shares Registrar address given hereinabove at least 7 days prior to the date of AGM.

A. STATEMENT OF MATERIAL FACTS UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

The statement sets out the material facts pertaining to the special business to be transacted at the forthcoming Annual General Meeting of the Company to be held on October 28, 2023. The Directors in their meeting held on October 06, 2023 have recommended to the Shareholders to pass the following special resolution.

Item Number 4 of the Notice - Circulation of Annual Audited Accounts through QR enabled Code and Weblink;

The Securities and Exchange Commission of Pakistan has allowed listed companies, through its SRO No. 389(I) 2023 dated March 21, 2023 to circulate the Annual Audited Financial Statements to their members through QR enabled code and weblink instead of transmitting the Annual Audited Financial Statements through CD/DVD/USB. The Company shall circulate Annual Audited Financial Statements through email address in case it has been provided by the members to the Company, and upon demand, supply hard copies of the Annual Audited Financial to the members free of cost.

"RESOLVED THAT the dissemination of information regarding annual audited financial statements to the shareholders through QR enabled code and web link as notified by the Securities and Exchange Commission of Pakistan vide its SRO 389 (I)/2023 dated 21 March, 2023, be and is hereby approved while considering technological advancements and old technology becoming obsolete, the circulation of annual financial statements through CD/DVD/USB be discontinued."



NOTICE OF ANNUAL GENERAL MEETING

B. STATEMENT UNDER RULE 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES AND UNDERTAKINGS) REGULATIONS 2012 (REF: SECTION 134(3) & 199 OF COMPANIES ACT, 2017)

In accordance with last year's AGM notice and financial statement disclosures, the Board of Directors, in line with management's efforts to resolve the matter, approved the divestment of its whole investment in Paidar Hong Glass (Private) Limited at its current book value to Mr. M. Tousif Paracha (Director/CEO) on September 30, 2022. This transaction settled his outstanding loan account balance, which had been extended to support the entity's financial and working capital needs. The 36th Annual General Meeting had previously granted authorization, via a special resolution, for the CEO or Company Secretary, acting individually, to divest part or all of the company's equity investments when deemed advantageous for the Company and its shareholders. This settlement was successfully executed in the current year.

نوٹس برائے سالانہ اجلاس عام

نوٹس ہذا کے ذریعے مطلع کیا جاتا ہے کہ بلوچستان گلاس لمیٹڈ کا تینتا لیسواں (43واں) سالانہ اجلاس عام مورخہ 28 اکتوبر، 2023ء بوقت 12:00 بجے دن پلاٹ نمبر M-8، H.I.T.E.، جب، جب انڈسٹریل اسٹیٹ بسیدہ بلوچستان میں مندرجہ ذیل امور پر بحث کے لئے منعقد ہوگا:

عمومی امور:

1. 28 اکتوبر 2022ء کو منعقدہ سالانہ اجلاس عام کی روئیداد کو پڑھنا اور اس کی توثیق کرنا۔
2. 30 جون 2023ء کو اختتام پذیر سال کے لئے کمپنی کی پڑتال شدہ مالیاتی اسٹیٹمنٹس بمعہ آڈیٹرز اور ڈائریکٹرز رپورٹ کو وصول کرنا، انہیں زیر غور لانا اور اپنانا۔
3. 30 جون 2024ء کو اختتام پذیر سال کے لئے کمپنی کے آڈیٹرز کی تقرری کرنا اور ان کا معاوضہ طے کرنا۔

خصوصی امور

4. سالانہ پڑتال شدہ مالیاتی اسٹیٹمنٹس کی USB / DVD / CD کی بجائے بذریعہ QR کوڈ اور ویب لنک ترسیل کو زیر غور لانا۔
5. چیئرمین کی اجازت سے دیگر امور بروئے کار لانا۔

بجلم بورڈ

مورخہ: 07 اکتوبر 2023ء

مقام: لاہور

کمپنی سیکریٹری

نوٹس:

- i. شیئر ٹرانسفر Books مورخہ 21 اکتوبر 2023ء تا 28 اکتوبر 2023ء بشمول دونوں ایام بند رہیں گی۔ کمپنی کے شیئر رجسٹرار کارپ لنک (پرائیویٹ) لمیٹڈ، K-1 کمرشل، ماڈل ٹاؤن، لاہور کو 20 اکتوبر 2023ء کو کاروبار بند ہونے تک موصول ٹرانسفرز کو AGM میں شرکت کے لئے بروقت شمار کیا جائے گا۔
- ii. AGM میں ووٹ اور شرکت کرنے کا اہل رکن کسی دوسرے رکن کو اپنی جگہ اجلاس میں شرکت اور ووٹ کے لئے اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی فارم کو موثر کرنے کی غرض سے باقاعدہ اور دستخط شدہ فارم اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرار آفس میں موصول ہو جانا چاہئے۔
- iii. سنٹرل ڈیپازٹری کمپنی میں جمع حصص کے حامل شیئر ہولڈرز کو تصدیق کے لئے CDC اکاؤنٹ کے ہمراہ اپنا شناختی کارڈ ساتھ لانے کی درخواست کی جاتی ہے۔ کاروباری ادارہ کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد اختیار نامہ بمعہ نامزد فرد کے نمونہ کے دستخط (اگر پہلے جمع نہ کرایا گیا ہو) اجلاس کے موقع پر پیش کرنا ہوگا۔
- iv. اجلاس میں شرکت اور پراکسی کے تقرر کی غرض سے CDC اکاؤنٹ ہولڈرز کو SECP کے مورخہ 26 جنوری، 2000ء کے مراسلہ نمبر 01 میں بیان کردہ ہدایات پر عمل کرنا ہوگا۔
- v. ریکارڈ میں تجدید کی غرض سے اراکین کو اپنے پتا میں تبدیلی سے متعلق کمپنی کے شیئر رجسٹرار کو فوری آگاہ کرنے اور شناختی کارڈ کی نقل فراہم کرنے کی درخواست کی جاتی ہے۔
- vi. کمپنی SECP کے مورخہ 17 مارچ 2020ء اور مورخہ 31 اگست 2020ء کے بالترتیب سرکلر نمبر 15 اور 25 میں طے شدہ حفاظتی اقدامات پر عمل درآمد کی یقین دہانی کرائی ہے۔ جب کہ شیئر ہولڈرز AGM کے ایجنڈا آئٹمز سے متعلق رائے اور تجاویز AGM کے انعقاد سے کم از کم 2 یوم قبل ای میل ایڈریس furqan.habib@balochistanglass.com پر ارسال کر سکتے ہیں۔ تاہم، 30 جون 2021ء کو اختتام پذیر سال کے لئے کمپنی کی مالیاتی اسٹیٹمنٹس کمپنی ویب سائٹ www.balochistanglass.com پر شائع کر دی جائیں گی۔

vii. کمپنیز ایکٹ 2017ء کے سیکشن 72 کے تحت تمام موجودہ کمپنیاں کمپنیز ایکٹ 2017ء کے نفاذ سے چار سال کے اندر اپنے فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے کی پابند ہیں۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے اپنے سرکلر نمبر CSD/ED/Misc/2016-639-64 مورخہ 26 مارچ، 2021ء کے ذریعے لسٹڈ کمپنیوں کو ہدایت جاری کی ہے وہ فزیکل فارم میں حصص کے حامل اراکین سے رابطہ کریں تاکہ وہ اپنے حصص بک انٹری فارم میں تبدیل کر لیں۔ لہذا ہم فزیکل فارم میں حصص کے حامل اراکین سے التماس کرتے ہیں کہ وہ پہلی فرصت میں اپنے فزیکل شیئرز کو بک انٹری فارم میں تبدیل کر لیں۔

پڑتال شدہ مالیاتی اسٹیٹمنٹس بمعہ نوٹس AGM کی بذریعہ ای میل ترسیل

i. سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اپنے مراسلہ نمبر SRO 787(I)/2014 مورخہ 8 ستمبر 2014ء کے تحت کمپنیوں کو پڑتال شدہ مالیاتی اسٹیٹمنٹس اور سالانہ اجلاس عام کے نوٹس کی اپنے اراکین کو بذریعہ ای میل ترسیل کی اجازت دیتا ہے۔ لہذا، پڑتال شدہ مالیاتی اسٹیٹمنٹس اور نوٹس کی بذریعہ ای میل وصولی کے لئے اراکین کو اپنا اقرار نامہ اور ای میل ایڈریس سے متعلق آگاہ کرنے کی درخواست کی جاتی ہے۔ تاہم پڑتال شدہ مالیاتی اسٹیٹمنٹس کی کاغذی صورت میں وصولی کے خواہش مند شیئرز ہولڈرز کو درخواست موصول ہونے کے سات (7) یوم کے اندر انہیں یہ بالکل مفت فراہم کی جائیں گی۔

اس سہولت کو حاصل کرنے کے لئے کمپنی کی ویب سائٹ اور سابقہ سالانہ رپورٹ میں معیاری درخواست فارم دستیاب ہے۔

اراکین/شیئرز ہولڈرز کا شناختی کارڈ اور منافع منقسمہ کی ادائیگی

ii. قبل ازیں آگاہ کیا جا چکا ہے کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) مورخہ 31 مارچ 2016ء، 10 جنوری 2014ء اور 5 جولائی 2012ء کے بالترتیب مراسلہ نمبر SRO 247(I)/2016، SRO 19(I)/2014 اور SRO 831(I)/2012 کے تحت منافع منقسمہ کے وارنٹ کے ساتھ رجسٹرڈ شیئرز ہولڈرز یا مجاز شخص کا کمپیوٹرائزڈ شناختی کارڈ نمبر ماسوائے نابالغان اور کاروباری شیئرز ہولڈرز کے لازمی قرار دیا گیا ہے۔ لہذا منافع منقسمہ کے وارنٹ کا اجرا شیئرز ہولڈرز کے شناختی کارڈ (افراد)/NTN نمبر (کاروباری ادارہ) سے مشروط ہوگا۔

اراکین سے التماس کی جاتی ہے کہ وہ اپنے کمپیوٹرائزڈ شناختی کارڈ کی نقل ریکارڈ کی تجدید کے لئے جمع کرائیں بصورت دیگر تمام ممکنہ منافع منقسمہ کے وارنٹ ملتوی کر دیئے جائیں گے۔

زکوٰۃ و عشر آرڈیننس 1980ء کے تحت حلف نامہ

iii. زکوٰۃ سے استثنیٰ کی غرض سے تمام اراکین کو زکوٰۃ و عشر آرڈیننس 1989ء کے تحت حلف نامہ جمع کرانے کی درخواست کی جاتی ہے۔

برقی - منافع منقسمہ

کمپنیز ایکٹ 2017ء کے سیکشن 242 کے تحت پبلک لسٹڈ کمپنی کی صورت میں واجب الادا نقد منافع منقسمہ اہل شیئرز ہولڈرز کے مقررہ بینک اکاؤنٹ میں براہ راست بذریعہ برقی طریقہ کار ادا کیا جائے گا۔ لہذا بذریعہ نوٹس ہذا تمام شیئرز ہولڈرز کو بذریعہ متعلقہ شرکاء/شاخ بروکر سنٹرل ڈیپازٹری سسٹم میں اپنے بینک اکاؤنٹ کی تفصیلات کی تجدید کرنے کی درخواست کی جاتی ہے۔ فزیکل شیئرز کی صورت میں براہ کرم ہمارے شیئرز رجسٹر اری میسرز کارپوریشن (پرائیویٹ) لمیٹڈ-1 کرسٹل، ماڈل ٹاؤن لاہور کو اپنے بینک اکاؤنٹ کی تفصیلات (IBAN اکاؤنٹ نمبر) براہ راست فراہم کریں۔ برقی منافع منقسمہ کا مینڈیٹ فارم ہماری ویب سائٹ پر بھی دستیاب ہے۔

یاد رہے کہ 13 اکتوبر 2017ء کے بعد کمپنی کا منظور شدہ نقد منافع منقسمہ صرف مقررہ بینک اکاؤنٹس میں ہی جمع کرایا جائے گا لہذا مستقبل میں کسی بھی تکلیف سے بچنے کے لئے اپنی تفصیلات کی فی الفور تجدید کر لیں۔

لا دعویٰ منافع منقسمہ اور بونس حصص

ایسے حصص داران جو کسی بھی وجہ سے اپنا منافع منقسمہ یا بونس حصص کا دعویٰ نہیں کر سکے یا اپنے فزیکل شیئرز حاصل نہیں کر سکے انہیں ہمارے شیئرز رجسٹر اریسٹرز کا رپ لنک (پرائیویٹ) لمیٹڈ K-1 کمرشل، ماڈل ٹاؤن لاہور سے رابطہ کرنے کی تجویز دی جاتی ہے تاکہ وہ اپنے لا دعویٰ یا معطل حصص حاصل کر سکیں۔

یاد رہے کہ کمپنیز ایکٹ 2017ء کے سیکشن 244 کی پیروی میں طے شدہ طریقہ کار پر عمل درآمد کے بعد مقررہ تاریخ سے تین سال کی مدت تک واجب الادا لا دعویٰ منافع منقسمہ و فاقی حکومت/SECP کو جمع کر دیا جائے گا اور حصص کی صورت میں انہیں سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کو ڈیلیوری کر دیا جائے گا۔

ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017ء کے قواعد کی پیروی میں کل ادا شدہ سرمایہ میں کم از کم 10 فی صد حصص کے حامل اور مقام اجلاس سے فاصلہ پر مقیم حصص داران اجلاس میں شرکت کے لئے ویڈیو لنک کی سہولت فراہم کرنے کا مطالبہ کر سکتے ہیں۔ ویڈیو لنک سہولت کی درخواست AGM کے انعقاد سے کم از کم 7 یوم قبل شیئرز رجسٹر اریسٹرز کو وصول ہو جانی چاہئے۔

A. کمپنیز ایکٹ 2017ء کے سیکشن (3) 134 کی پیروی میں بیان

بیان ہذا 28 اکتوبر 2023ء کو منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں زیر بحث لائے جانے والے خصوصی امور کی بابت مادی حقائق پر مشتمل ہے۔ ڈائریکٹرز نے 06 اکتوبر 2023ء کو منعقد ہونے والے اپنے اجلاس میں مندرجہ ذیل خصوصی قرار منظور کرنے کی تجویز دی ہے۔

نوٹس کا آئیٹم نمبر 4- سالانہ پڑتال شدہ کھاتوں کی بذریعہ QR کوڈ اور ویب لنک ترسیل

سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") نے اپنے مورخہ 21 مارچ 2023ء کے مراسلہ نمبر SRO389(I)/2023 کے ذریعے لسٹڈ کمپنیوں کو سالانہ بیننس شیٹ، نفع و نقصان اکاؤنٹ، آڈیٹرز رپورٹ وغیرہ ("سالانہ پڑتال شدہ مالیاتی اسٹیٹمنٹس") بذریعہ QR کوڈ اور ویب لنک اپنے اراکین کو ارسال کرنے کی اجازت دی ہے جو شیئرز ہولڈرز کی منظوری سے مشروط ہے۔ لہذا بورڈ آف ڈائریکٹرز نے اس کی تعمیل کی منظوری دی ہے۔ لہذا سالانہ پڑتال شدہ مالیاتی اسٹیٹمنٹس کی ترسیل بذریعہ USB / DVD / CD کا عمل منسوخ کیا جائے گا۔

"قرار پایا کہ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے مورخہ 21 مارچ 2023ء کے مراسلہ S.R.O. 389(I)/2023 کی پیروی میں کمپنی اراکین کو سالانہ پڑتال شدہ مالیاتی اسٹیٹمنٹس بذریعہ QR کوڈ اور ویب لنک ارسال کرنے اور USB / DVD / CD کے ذریعے ترسیل کو ختم کرنے کے لئے کمپنی کو یہاں باضابطہ طور پر مجاز ٹھہرایا جاتا ہے۔"

B. کمپنیز (الحاق شدہ کمپنیوں اور انڈر ٹیکنگ میں سرمایہ کاری) ضوابط 2012ء کے قاعدہ (2) 4 (حوالہ کمپنیز ایکٹ 2017ء کا سیکشن 199) کی پیروی میں اعلامیہ

گذشتہ برس کے AGM نوٹس اور مالیاتی اسٹیٹمنٹ میں اظہار کے مطابق معاملہ کو حل کرنے کی انتظامیہ کی کوششوں کے پیش نظر بورڈ آف ڈائریکٹرز نے پائیدار ہانگ گلاس (پرائیویٹ) لمیٹڈ کی مکمل سرمایہ کاری کو حالیہ بک ویلیو پر مسٹریٹیم توصیف پر اچھ (ڈائریکٹر/CEO) کے حق میں 30 ستمبر 2022ء کو منتقل کرنے کی منظوری دی۔ اس ٹرانزیکشن کے ذریعے واجب الادا اکاؤنٹ بیننس کا حساب بے باک کیا گیا۔ جسے ادارے کی مالیات اور زیر کار سرمایہ کی ضروریات کے لئے دیا گیا تھا۔ 36 ویں سالانہ اجلاس عام میں بذریعہ خصوصی قرار CEO یا کمپنی سیکریٹری کو انفرادی حیثیت میں کمپنی کی ایکویٹی انویسٹمنٹ کے کلی یا جزوی ارتداد کا مجاز قرار دیا گیا تھا جو کمپنی اور اس کے شیئرز ہولڈرز کے بہترین مفاد میں ہو۔ حالیہ برس اس تصفیہ پر کامیابی سے عمل درآمد کر دیا گیا ہے۔



DIRECTORS' REPORT

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, 2023.

COMPANY PERFORMANCE

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

	2023	2022
	Rupees in thousands	
Sales - Net	186,006	1,346,050
Gross (Loss)	(193,690)	(170,579)
Operating (Loss) / Profit	5,346	(158,564)
Depreciation for the year	130,963	156,710
(Loss) before Tax	(142,143)	(261,742)
(Loss) after Tax	(135,055)	(269,442)
Basic and diluted Earnings / (Loss) per share Rs.	(0.52)	(1.03)

The negative financial position shows that the company has faced substantial difficulties which include major decrease in net revenue that resulted into significant losses. This is mainly due to continuous closure of the tableware glass production since May 27, 2022. The closure of the tableware production was majorly attributed to the strategic decision of the management with regard to overcome the operational and financial problems exaggerated the vulnerability of global economic environment on account of covid related inflationary pressures and its extensively negative impacts on Pakistani economy.

In previous years, the company faced excessive production costs stemming from a lack of consistent gas supply, persistent rises in energy prices, unavoidable market inflation in raw materials and various other operational & technical challenges.

However, in the result of management's continuous efforts to explore most feasible market option to revive the operations of the company in alignment of their strategic decision to generate long term positive financial results. During the year, Mr. Muhammad Tousif Peracha and some of the other shareholders of the company transferred their shares of BGL to MMM Holding (Pvt.) Limited (MHPL) and on the basis of said transfer the MHPL became the holding Company of BGL through its 84.34% shareholding therein. Thereafter, under a joint understanding of revival of the BGL, one of the leading market player in glass industry i.e. Tariq Glass Industries Limited (TGIL) has executed a Share Purchase Agreement with Mr. Muhamad Tousif Peracha (Director/CEO) in May 2023 who currently own 99.9% of MHPL. The said agreement entails the acquisition of 57,555,625 Ordinary Shares, constituting 50% of MMM's total issued share capital at agreed terms.

All the interested parties are in the process of execution of the agreement in compliance with applicable law, rules and regulations. As a result of successful execution of the agreement, MHPL who currently holds 220,644,430 ordinary shares, representing 84.34% of the total issued and outstanding ordinary shares of M/s Balochistan Glass Limited (BGL), TGIL will indirectly possess 110,322,215 Ordinary shares, corresponding to 42.1721% shares of the Company.

FUTURE OUTLOOK

With the involvement of TGIL experts, the company is actively working on various fronts to overcome all previous operational challenges. The management is focusing on strategic goals for achieving its basic objectivities of producing good quality glass products in a cost effective manner which will surely be improving operational and financial performance. The management is optimistic about the company's long-term prospects once the new measures are implemented. It is intended to complete major changes in the coming financial year, subject to regulatory and other documentary requirements which would lead to sustainable financial growth of the company.

The company's management also plans to make major strategic decisions with the direct supervision of experienced market player (TGIL). These decisions may involve revising company policies, improving marketing strategies, enhancing production controls, and optimizing human resources across the company. The management is fully committed to resolving operational-related matters and reviving these projects.

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 difficulties of the business, the ability to revise and implement new strategic decisions, operational restructuring of the Company's existing setup and the desire of directors & associates to continue their financial support:



implement a significant debt restructuring of the Company's existing debts and the appetite of directors & associates to continue financial support.

- The glass industry's potential and the management's prominent position to re-capture a larger market standings.
- We have a newly refurbished furnace with ample capacity to produce both tableware and container glass products, and it still has a significant remaining useful life.
- Our plant infrastructure and building structures remain intact, along with newly aligned machinery for glass production.
- The market demand for tableware glass products is on the rise on account of import restrictions, and we have a consistent supply of skilled human resources in the nearby area.
- We have already established a solid market presence with the involvement of TGIL, a leading entity in the market.
- Availability of leading marketing team players with extensive experience gained through TGIL.
- Better management control by establishing improved internal controls with the involvement of TGIL.
- We possess an inventory of moulds with various designs, all of which have a substantial remaining useful life, including Printed Jugs, Printed Tumblers, large articles, and newly designed products.
- Our sponsors and associates continue to provide consistent financial support.
- We diligently adhere to financial payment schedules with financial institutions and have settled outstanding liabilities already.
- There are opportunities in the market to restructure our company's operations, making them more cost-effective for long-term sustainability.

We feel that by considering all the above factors, availability of suitable plant infrastructure, growth opportunities in glass industry, present & future demand of glass products in local & export markets and continued support and commitment of directors & associates, management of the company is fully justified to prepare the financial statements using going concern assumptions.

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 & R Committee and its members are disclosed in annual report.
- 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 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.

Annual Evaluation of Board of Directors

The Board performs three major roles in a company - it provides direction (i.e. sets the strategic direction of the company), it controls (i.e. monitors the management) and provides support and advice (advisory role). The Board has set an in-house Board performance evaluation mechanism which typically examines these roles of the Board and the entailing responsibilities, and assesses how effectively these are fulfilled by the Board. The evaluation of the performance of the Boards is essentially an assessment of how the Board has performed on all of the following parameters:



DIRECTORS' REPORT

- Board Structure: its composition, constitution and diversity and that of its Committees, competencies of the members, Board and Committee charters, frequency of meetings, procedures;
- Dynamics and Functioning of the Board: annual Board calendar, information availability, interactions and communication with CEO and senior executives, Board agenda, cohesiveness and the quality of participation in Board meetings;
- Business Strategy Governance: Board's role in company strategy;
- Financial Reporting Process, Internal Audit and Internal Controls: The integrity and the robustness of the financial and other controls regarding abusive related party transactions, vigil mechanism and risk management;
- Monitoring Role: Monitoring of policies, strategy implementation and systems; and
- Supporting and Advisory Role.

Composition of the Board:

- The total number of directors are 7 as per the following:
 - Male: 6
 - Female: 1
- Board of Directors of the Company Comprises:

Category	Names
Independent Director	Mr. Faisal Aftab Ahmad Mr. Sana Ullah Khan Ghory
Executive Director	Mr. Muhammad Tousif Peracha
Non-Executive Directors	Mr. Shaffi Uddin Paracha Mr. Mian Nazir Ahmed Paracha* Mrs. Tabsum Tousif Paracha Mr. Muhammad Niaz Paracha

(Resigned on 20th of June 2023, casual vacancy has been filled subsequently within due time frame)

- The Board has formed committees comprising of members given below:
 - Audit Committee**
 - Mr. Faisal Aftab Ahmad
 - Mrs. Tabsum Tousif Paracha
 - Mr. Muhammad Niaz Paracha
 - HR & Remuneration Committee**
 - Mr. Sana Ullah Khan Ghory
 - Mrs. Tabsum Tousif Paracha
 - Mr. Shaffi Uddin Paracha

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:

Number of meetings held	Meetings attended		
	BOD	BAC	HR&R
1. Mr. Muhammad Tousif Paracha	4	2	-
2. Mrs. Tabsum Tousif Paracha	4	2	1
3. Mr. Nazir Ahmad Paracha	4	-	-
4. Mr. Niaz Paracha	4	4	-
5. Mr. Shaffi ud Din Paracha	4	-	1
6. Mr. Faisal Aftab Ahmad	4	4	-
7. Mr. Sana Ullah Khan Ghory	4	-	1

Board was elected on 27-01-2023.

DIRECTORS' REPORT



The remuneration / fee of directors is determined in accordance with the requirements of the Companies Act 2017, related Regulations, Articles of Association of the Company and the Directors' Remuneration Policy. Remuneration of directors & other executives are disclosed in the financial statements.

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 of the Company as well as support & cooperation extended by our distributors, dealers, suppliers and other stakeholders of the company.

For and on behalf of the Board

Mr. Muhammad Tousif Paracha
CEO

Lahore : 06 October 2023

Mr. Faisal Aftab Ahmed
Director

ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2023ء کو اختتام پذیر سال کے لئے کمپنی کی پڑتال شدہ مالیاتی اسٹیٹمنٹس کے ہمراہ سالانہ رپورٹ ازراہ مسرت پیش کرتے ہیں۔ کمپنی کی کارکردگی

حالیہ برس کے اہم آپریٹنگ نتائج کا گذشتہ برس کے ساتھ موازنہ حسب ذیل ہے:

2022ء	2023ء	
ہزار روپوں میں		
1,346,050	186,006	فروخت - خالص
(170,579)	(193,690)	مجموعی (نقصان)
(158,564)	5,346	آپریٹنگ (نقصان)/ منافع
156,710	130,963	سال بھر میں فرسودگی
(261,742)	(142,143)	(نقصان) بمعہ ٹیکس
(269,442)	(135,055)	(نقصان) علاوہ ٹیکس
(1.03)	(0.52)	بنیادی تخلیلی آمدنی / (خسارہ) فی حصص (روپے)

منفی مالیاتی حالت ظاہر کرتی ہے کہ کمپنی نے خالص آمدنی میں بھاری خسارے پر مشتمل بڑی پریشانیوں کا سامنا کیا ہے، جس کے نتیجے میں مسلسل خسارہ ہو رہا ہے۔ جس کو 27 مئی 2022ء سے مسلسل بند ٹیبل ویئر گلاس کی پیداوار سے منسوب کیا جا رہا ہے۔ ٹیبل ویئر پیداوار کی بندش کو کرونا سے پیدا فریاض کے دباؤ کے باعث عالمی سطح پر معاشی عدم استحکام اور پاکستانی معیشت پر اس کے شدید منفی اثرات سے پیدا آپریٹنگ اور مالیاتی مسائل سے نبرد آزما ہونے کے لئے انتظامیہ کے حکمت سے بھرے فیصلے سے منسوب کیا جا رہا ہے۔ گذشتہ برسوں میں کمپنی نے ٹیکس کی مسلسل سپلائی میں کمی، توانائی کی قیمتوں میں لگاتار اضافے، خام مال کی منڈیوں میں ناگزیر منہ گائی اور دیگر آپریٹنگ اور ٹیکنیکی مسائل کے باعث پیداواری لاگت میں اضافے کا سامنا رہا۔

البتہ کمپنی اپنے اسٹریٹجک فیصلوں کے عین مطابق کمپنی کے آپریٹنگ کی بحالی کے لئے موزوں مارکیٹ کی تسخیر میں انتظامیہ کی مسلسل کوششوں سے کمپنی طویل مدتی مثبت نتائج کے حصول کے لئے پرعزم ہے۔ مذکورہ سال کے دوران، مسٹر محمد توصیف پراچہ اور کمپنی کے دیگر شیئر ہولڈرز نے BGL کے شیئرز ہولڈرز نے BGL کی ہولڈنگ (پرائیویٹ) لمیٹڈ (MHPL) کو منتقل کر دیے اور اس منتقلی کی بنیاد پر MHPL اپنی 84.34 فیصد ہولڈنگ کی بنیاد پر BGL کی ہولڈنگ کمپنی بن گئی۔ بعد ازاں، BGL کی بحالی کے لئے باہمی سمجھوتے کے تحت گلاس انڈسٹری میں معروف کمپنی طارق گلاس انڈسٹری لمیٹڈ (TGIL) نے مسٹر محمد توصیف پراچہ (ڈائریکٹر/ CEO) کے ساتھ مئی 2023ء میں حصص کی خرید کا معاہدہ کیا جو اس وقت MHPL کی 99.9 فیصد شیئر ہولڈنگ کے مالک ہیں۔ مذکورہ معاہدے کے تحت طے شدہ شرائط پر MMM کے کل جاری کردہ سرمایہ حصص کے 50% حصص یعنی 57,555,625 عمومی حصص کے حصول پر مشتمل ہے۔

دلچسپی رکھنے والے تمام فریق مروجہ قوانین، اصول و ضوابط کی تعمیل میں معاہدے پر عمل درآمد کر رہے ہیں۔ معاہدہ پر کامیاب عمل درآمد کے نتیجے میں MHPL، جو فی الوقت 220,644,430 عمومی حصص کی مالک ہے، میسرز بلوچستان گلاس لمیٹڈ (BGL) کے کل جاری کردہ اور واجب الادا عمومی حصص میں 84.34% کی نمائندگی کرتی ہے۔ اس طرح TGIL بالواسطہ طور پر کمپنی کی 42.1721 فیصد یعنی 110,322,215 عمومی حصص کی مالک بن جائے گی۔

مستقبل کا منظر نامہ

تجلی ماہرین کی شمولیت سے کمپنی تمام سابقہ آپریشنل مسائل سے نکلنے کے لئے ہر شعبے میں فعال کردار ادا کر رہی ہے۔ انتظامیہ مؤثر لاگت کے ساتھ معیاری گلاس مصنوعات کی پیداوار کے بنیادی مقصد کو حاصل کرنے کے لئے اسٹریٹجک اہداف پر توجہ دے رہی ہے جس سے کمپنی کی آپریشنل اور مالیاتی کارکردگی میں یقیناً بہتری آئے گی۔ انتظامیہ کمپنی کے طویل مدتی امکانات کی بابت پر امید ہے جب تازہ ترین اقدامات پر عمل ہو جائے گا۔ آئندہ مالیاتی سال کے دوران انتظامیہ بڑی تبدیلیوں کا ارادہ رکھتی ہے جو ریگولیشن اور دیگر دستاویزات معیارات سے مشروط ہے جس سے کمپنی کی دائمی مالیاتی نمونہ ہوگی۔

کمپنی کی انتظامیہ تجربہ کار مارکیٹ پلیئر (TGIL) کی براہ راست نگرانی میں بڑے اسٹریٹجک فیصلے کرنے کا ارادہ رکھتی ہے۔ ان فیصلوں میں کمپنی کی پالیسیوں پر نظر ثانی، مارکیٹ حکمت عملی میں بہتری، پیداواری کنٹرولز میں توسیع اور انسانی وسائل کی ترتیب شامل ہو سکتی ہے۔ انتظامیہ آپریشنل معاملات کو حل کرنے اور منصوبوں کو بحال کرنے کے لئے پرعزم ہے۔

آڈیٹرز کے مشاہدات/نتائج پر رائے

کاروباری جاری رکھنے کا مفروضہ

آڈیٹرز نے کمپنی کی کاروباری جاری رکھنے کی صلاحیت پر تحفظات اٹھائے ہیں۔ کمپنی کی کاروبار جاری رکھنے کی حیثیت کا تعین کرنے کے لئے انتظامیہ نے کاروبار کی آپریشنل مشکلات، نئے سٹریٹجک فیصلوں کے اطلاق، کمپنی کے موجودہ سیٹ اپ کی آپریشنل ری سٹرکچرنگ اور مالیاتی مدد جاری رکھنے کے لئے ڈائریکٹرز اور ایسوسی ایٹس کے ارادے جیسے کئی عوامل کا بغور جائزہ لیا ہے۔

- بڑی منڈیوں میں دوبارہ پاؤں جمانے کے لئے گلاس انڈسٹری کی استعداد اور انتظامیہ کی نمایاں کوشش
 - نئی فریٹ ڈسٹری بیوٹن کی استعداد میں اضافہ کر کے ٹیبل ویئر اور کنٹینر گلاس پروڈکٹس کی پیداوار میں بقیہ قابل استعمال دورانیہ کے ساتھ اضافہ کرنا۔
 - ہمارے پلانٹ انفراسٹرکچر اور بلڈنگ سٹرکچر اور گلاس کی پیداوار کے لئے نئی نصب مشینری کا حال قائم ہے۔
 - درآمدی پابندیوں کے باعث ٹیبل ویئر مصنوعات کی مارکیٹ طلب میں اضافہ ہو رہا ہے اور قریبی علاقوں میں ہمارے پاس ماہر انسانی وسائل کی مسلسل سپلائی موجود ہے۔
 - ہم نے TGIL کی مدد سے منڈی میں پہلے ہی اپنے قدم جمائے ہیں جو منڈی کا صف اول کا ادارہ ہے۔
 - TGIL سے وسیع تجربہ حاصل کرنے والی قابل مارکیٹنگ ٹیم کی دستیابی۔
 - TGIL کی مدد سے بہتر انٹرنل کنٹرولز قائم کر کے بہتر انتظامی کنٹرول۔
 - ہمارے پاس کئی ڈیزائنوں کے مولڈز کا ذخیرہ ہے جن کا قابل استعمال عرصہ بہت زیادہ ہے جس میں پرنٹ شدہ جگ، پرنٹ شدہ ٹمبرز، بڑے آرٹیکلز اور نئی ڈیزائن کردہ مصنوعات شامل ہیں۔
 - ہم مالیاتی اداروں کو طے شدہ شیڈول کے مطابق قرضوں کی واپسی کو ملحوظ خاطر رکھتے ہیں۔
 - ہمارے سپلائر اور ایسوسی ایٹس مستقل مالیاتی سپورٹ کرتے ہیں۔
 - اپنی کمپنی کے آپریشنز کو ری سٹرکچر کرنے کے لئے منڈی میں مواقع موجود ہیں جو طویل مدتی پائیداری کے لئے مزید کاسٹ افیکٹو ہوگی۔
- ہمیں توقع ہے کہ مذکورہ بالا عوامل، معقول پلانٹ انفراسٹرکچر، گلاس انڈسٹری میں نمونہ کے مواقع، مقامی اور برآمدی منڈیوں میں گلاس پروڈکٹس کی حالیہ اور آئندہ طلب اور ڈائریکٹرز اور ایسوسی ایٹس کی مسلسل حمایت اور عزم کو مد نظر رکھتے ہوئے کمپنی کی انتظامیہ کاروبار کو جاری رکھنے کے مفروضہ جات کو استعمال کرتے ہوئے یہ مالیاتی اسٹیٹمنٹس تیار کرنے میں حق بجانب ہے۔

کاروباری و مالیاتی رپورٹنگ فریم ورک

کوڈ آف کارپوریٹ گورننس کی تعمیل میں ہم کاروباری و مالیاتی رپورٹنگ فریم ورک پر حسب ذیل اعلامیہ جاری کرتے ہیں:

- i. کمپنی کی انتظامیہ کی تیار کردہ مالیاتی اسٹیٹمنٹس نصف میں تبدیلی، کش فلو، آپریشنز اور کاروباری امور کی بہترین عکاسی کرتی ہیں۔
- ii. کمپنی کے کھاتوں کی باقاعدہ کتابیں تیار کی گئی ہیں۔
- iii. مالیاتی اسٹیٹمنٹس کی تیاری میں موافق اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینہ جات موزوں فیصلوں کی بنیاد پر لگائے گئے ہیں۔
- iv. مالیاتی اسٹیٹمنٹس کی تیاری میں پاکستان میں رائج بین الاقوامی مالیاتی رپورٹنگ سٹینڈرڈز (IFRS) کی پیروی کی گئی ہے اور اس میں کسی بھی قسم کے سقم کو مناسب انداز میں ظاہر اور واضح کیا گیا ہے۔
- v. داخلی نظم و ضبط ایک مربوط نظام موجود ہے اور اس کو موثر انداز میں لاگو اور مانیٹر کیا جاتا ہے۔
- vi. انتظامیہ پر امید ہے کہ کمپنی کی کاروبار جاری رکھنے کی صلاحیت میں کوئی نمایاں ابہام موجود نہ ہے۔ ہم نے اس رپورٹ میں آڈیٹرز کے تحفظات کا قائل ازیں جواب دے دیا ہے اور تدارک کے حوالے کی بھی تفصیلی وضاحت کی ہے۔
- vii. لسٹنگ ضوابط میں بیان کردہ کارپوریٹ گورننس کی بہترین عمل داری میں کوئی سقم موجود نہ ہے۔ کمپنی نے آڈٹ کمیٹی اور HR&R کمیٹی تشکیل دی ہے جس کے اراکین کو سالانہ رپورٹ میں واضح کیا گیا ہے۔
- viii. ڈائریکٹرز، CEO، CFO اور کمپنی سیکریٹری اور ان کے اہلیان اور کم سن بچوں کی جانب سے کمپنی کے حصص میں تجارت کی تفصیلات، اگر کوئی ہیں، رپورٹ ہذا کے ساتھ منسلک شیئر ہولڈنگ کی وضع میں فراہم کی گئی ہیں۔
- ix. مالیاتی سال کے اختتام تک مالیاتی اسٹیٹمنٹس اور تاریخ اجراء ڈائریکٹرز رپورٹ سے متعلقہ کمپنی کی مالیاتی حالت پر کوئی تبدیلی یا عہد اثر انداز نہ ہوا ہے۔
- x. گذشتہ چھ برس کے اہم آپریٹنگ اور مالیاتی اعداد و شمار لف ہذا ہیں۔
- xi. شیئر ہولڈنگ کا پیٹرن بھی لف ہذا ہے۔
- xii. کمپنی نے اپنے اہم قانونی و مالیاتی فرائض ادا کر دیئے ہیں ماسوائے ان معاملات کے جن کی لیکویڈٹی مسائل کی بنیاد پر مالیاتی اسٹیٹمنٹس میں وضاحت کی گئی ہے۔
- xiii. مذکورہ سال کے دوران خسارے کی وجہ سے منافع منقسمہ یا بونس حصص کا اعلان نہ کیا گیا ہے۔
- xiv. کمپنی نے اپنے ڈائریکٹرز کے ان ہاؤس ٹریڈنگ پروگرامز کا انتظام کیا ہے تاہم زیادہ تر ڈائریکٹرز تربیتی پروگرام سے متعلقہ کوڈ آف کارپوریٹ گورننس میں بیان کردہ معیار پر پورا اترتے ہیں۔
- xv. کوڈ آف کارپوریٹ گورننس کی بہترین عمل درآمد کا تعمیلی اعلامیہ رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز کا سالانہ جائزہ

بورڈ کمپنی کے تین اہم امور سرانجام دیتا ہے۔ یہ کمپنی کی حکمت عملی کی سمت، انتظامیہ کی نگرانی و کنٹرول اور معاونت و مشاورت فراہم کرتا ہے۔ بورڈ نے بورڈ کی کارکردگی کے تعین کا ان ہاؤس طریقہ کار تشکیل دیا ہے جو خصوصی طور پر بورڈ کے ان فرائض اور ذمہ داریوں کا جائزہ لیتا ہے اور بورڈ کی جانب سے ان پر عمل درآمد کا تعین کرتا ہے۔ بورڈ کی کارکردگی کا جائزہ بورڈ کے مندرجہ ذیل پیرامیٹرز پر

عمل درآمد کا تعین کرتا ہے:

- (a) بورڈ کا خاکہ: بورڈ اور اس کی کمیٹیوں کی ترکیب، تشکیل اور تفسیر اور اراکین کی قابلیت، بورڈ اور کمیٹی کا چارٹر، اجلاس کا تعدد، طریقہ ہائے کار
- (b) بورڈ کے ڈائنامک اور امور: بورڈ کا سالانہ کیلنڈر، معلومات کی دستیابی، CEO اور سینئر ایگزیکٹوز کے ساتھ تعامل و رابطہ سازی، بورڈ کا ایجنڈا، شمولیت اور بورڈ اجلاس میں شرکت کا معیار
- (c) کاروباری حکمت عملی کی گورننس: کمپنی کی حکمت عملی میں بورڈ کا کردار
- (d) مالیاتی رپورٹنگ کا طریق عمل، داخلی آڈٹ اور داخلی نظم و ضبط: متعلقہ فریقین سے مشکوک لین دین سے متعلق مالیات و کنٹرول کی سہیت و استحکام، مربوط طریقہ کار اور رسک مینجمنٹ
- (e) گمرانی: پالیسیوں کی گمرانی، حکمت عملی کا نفاذ اور نظام: اور
- (f) معاونت اور مشاورتی کردار
- بورڈ کی ترکیب

1. مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد 7 ہے:

a. مرد: 6

b. خاتون: 1

2. کمپنی کے بورڈ آف ڈائریکٹرز مندرجہ ذیل پر مشتمل ہیں:

نام	درجہ
مسٹر فیصل آفتاب احمد	خود مختار ڈائریکٹرز
مسٹر ثنا اللہ خان غوری	
مسٹر محمد توصیف پراچہ	ایگزیکٹو ڈائریکٹرز
مسٹر شفیع الدین پراچہ	نان-ایگزیکٹو ڈائریکٹرز
مسٹر میاں نذیر احمد پراچہ *	
مسٹر تبسم توصیف پراچہ	
مسٹر محمد نیاز پراچہ	

20 جون 2023ء کو مستعفی ہوئی اور خالی نشست پر مقررہ وقت میں پُر کیا گیا)
 بورڈ نے مندرجہ ذیل اراکین پر مشتمل کمیٹیاں تشکیل دی ہیں:

(*)

.3

.a آڈٹ کمیٹی	
-	مسٹر فیصل آفتاب احمد
-	مسٹر تبسم تو صیف پراچہ
-	مسٹر محمد نیاز پراچہ
.b ایچ آر اینڈ ریووزیشن کمیٹی	
-	مسٹر ثناء اللہ خان غوری
-	مسٹر تبسم تو صیف پراچہ
-	مسٹر شفیع الدین پراچہ

بورڈ، آڈٹ اور HR&R کمیٹی کے اجلاس

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

اجلاس میں حاضری			منعقدہ اجلاس کی تعداد
HR&R	BAC	BOD	
1	4	4	
-	2	4	1. مسٹر محمد تو صیف پراچہ
1	2	4	2. مسٹر تبسم تو صیف پراچہ
-	-	4	3. مسٹر نذیر احمد پراچہ
-	4	4	4. مسٹر نیاز پراچہ
1	-	4	5. مسٹر شفیع الدین پراچہ
-	4	4	6. مسٹر فیصل آفتاب احمد
1	-	4	7. مسٹر ثناء اللہ خان غوری

(*) 27 جنوری 2023ء کو بورڈ کا انتخاب کیا گیا ہے۔

ڈائریکٹرز کی فیس/ معاوضے کا تعین کمپنیز ایکٹ 2017ء، متعلقہ ضوابط، کمپنی کے آرٹیکلز آف ایسوسی ایشن اور ڈائریکٹرز کی معاوضہ پالیسی کے تحت کیا گیا۔ ڈائریکٹرز اور دیگر ایگزیکٹوز کا معاوضہ مالیاتی اسٹیٹمنٹس میں ظاہر کیا گیا ہے۔

آڈیٹرز

کمپنی کے آڈیٹرز میسرز پی کے ایف F.R.A.N.T.S چارٹرڈ اکاؤنٹنٹس ریٹائر ہو چکے ہیں اور اگلے سال کے لئے اپنی دوبارہ تقرری کے اہل ہیں۔ آڈٹ کمیٹی نے آئندہ سال کے لئے کمپنی کے آڈیٹرز کی حیثیت سے میسرز پی کے ایف F.R.A.N.T.S چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز اپنے بینکوں اور مالیاتی اداروں کی معاونت اور تعاون اور کمپنی کے تمام ملازمین اور ٹھیکے داروں کی کاوشوں، جذبہ اور عزم کو قدر کی نگاہ سے دیکھتے ہیں۔ بورڈ آف ڈائریکٹرز اپنے ڈسٹری بیوٹرز، ڈیلرز، سپلائرز اور کمپنی کے دیگر سٹیک ہولڈرز کی حمایت کا بھی تہ دل سے شکریہ ادا کرتے ہیں۔

برائے/منجانب بورڈ

Faisal Aftab

مسٹر فیصل آفتاب احمد
ڈائریکٹر

Muhammad Tahir

مسٹر محمد توفیق صیغ پراچہ

CEO

لاہور: 06 اکتوبر 2023ء



CODE OF CONDUCT

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.



CODE OF CONDUCT

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.



Balochistan Glass Limited (hereafter referred to as "the Company") is unwavering in its dedication to serving as a responsible corporate entity. The Company actively assumes its corporate social responsibilities by prioritizing energy conservation, environmental preservation, and occupational safety and health. This commitment is exemplified through measures such as the judicious use of artificial lighting, enforcing tobacco control laws and creating designated "No Smoking Zones," as well as fostering a secure and healthful workplace environment.

For many years, the Company has extended its support to the community by regularly distributing Sadqa to those in need. Additionally, it operates and maintains a mosque for the convenience of individuals residing and working in proximity to all of its factory premises.

With a paramount focus on safeguarding human lives in society, the management has implemented numerous precautions and adopted various guidelines, Standard Operating Procedures (SOPs), and protocols in accordance with recommendations from the National Command and Operations Center (NCOC) over the past year. This includes facilitating employee vaccinations, promoting awareness of cleanliness and social distancing in the workplace, and ensuring the availability of face masks and hand sanitizers for all visitors and guests. The Company also employs various antibacterial techniques to maintain clean and germ-free workspaces.

Moreover, the Company takes its corporate social responsibilities (CSR) earnestly and is fully committed to establishing policies and systems that encompass all relevant aspects of CSR across its operations. The Board assumes ultimate responsibility for CSR, diligently working towards the development and implementation of appropriate policies while adhering to its fundamental commitment to create and sustain long-term value for shareholders and all stakeholders alike.



REVIEW REPORT BY THE CHAIRPERSON

I am pleased to present the chairman's review report of your Company for the year ended June 30, 2023.

Pakistan has faced unprecedented challenges during this period. The year saw devastating floods, a commodity price shock due to the Russia-Ukraine conflict, and tightening external and domestic financing conditions. These, coupled with policy setbacks, worsened economic difficulties, halting post-pandemic recovery. Economic growth stagnated, inflation soared, forex reserves dwindled, and fiscal and external pressures became a grave concern.

The manufacturing sector has also been suffered in FY23. Frequent announcements of temporary plant shutdowns, linked to delays in importing raw materials, further hindered production. The construction industry also displayed lackluster performance.

Annually, in compliance with the Corporate Governance Code, Balochistan Glass Limited conducts a thorough assessment of its Board of Directors. This evaluation aims to gauge and compare the Board's performance against the Company's objectives, identifying areas in need of enhancement and formulating action plans accordingly. The assessment ensures the Board's effectiveness aligns with established expectations, promoting transparency and accountability within the organization.

The Board's performance for the fiscal year ending June 30, 2023, has been evaluated as satisfactory, acknowledging that continuous improvement is an ongoing priority with action plans in place. This assessment considers various key elements, such as vision, mission, and values alignment, active engagement in strategic planning, policy formulation, diligent monitoring of organizational activities and financial resources, fair treatment of employees, and efficient execution of the Board's functions. Additionally, the Board conducted its annual self-assessment for the same period, which also yielded a satisfactory rating while identifying areas for enhancement aligned with global best practices.

The Board of Directors of your Company remained exploring the best ways to resume the operational activities as all the units are closed down. Further board received agendas and supporting written material including follow up materials in sufficient time prior to the board and its committee meetings. The board meets frequently enough to adequately discharge its responsibilities. All Directors, including Independent Directors, fully participated in and made contributions to the decision-making process of the Board. The Audit Committee and Human Resources & Remuneration committee met regularly to strengthen the functions of the board. The management is fully committed to focus on corporate compliances, which will give overall positive impact.

Looking ahead, with improved regulatory environment the company will continue to strengthen its position in the market. In the end, I assure that your Company is committed to good Corporate Governance. The Board acknowledges its responsibility in respect of Corporate & Financial Reporting Framework. The Board is also cognizant of its strategic role in achieving the Company's key objectives and is focused on enriching the returns for its shareholders and other stakeholders and shall continue contributing through sustained supply of premium quality products to its valued Customers.

I would like to thank company's valued shareholders for their continued trust and appreciate the efforts of all employees for working in difficult conditions.

Mrs. Tabassum Tousif Paracha
(Chairperson)

Dated: October 06, 2023

SUMMARY OF FINANCIAL HIGHLIGHTS



	2023	2022	2021	2020	2019	2018
Rupees are in thousands						
Operating Results						
Net Sales	186,006	1,346,050	1,252,220	1,494,183	1,121,781	475,518
Gross profit / (loss)	(193,690)	(170,579)	117,499	(44,449)	(103,908)	(206,682)
Profit /(loss) before Tax	(142,143)	(261,742)	46,056	(447,245)	(144,038)	(289,554)
Profit /(Loss) after Tax	(135,055)	(269,442)	25,457	(464,205)	(135,622)	(284,034)
Dividend / bonus	-	-	-	-	-	-
Financial Position						
Property, plant and equipment	2,357,172	2,488,135	2,590,236	1,907,683	1,989,838	2,100,348
Current Assets	178,560	572,954	390,279	716,321	1,029,331	552,757
Current Liabilities	1,614,913	1,802,394	1,502,990	1,594,735	1,686,257	1,256,396
Current portion of Long Term Liabilities	-	7,746	24,218	25,920	83,131	188,251
Long Term Loans	-	-	5,158	26,927	35,129	119,948
Director's loan - unsecured	-	313,235	313,235	313,235	313,080	3,153,002
Subordinated Loan-Unsecured	1,061,619	3,635,082	3,635,082	3,635,082	3,635,082	482,080
Loan from holding company - unsecured	2,769,121	-	-	-	-	-
Share Capital	2,616,000	2,616,000	2,616,000	2,616,000	2,616,000	2,616,000
Financial Ratios						
Gross Profit/(Loss) ratio	-104.13%	-12.67%	9.38%	-2.97%	-9.26%	-43.46%
Profit/(Loss) before tax ratio	-76.42%	-19.45%	3.68%	-29.93%	-12.84%	-60.89%
Profit/(Loss) after tax ratio	-72.61%	-20.02%	2.03%	-31.07%	-12.09%	-59.73%
Current ratio	0.111	0.318	0.260	0.449	0.610	0.440
Working Capital	(1,436,353)	(1,229,440)	(1,112,711)	(878,414)	(656,926)	(703,639)



REPORT OF THE AUDIT COMMITTEE

ON ADHERENCE TO THE CODE OF CORPORATE GOVERNANCE

The Board Audit Committee has concluded its annual review of the conduct and operations of the company for the year ended 30 June 2023 and reports that:

- i. The company has adhered in full, without any material departure, with both the mandatory and voluntary provisions of the listing regulations of the Pakistan Stock Exchange, Code of Corporate Governance, Company's Code of Conduct and Values and the international best practices of governance throughout the year.
- ii. The company has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed and certified by the auditors of the company.
- iii. Appropriate accounting policies have been consistently applied except those disclosed in financial statements. Applicable accounting standards were followed in preparation of the financial statements of the company on a going concern basis for the financial year ended 30 June 2023, which present fairly the state of affairs, results of operations, loss, cash flows and changes in equity of the company for the year under review.
- iv. The Chief Executive Officer and the Chief Financial Officer have reviewed the financial statements of the company and the Chairman and Board of Directors Report. They acknowledge their responsibility for true and fair presentation of the financial statements, accuracy of reporting, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the company.
- v. Accounting estimates are based on reasonable and prudent judgment. Proper, accurate and adequate accounting records have been maintained by the company in accordance with the Companies Act 2017.
- vi. The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and applicable International Accounting Standards and International Financial Reporting Standards notified by the SECP.
- vii. All direct and indirect trading in and holdings of the company's shares by Directors and executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction. All such transactions have been disclosed.

INTERNAL AUDIT FUNCTION

- viii. The internal control framework was effectively implemented from the last many years. Presently the Company's internal Audit function is being looked after by the Chief Internal Auditor in compliance of the Code of Corporate Governance. The Chief Internal Auditor reports directly to the Chairman of the Board Audit Committee.
- ix. The company's system of internal control is sound in design and has been continually evaluated for effectiveness and control.
- x. The Board Audit Committee has ensured the achievement of operational, compliance and financial reporting objectives, safeguarding of the assets of the company and the shareholders wealth through effective financial, operational and compliance controls and risk management at all levels within the company.
- xi. Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

EXTERNAL AUDITORS

- xii. The statutory auditors of the company, PKF F.R.A.N.T.S., Chartered Accountants, have completed their audit of the company's financial statements and the Statement of Compliance with the Code of Corporate Governance for the financial year ended 30 June 2023 and shall retire on the conclusion of the 43rd Annual General Meeting.
- xiii. The final Management Letter is required to be submitted within 45 days of the date of the Auditors' Report on the financial statements under the listing regulations and shall therefore accordingly be discussed in the next Board Audit Committee meeting.

REPORT OF THE AUDIT COMMITTEE

ON ADHERENCE TO THE CODE OF CORPORATE GOVERNANCE

The logo for Balochistan Glass Ltd. (BGL) is a blue diamond shape with a white border. Inside the diamond, the letters "BGL" are written in white, surrounded by a circular pattern of small white stars.

- xiv. The Audit firm has been given a satisfactory rating under the Quality Control Review Programme of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP. The auditors have indicated their willingness to continue as auditors.
- xv. Being eligible for reappointment under the listing regulations, the Board Audit Committee recommends their reappointment for the financial year ending 30 June 2024 on terms & remuneration as negotiated by the Chief Executive Officer and approved in AGM.

ROLES AND RESPONSIBILITIES OF THE CHAIRMAN AND CHIEF EXECUTIVE:

The Chairman and the Chief Executive Officer have separate distinct roles.

The Chairman has all the powers vested under the Code of Corporate Governance and presides over all the Board Meetings and his primary role is to ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy at Board level. The Chairman of the Board ensures effective operations of the Board and its Committees in conformity with the highest standards of corporate governance and ensures that all Board committees are properly established, composed and operated. He is also responsible for setting the agenda, style and tone of Board discussions to promote constructive debate and effective decision making. The Chairman also plays an integral role in promoting effective relationships and communications between non-executive directors.

The Company is run by its Board of Directors and its affairs are managed on a day-to-day basis by the Chief Executive under the direction and control of the Board. The Chief Executive Officer is responsible for day-to-day operations and execution of the business strategy by devising business plans and monitoring the same and performs his duties under the powers vested by the law and the Board. He is responsible for preparing business strategy, overall control and operation of the company as well as implementing the business plans approved by the Board. In performing his task, the Chief Executive is required to protect and improve the shareholders' value and the long-term health of the Company. The Chief Executive is responsible for implementing the Company's long and short-term plans.



STATEMENT OF COMPLIANCE

WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) FOR THE YEAR ENDED JUNE 30, 2023

Balochistan Glass Limited ("the Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner:

- The total number of directors are seven as per the following:
 - Male: Six
 - Female: One
- The company encourages representation of independent, non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

(Board is re-constituted at 27th of January 2023)

Category	No.	Names
Independent Director	2*	Mr. Faisal Aftab Ahmad Mr. Sana Ullah Khan Ghory
Executive Director	1	Mr. Muhammad Tousif Peracha
Non-Executive Directors	3	Mr. Shaffi Uddin Paracha Mr. Muhammad Niaz Paracha Mr. Mian Nazir Ahmed Paracha (resigned on Jun 20, 2023)
Female / Non-Executive Director	1	Mrs. Tabsum Tousif Paracha

** In a Board comprising of 7 directors, one third would equate 2.333 persons. Since the fraction is below half (0.5), accordingly the fraction contained in such one-third is not rounded up as one.*

- 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).
- 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.
- 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.
- All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 ("the Act") and these Regulations.
- The meetings of Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board.
- The Board of Directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- The Board remained partially compliant with the provision with regard to their directors' training program. Four out of seven directors of the Company are exempted from directors training program on the basis of their level of education and length of experience as provided in the Regulations. One director has already attended the Director's Training Program in prior years. The Company shall arrange training program of other two directors in coming years.
- The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

STATEMENT OF COMPLIANCE

WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) FOR THE YEAR ENDED JUNE 30, 2023



11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board.
12. The Board has formed committees comprising of members given below:
 - a. **Audit Committee**
 - Mr. Faisal Aftab Ahmad (Independent Director)
 - Mrs. Tabsum Tousif Paracha
 - Mr. Muhammad Niaz Paracha
 - b. **HR & Remuneration Committee**
 - Mr. Sana Ullah Khan Ghory (Independent Director)
 - Mrs. Tabsum Tousif Paracha
 - Mr. Shaffi Uddin Paracha
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the aforesaid committees were as per following:
 - a. Audit Committee: Quarterly
 - b. HR and Remuneration Committee: Yearly
15. The Board has set up an effective internal audit function, comprising of personnel who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company. The internal audit function is involved in Internal Audit on full time basis relating to the business and other affairs of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

For and on behalf of Board of Directors

Muhammad Tousif Paracha
CEO

Mr. Faisal Aftab Ahmed
Director

Dated: October 06, 2023



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF BALOCHISTAN GLASS LIMITED
Review Report on the Statement of Compliance contained in Listed Companies
(Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Balochistan Glass Limited for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a part of our audit of the 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 of Directors' 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 Regulations require 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 approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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.

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 requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:

Sr. No.	Paragraph Reference	Description
1	9	Two directors out of six directors at year-end of the Company have not acquired the prescribed certification under the Directors' Training Program as required under Regulation 19 of the Regulations.

UDIN: CR202310205vxIfcEsJ8
Date: October 06, 2023
Lahore

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BALOCHISTAN GLASS LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS



Opinion

We have audited the annexed financial statements of Balochistan Glass Limited (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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, 2023 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that as at 30 June 2023 the Company has accumulated loss of Rs. 6,117.596 million which have resulted in net capital deficiency of Rs. 2,970.993 million and, as of that date, its current liabilities exceeded its current assets by Rs. 1,436.353 million. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty relating to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit
<p>1. Loan from Holding Company – MMM Holding (Private) Limited</p> <p>Refer to note 5.2 and 10 of the financial statements.</p> <p>During the year, MMM Holding (Pvt.) Limited (MHPL / Holding Company) has acquired 205,644,430 ordinary shares from Mr. Muhammad Tousif Paracha (CEO / Director), and an additional 15,000,000 ordinary shares from another share holder of the Company. This acquisition collectively represents an 84.34% shareholding in the Company.</p> <p>Following the aforesaid transaction, MHPL has become the holding company of BGL. MHPL is primarily controlled by Mr. Muhammad Tousif Paracha, who owns 99.99% of its shares.</p> <p>In addition to the aforementioned share purchase transaction, MHPL has also taken up the long-term loans from sponsors and associates amounting to Rs. 2,769.121 million on the same terms and conditions as being agreed with the sponsors and associates at the time of such arrangements.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none">• reviewed the minutes of relevant meetings of the Board of Directors held for consideration and approval of the aforementioned shares transfer transactions;• reviewed the Company's correspondence with the Securities and Exchange Commission of Pakistan, including the guidance and the confirmation sought by the Company in relation to the aforesaid transaction;• reviewed the price-sensitive-information related notices filed by the Company with Pakistan Stock Exchange in respect of the aforementioned shares transfer transactions;• obtained and reviewed the loan agreement executed between the Company, sponsors and associates, and the Holding Company to ascertain the terms and conditions attached thereto the loan provided by the Holding Company;



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BALOCHISTAN GLASS LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Key Audit Matter

How the matter was addressed in our audit

Since the above said loan is interest free and payable at discretion of the Company on the availability of funds, accordingly, Company has not measured the above loan at amortized cost as per requirements of applicable financial reporting standards, rather treated as equity in accordance with the Technical Release-32 ("Accounting Director's Loan") issued by the Institute of Chartered Accountants of Pakistan (ICAP).

Due to significance of the matter, materiality of the amount involved, accounting and disclosure requirements, we have considered this area as a Key Audit Matter.

- circulated the direct balance confirmation to the Holding Company for confirmation of loan balance at year-end and evaluated the response received;
- performed the test of details on the loan received during the year; and
- ensured the proper classification of outstanding loan, adequacy and appropriateness of disclosures made in the financial statements in accordance with applicable accounting and financial reporting framework.

2. Valuation of Moulds

Refer to note 19 to the accompanying financial statements, the Company owned moulds, which have net book value of Rs. 279.568 million as at year-end.

The process of ascertaining suitable economic useful lives and residual values for the moulds required significant judgment and estimation by the management.

In consideration of these factors and their potential impact on the financial statements, substantial auditor attention is required during the audit of this area, hence considered a Key Audit Matter.

Our audit procedures included the following:

- observing physical inventory counts to ascertain the condition and existence of moulds;
- Examine the application of Company's accounting policies related to the recognition, measurement, and depreciation of moulds, ensured compliances with the respective policies;
- evaluate the management's basis for determining the useful life of moulds, considering factors like wear and tear, obsolescence, and historical usage patterns;
- reviewing the appropriateness of the basis of identification of the obsolete moulds;
- obtain specific written representation from management regarding the accuracy and completeness of information related to moulds, their useful life, impairment;
- Evaluate whether there are indicators of impairment and perform impairment testing where necessary, comparing the carrying value of moulds to their recoverable amount.
- assessed the adequacy of financial statement disclosures in accordance with the applicable accounting and financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BALOCHISTAN GLASS LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BALOCHISTAN GLASS LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mr. Nouman Razaq Khan.

UDIN: AR2023102052jqMoPrd0
Date: October 06, 2023
Lahore

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



AUDITED FINACIAL STATEMENTS 2023



STATEMENT OF FINANCIAL POSITION

As At June 30, 2023

	Note	2023	2022
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
(Rupees in Thousands)			
Authorized share capital	4	2,666,000	2,666,000
Issued, subscribed and paid-up share capital	5	2,616,000	2,616,000
Discount on shares	6	(514,800)	(514,800)
		2,101,200	2,101,200
Capital reserve			
Revaluation surplus on property, plant and equipment - net of deferred tax	7	1,045,403	1,057,577
Revenue reserve			
Accumulated losses		(6,117,596)	(5,994,715)
		(2,970,993)	(2,835,938)
Subordinated loans - unsecured	8	1,061,619	3,635,082
Director's loan - unsecured	9	-	313,235
Loan from holding company - unsecured	10	2,769,121	-
		859,747	1,112,379
NON-CURRENT LIABILITIES			
Long term liabilities	11	6,536	82,167
Deferred liabilities	12	54,536	64,149
		61,072	146,316
CURRENT LIABILITIES			
Trade and other payables	13	533,807	832,425
Unclaimed dividend		164	164
Mark up accrued	14	230,935	109,880
Short term borrowings	15	849,192	852,179
Current maturity of long term loan	16	-	7,746
Provision for taxation - net of advance income tax	17	815	-
		1,614,913	1,802,394
CONTINGENCIES AND COMMITMENTS	18	2,535,732	3,061,089
TOTAL EQUITY AND LIABILITIES			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	19	2,357,172	2,488,135
CURRENT ASSETS			
Stores, spare parts and loose tools	20	75,206	89,327
Stock in trade	21	81,900	282,075
Trade debts	22	1,794	11,848
Loans and advances	23	11,245	34,009
Trade deposits, prepayments and other receivable	24	2,701	4,893
Advance income tax -net of provision for taxation	17	-	5,576
Cash and bank balances	25	5,714	5,812
		178,560	433,540
Non-current asset classified as held for sale	26	-	139,414
TOTAL ASSETS		2,535,732	3,061,089

The annexed notes from 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

STATEMENT OF PROFIT OR LOSS

For The Year Ended June 30, 2023



	Note	2023	2022
(Rupees in Thousands)			
Sales - net	27	186,006	1,346,050
Cost of sales	28	(379,696)	(1,516,629)
Gross loss		(193,690)	(170,579)
Administrative and selling expenses	29	(24,495)	(73,577)
Other expenses	30	(10,510)	(16,753)
Other income	31	234,041	102,345
Operating profit / (loss)		5,346	(158,564)
Finance cost	32	(147,489)	(105,508)
		(142,143)	(264,072)
Share of profit from an associated company	26	-	2,330
Loss before taxation		(142,143)	(261,742)
Taxation	33	7,088	(7,700)
Loss after taxation		(135,055)	(269,442)
Loss per share - basic and diluted (Rs.)	34	(0.52)	(1.03)

The annexed notes from 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR



STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2023

	Note	2023	2022
(Rupees in Thousands)			
Loss after taxation		(135,055)	(269,442)
Other comprehensive income		-	-
Total comprehensive loss for the year		(135,055)	(269,442)

The annexed notes from 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

STATEMENT OF CHANGES IN EQUITY

For The Year Ended June 30, 2023



	Capital reserve	Revenue reserve		
Issued, Subscribed and Paid up Share Capital	Discount on shares	Revaluation surplus on property, plant and equipment	Accumulated Loss	Total Equity
(Rupees in thousands)				
Balance as on June 30, 2021 (audited)	2,616,000	(514,800)	1,070,997	(5,738,693)
Incremental depreciation arising due to revaluation surplus on property, plant and equipment (net of deferred tax)	-	-	(13,420)	13,420
Total comprehensive loss for the year				
Loss after taxation for the year	-	-	-	(269,442)
Other comprehensive income for the year -net	-	-	-	-
	-	-	(13,420)	(256,022)
Balance as on June 30, 2022	2,616,000	(514,800)	1,057,577	(5,994,715)
Incremental depreciation arising due to revaluation surplus on property, plant and equipment (net of deferred tax)	-	-	(12,174)	12,174
Total comprehensive loss for the year				
Loss after taxation for the year	-	-	-	(135,055)
Other comprehensive income for the year -net	-	-	-	-
	-	-	(12,174)	(122,881)
Balance as on June 30, 2023	2,616,000	(514,800)	1,045,403	(6,117,596)

The annexed notes from 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR



STATEMENT OF CASH FLOWS

For The Year Ended June 30, 2023

	Note	2023	2022
(Rupees in Thousands)			
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(142,143)	(261,742)
Adjustments for non-cash charges and other items:			
Depreciation for the year	19.2	130,963	156,710
Allowance for doubtful balances	31	1,970	16,753
Reversal of provision for default surcharge on taxation	31	-	(11,386)
Reversal of accrued markup on settlement with bank & associates	31	(18)	(89,193)
Liabilities no longer payable written back	31	(232,130)	-
Security deposits and advances written off	30	6,408	-
Gain on disposal of operating fixed assets	31	-	(1,633)
Finance cost	32	147,489	105,508
Share of profit from an associated company	26	-	(2,330)
Operating loss before working capital changes		(87,461)	(87,313)
Working capital changes			
<i>Decrease / (Increase) in current assets</i>			
Stores, spare parts and loose tools		14,121	(10,979)
Stock in trade		200,175	(125,717)
Trade debts		8,154	22,630
Loans and advances		19,846	6,666
Trade deposits, prepayments and other receivables		(1,161)	(1,027)
<i>(Decrease) / Increase in current liabilities</i>			
Trade and other payables		(140,520)	125,225
		100,615	16,798
Cash generated from / (used in) operations		13,154	(70,515)
Payments for:			
Finance cost		(17,522)	(18,590)
Income taxes -net		(2,121)	(17,286)
Staff retirement benefits		(4,713)	(3,667)
Net cash outflow from operating activities	A	(11,202)	(110,058)
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure paid		-	(54,674)
Proceeds from disposal of investment in associate		139,414	-
Proceeds from disposal of operating fixed assets		-	1,698
Net cash inflow / (outflow) from investing activities	B	139,414	(52,976)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of director's loan		(2,886,698)	-
Loan received from holding company		2,769,121	-
Long term liabilities - net		(7,746)	(21,630)
Short term borrowings - net		(2,987)	143,094
Net cash (outflow) / inflow from financing activities	C	(128,310)	121,464
Net decrease in cash and cash equivalents	A+B+C	(98)	(41,570)
Cash and cash equivalents at beginning of the year		5,812	47,382
Cash and cash equivalents at end of the year		5,714	5,812

The annexed notes from 1 to 43 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

1 STATUS AND NATURE OF BUSINESS

Balochistan Glass Limited (the Company) was incorporated in Pakistan as a public limited company in 1980 under the repealed Companies Act, 1913 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange. The Company is engaged in manufacturing and sale of glass containers, glass table wares, and plastic shells.

The registered office of the Company is situated at Plot no. 8, Block – M, Hub Industrial Trading Estate, Distt. Lasbella Hub, Balochistan whereas head office of the Company is situated at 27-H Pace Tower, 1st floor, College Road, MM Alam Extension, Gulberg II, Lahore.

During the year, on acquisition of 84.34% shareholding from the director / CEO and other shareholder, MMM Holding (Private) Limited has become the holding company (refer to note 5.2).

Locations and addresses of all the manufacturing facilities of the Company are disclosed in note 19.3 to these financial statements.

2 GOING CONCERN ASSUMPTION

In the previous year, Unit III was operated till May 27, 2022 while Units I & II remained closed since last few years on account of management strategy to replan its operational strategies to reduce the cost and increase the Company's market share to improve margins. During the current period, operations at all the three units also remained suspended and no additional stock had been produced. The Company continued selling the existing stock for generation of cash flows to manage its operational and business liabilities. The factors contributing to shutdown of units include high energy and gas prices, intense market competition, depreciation of Pak Rupee, increase in interest rates and slowdown in overall economic condition. Other factors which contributed towards continuous losses is improper allocation of fixed assets.

Due to factors explained above, the Company had been incurring losses since last many years. During the current year, it incurred a gross loss of Rs. 193.690 million (2022: Rs. 170.579 million) with a net loss of Rs. 135.055 million (2022: Rs. 269.442 million). The accumulated losses of the Company stand at Rs. 6,117.596 million (2022: Rs. 5,994.715 million), thereby resulting in net capital deficiency of Rs. 2,970.993 million (2022: Rs. 2,835.938 million) as at year end. The Company's current liabilities also exceeded its current assets by Rs. 1,436.353 million at the year end (2022: Rs. 1,368.854 million). These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company was managing its business risks and liquidity related issues on sustainable basis. The Company is continuously honoring its financial commitments towards financial institutions. During the year, Company has settled all of its long term and short term loans towards financial institutions including entire short term liability of running finance facility of BOP. Furthermore, MMM Holding (Private) Limited in which the director / CEO holds 99.99% shareholding, has now owns 220,644,430 ordinary shares representing 84.34% of the issued and outstanding ordinary shares of the company (refer to note 5.2).

The management is well aware of the prevailing challenges and has undertaken a comprehensive strategy to reform multiple corporate policies. This includes the refinement of marketing strategies, streamlining production controls, and optimizing human resource management. As part of the revival plan, workforce reduction was executed following a meticulous evaluation of cost-effectiveness. However, management is committed to promptly rehire the skilled and experienced workforce.

Management is also intending to take various strategic decisions to improve cost efficiency before resuming production. During the year, a letter of intention has also been received by Tariq Glass Industries Limited (TGIL), to acquire up to 50% of the issued and outstanding ordinary shares and control of MMM Holding (Private) Limited (MHPL), which is currently the parent and holding company of Balochistan Glass Limited. In this regard, the share purchase agreement has been signed. Further, subsequent to the year end i.e., on August 12, 2023, TGIL has also made public announcement of offer to acquire 20,477,785 ordinary shares, representing 7.8279% shares of issued share capital at an offer price of Rs. 11.734 per share. Further corporate and other required formalities for completion of the aforesaid transactions are under process.

Existing sponsors of the company as well as acquirer (TGIL) are fully committed to again start operations of the Company. Company is in process to finalise rehabilitation plan and existing sponsors and TGIL is also committed to finance operations of the Company, accordingly, management is working on start of operations at Unit-I. Management is hopeful that with the expertise of TGIL, the operations of the Company will be run profitably. Furthermore, sponsors



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

are fully committed to support financially to the Company. Moreover, Company is regular in all operational liabilities and also settled all financial liabilities. Based on the factors discussed above, management feels confident that the 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 accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 New and revised laws, standards and interpretations

3.2.1 Standards, amendments and Interpretations adopted during the year

The Company has adopted the following standards and amendments of IFRSs which became effective for the current year:

IAS 16	Property, Plant and Equipment - Proceeds before intended use (Amendments).
IAS 37	Provisions, Contingent Liabilities and Contingent Assets; Onerous Contracts - Cost of fulfilling a contract (Amendments).
IAS 41	Agriculture; Taxation in fair value measurements (Amendments).
IFRS 3	Business Combinations; Reference to the Conceptual Framework (Amendments).
IFRS 9	Financial instruments; Fees in the '10 percent' test for derecognition of financial liabilities (Amendments)

The adoption of the above amendments / accounting standards did not have any significant impact on the financial statements.

3.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company as on the reporting date

The following new/revised standards, amendments and improvements with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations:

Standards or interpretations	Effective date (reporting period beginning on or after)	
IAS 1	Presentation of Financial Statements - Amendments regarding classification of liabilities as current or non-current (Amendments).	1 January 2024
IAS 1	Presentation of Financial Statements - Disclosure of accounting policies (Amendments).	1 January 2023
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding definition of Accounting Estimates.	1 January 2023
IAS 12	Income Taxes - deferred tax related to assets and liabilities arising from a single transaction.	1 January 2023
IFRS 10 / IAS 28	Consolidated financial statements and Investment in Associates - (the sale or contribution of assets between an investor and its associate or joint venture).	Deferred indefinitely
IFRS 16	Leases - Amendments regarding lease liability in a sale and leaseback transaction	1 January 2024

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation / disclosures.

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

Further, the following new standards and interpretations have been issued by the IASB, which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

- IFRS 1 - First Time Adoption of International Financial Reporting Standards
- IFRS 17 - Insurance Contracts

3.3 Basis of preparation

These financial statements have been prepared under the historical cost convention except otherwise stated in the respective notes and policies. In these financial statements, except for the amounts reflected in statement of cash flows, all transactions have been accounted for on accrual basis. The Company's significant accounting policies are stated in note 3.5.

3.4 Critical accounting estimates and judgments

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:

3.4.1 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 Inland Revenue 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.

3.4.2 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.

3.4.3 Allowance for doubtful receivables

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

3.4.4 Inventories

The Company reviews the net realizable value of inventories, including stock-in-trade, stores, spare parts and loose tools, to assess any diminution in their respective carrying values. Any change in the estimates in future years might affect the carrying amounts of inventories with a corresponding effect on related cost and impairment.

3.4.5 Contingencies

The Company discloses its contingent liabilities for the pending litigations and claims against the Company based on its judgment and the advice of the legal advisor for the estimated financial outcome. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

3.5 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

3.5.1 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

3.5.2 Employee benefits - provident fund

The Company operates a contributory provident fund for all its permanent employees to which equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% of basic salary. The Company's contributions are recognized as staff retirement benefit expense when they are due.

3.5.3 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 provided using the statement of financial position liability method for all temporary differences at the statement of financial position date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all major taxable temporary differences. In this regard, the effects on deferred taxation of the portion of income subject to final tax regime are also considered in accordance with the requirement of Technical Release – 27 of the Institute of Chartered Accountants of Pakistan.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilized.

Sales tax

Expenses and assets are recognized 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 recognized 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 statement of financial position.

3.5.4 Property, plant and equipment and depreciation

Owned

Operating fixed assets are stated at cost less accumulated depreciation and impairment loss, if any except for freehold land & building which is stated at revalued amount less accumulated depreciation and any identified impairment loss. All expenditures connected with specific assets incurred during installation and construction period are carried under capital work in progress at cost less any recognized impairment loss. Borrowing costs pertaining to erection / construction of qualifying assets are capitalized as part of the historical cost as stated in note 3.5.11. These are transferred to specific assets as and when these assets are available for use.

Depreciation charge is based on the reducing balance method at the rates specified in note 19 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.

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

The moulds whose entire output capacity is expected to be utilized in one year are classified as store inventory as per IAS 2 - Inventories. The moulds whose entire output capacity is expected to be utilized in more than one year are recognized in property, plant and equipment as per IAS 16 - Property, Plant & Equipment. Depreciation / consumption on moulds is charged to statement of profit or loss on the basis of units produced.

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 statement of profit or loss.

Right of use asset and related liability

The Company initially measures the right-of-use asset at cost. This cost comprises the amount of lease liability as initially measured, plus any lease payments made on or before the commencement date, less lease incentives received and initial direct costs. After the commencement date, the Company measures the right-of-use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

Depreciation is charged to income by applying reducing balance method to write-off the depreciable amounts of the assets over their estimated useful life in view of certainty of ownership of the assets at the end of lease period.

Lease liability is initially measured at present value of the lease payments over the period of lease term, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

Revaluation

Revaluation of land and building is carried out with sufficient regularity to ensure that carrying amount of assets does not differ materially from the fair value. Any revaluation increase in the carrying amount of land and building is recognized, net of deferred tax, in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment" except to the extent that it reverses a revaluation decrease / deficit for the same asset previously recognized in statement of profit or loss, in which case the increase is first recognized in statement of profit or loss to the extent of decrease previously charged. Any decreases that reverse previous increases of same asset are first recognized in other comprehensive income to the extent of remaining surplus attributable to the asset, all other decreases are charged to statement of profit or loss.

The revaluation reserve is not available for distribution to the Company's shareholders. Each period, the difference between depreciation based on the revalued carrying amount of the asset charged to statement of profit or loss and depreciation based on the asset's original cost, net of deferred tax, is reclassified from revaluation surplus to unappropriated profit / accumulated loss.

Advance against purchase of fixed assets

Advance payments for the purchase of fixed assets are classified under the non-current assets.

3.5.5 Stores, spare parts and loose tools

These are valued at lower of weighted 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, if required.

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



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

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

3.5.7 Trade debts and other receivables

Trade debts are carried at original invoice amount, which approximates fair value and subsequently measured at amortized cost, less an allowance made for expected credit losses (ECL) based on review of outstanding amounts at the year end. Allowance for ECL 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 ECL is recognized in the statement of profit or loss. When trade debt is uncollectable, it is written off against ECL. Subsequent recoveries of amounts previously written off are credited to statement of profit or loss.

3.5.8 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 statement of financial position date except where forward exchange contracts have been entered into, in which case the rates contracted for are used.

All the exchanges differences are taken into statement of profit or loss.

3.5.9 Transaction with related parties

Business 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.

3.5.10 Revenue recognition

Revenue is recognized 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 :

- Revenue from local sale of goods is recognized at a point in time when a performance obligation is satisfied by transferring control of promised goods to a customer which coincides with the dispatch of goods to the customer.
- Revenue from export sale of goods is recognized on shipment basis.
- Profit on bank deposits is recognized on a time proportion basis at the rate applicable.
- All other income is accounted for on an accrual basis.

3.5.11 Borrowings and borrowing costs

Borrowings are recognized initially at fair value and are subsequently carried at amortized cost.

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.

3.5.12 Provisions

A provision is recognized in the statement of financial position 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 statement of financial position date and adjusted to reflect the current best estimate.

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

3.5.13 Financial instruments

Financial assets and liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized when the contractual right to future cash flows from the asset expires or is transferred along with the risk and reward of the asset.

3.5.14 Classification of financial assets

The Company classifies its financial assets at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification depends on the purpose for which the financial assets were acquired. A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. These financial assets are subsequently remeasured to fair value, amortized cost or cost as the case may be. Management determines the classification of its financial assets at the time of initial recognition.

- **Financial assets at amortized cost**

Financial assets at amortized cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognized directly in profit or loss.

- **Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of exposure, irrespective of the timing of the default (a lifetime ECL).

For trade debts, the Company applies simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected loss allowance. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected credit losses are recognized in the statement of profit or loss.

3.5.15 Financial liabilities

All financial liabilities are initially recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit or loss. Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

3.5.16 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.

3.5.17 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each statement of financial position date to determine whether there is an indication of impairment loss. Any impairment loss arising is recognized as expense in the statement of profit or loss.

3.5.18 Cash and cash equivalents

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

3.5.19 Loans, advances and deposits

These are initially recognized at cost, which is the fair value of consideration given. Subsequent to the initial recognition assessment is made at each statement of financial position 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 recognized for the difference between the recoverable amount and the carrying value. Loans, advances and deposits paid by the Company are included in current assets, except for maturities greater than twelve months after the statement of financial position date, which are classified as non-current assets.

3.5.20 Investment in equity instruments of associated company

Investments in an associated company is accounted for by using equity basis of accounting, under which the investments in associated company is initially recognized at cost and the carrying amounts are increased or decreased to recognize the company's share of profit or loss of the associated company after the date of acquisition. The company's share of profit or loss of the associated company is recognized in the Company's profit or loss. Distributions received from the associated company reduce the carrying amount of investment. Adjustments to the carrying amount are also made for changes in the Company's proportionate interest in the associated company arising from changes in the associated company's equity that have not been recognized in the associated company's profit or loss. The Company's share of those changes is recognized directly in equity of the company.

The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount and loss, if any, is recognised in statement of profit or loss. Gain or loss on disposal of investment is recognised in statement of profit or loss.

3.5.21 Non-current assets classified as held for sale

Non current assets are classified as assets held for sale and carried at the lower of carrying amount and fair value less cost to sell if their carrying amount is recoverable principally through a sale transaction rather than through continuing use. These assets are not depreciated or amortised while they are classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less cost to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in the statement of profit or loss.

3.5.22 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, 2023

3.5.23 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.

3.5.24 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.

3.5.25 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.

4 AUTHORIZED SHARE CAPITAL

2023	2022	Note	2023	2022
Numbers of shares			(Rupees in Thousands)	
261,600,000	261,600,000	Ordinary shares of Rs. 10 each Preference shares of Rs. 10 each	2,616,000	2,616,000
5,000,000	5,000,000		50,000	50,000
266,600,000	266,600,000		2,666,000	2,666,000

5 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

175,300,000	175,300,000	Ordinary shares of Rs.10 each fully paid in cash	1,753,000	1,753,000
85,800,000	85,800,000	Ordinary shares of Rs.10 issued on 60% discount each fully paid in cash	858,000	858,000
500,000	500,000	Ordinary shares of Rs.10 each issued as fully paid Bonus Shares	5,000	5,000
261,600,000	261,600,000		2,616,000	2,616,000

5.1 Ordinary shares of the Company held by the related parties:

MMM Holding (Pvt.) Limited (Holding Company)	5.2	220,644,430	-
Pak Hy Oils Limited (Associated Company)		-	766
Directors		36,219	205,681,649
		220,680,649	205,682,415

5.2 During the year, Mr. Muhammad Tousif Paracha (CEO / Director) has transferred 205,644,430 ordinary shares of the company to MMM Holding (Pvt) Ltd (MHPL) representing 78.61% shareholding. Further, MHPL has also acquired 15,000,000 ordinary shares of the company representing the 5.74% shareholding from another shareholder. Resultantly, MHPL has now owned 84.34% shares of the company. MHPL is primarily controlled by Mr. Muhammad Tousif Paracha, who owns and controls 99.99% of its shares as at June 30, 2023.



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

5.3 The Company has one class of ordinary shares which carry no right to fixed income. The shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

6 DISCOUNT ON SHARES

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

	Note	2023	2022
(Rupees in Thousands)			
7 REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT - net of deferred tax			
Opening balance - net of deferred tax		1,057,577	1,070,997
Revaluation surplus transferred to accumulated loss in respect of: - incremental depreciation charged during the year - net of deferred tax		(12,174)	(13,420)
Closing balance - net of deferred tax		1,045,403	1,057,577

This represents surplus arisen on revaluation of freehold land and building on freehold land (factory & non-factory). The latest valuation of freehold land and building on freehold land (factory and non-factory) was carried out on June 30, 2021, by M/s Protectors, an independent valuer not connected with the Company.

The revaluation surplus on land and building is a capital reserve and is not available for distribution to the shareholders of the Company.

The fair valuation of the revalued assets are considered to represent a level 2 valuation of fair value hierarchy based on significant observable inputs. The fair values are subject to change owing to change in input. However, the management does not expect there to be a material sensitivity to the fair values arising from the observable inputs. The basis of revaluation for items of these fixed assets were as follows:

Freehold land:

Revalued amount of freehold land has been determined by reference to local market values of land taking into account prevailing fair market prices under the position and circumstances present on the date of revaluation and current market scenario for properties of similar nature in the immediate neighborhood and adjoining areas.

Building on freehold land:

Revalued amount of building on freehold land has been determined by reference to present depreciated replacement values after taking into consideration covered area and type of construction, age of civil and ancillary structures, physical condition and level of preventive maintenance carried out by the Company.

8 SUBORDINATED LOANS - Unsecured

Subordinated loans from directors and their associate	8.1	-	482,080
Subordinated loans	8.2	1,061,619	3,153,002
	8.3	1,061,619	3,635,082
8.1 Subordinated loans from directors and their associate - unsecured			
From related parties (Directors)			
- Local currency		-	82,493
From sponsors and shareholders			
- Foreign currency		-	399,587
	8.1.1	-	482,080

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

8.1.1 These represented foreign currency subordinated loans which were interest free, unsecured and repayable in respective currencies. Previously, these loans had been frozen with mutual consent of the directors / sponsors of the Company at exchange rates prevailing at June 30, 2007 and were payable in foreign currencies equivalent to the rupee amounts reflected as on June 30, 2007, thereby eliminating the effect of foreign currency translation loss, keeping in view heavy losses incurred by the Company. During the period, pursuant to an arrangement between the sponsors and the directors, the loans have been fully settled/ transferred on account of arrangements with the holding company (refer to note 10.1).

8.1.2 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 were not measured at amortized cost using effective interest rate method as per requirement of financial reporting standards 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 Director's Loan") and are measured at their face values as initially recognized.

	Note	2023	2022
(Rupees in Thousands)			
8.2 Subordinated loans - unsecured			
- Muhammad Tousif Paracha - Director			
- Long term loan	8.2.1	1,061,619	1,793,045
- Deferred mark-up	8.2.2	-	1,024,821
		1,061,619	2,817,866
- Shaffi Uddin Paracha - Director			
- Long term loan	8.2.3	-	97,399
- Mian Nazir Ahmed Paracha - Director			
- Long term loan	8.2.3	-	100,001
- Other associate			
- Long term loan	8.2.1	-	104,670
- Deferred mark-up	8.2.2	-	33,066
		-	137,736
		1,061,619	3,153,002

8.2.1 These represent the long term loans provided by the directors / director's associate which were previously classified as long term loans under the mark up arrangement. Pursuant to the arrangements between the Company and the directors and their associate, these have become interest free and payable at the discretion of the Company. Therefore, these loans are not measured at amortized cost as per requirements of financial reporting standards, rather these are treated as equity in accordance with the Technical Release -32 ("Accounting Director's Loan") issued by the Institute of Chartered Accountants of Pakistan. However, during the year, as part of Company's revival arrangement, the loan of other associate has been settled/transferred on account of arrangements with the holding company (refer to note 10.1).

8.2.2 These represent the amount of mark up charged, on long term loans from directors and their associate, which was previously classified as deferred mark up. Pursuant to the arrangement between the Company and the directors and their associate, no mark up is to be charged on these balances and outstanding balances of mark up is payable at the discretion of the Company. However, during the year, the loan of other associate has been settled/transferred on account of arrangements with the holding company (refer to note 10.1).

8.2.3 This represent the long-term loans provided by the directors. The aforementioned loans were interest-free and payable at the discretion of the Company. However, pursuant to the agreement between the Company and the directors during the year, the aforementioned loans are scheduled for repayment within the forthcoming financial year. Accordingly, these have been reclassified as a short-term liability.

8.2.4 Subordination of such loans have been made vide Debt Subordination Agreement with Bank of Punjab (note : 15.1)



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

	Note	2023	2022
(Rupees in Thousands)			
9 DIRECTOR'S LOAN - Unsecured			
Muhammad Tousif Paracha - Director / CEO			
Long term loan	9.1	-	313,235
9.1	This represented long term loan provided by Mr. Muhammad Tousif Paracha (CEO/Director) to meet the capital and operational requirements of the Company. The loan was interest free and payable at the discretion of the Company on availability of funds, accordingly, the said loan was not measured at amortized cost as per requirements of applicable financial reporting standards, rather treated as equity in accordance with the Technical Release-32 ("Accounting Director's Loan") issued by the Institute of Chartered Accountants of Pakistan. During the period, the Company has settled/transferred the loan on account of arrangements with the holding company (refer to note 10.1).		
10 LOAN FROM HOLDING COMPANY - unsecured			
MMM Holding (Private) Limited - Holding Company	10.1	2,769,121	-
10.1	This represents the long-term loan, that the Holding Company has granted to settle / replace the loans of sponsors, director and associates as disclosed in notes 8 and 9. As a result, the loans have been replaced on the same conditions as that of original loans. The loan is interest free and payable at discretion of the Company on the availability of funds, accordingly, the said loan is not measured at amortized cost as per requirements of applicable financial reporting standards, rather treated as equity in accordance with the Technical Release-32 ("Accounting Director's Loan") issued by the Institute of Chartered Accountants of Pakistan.		
11 LONG TERM LIABILITIES			
Long term loans - secured	11.1	-	-
Gas Infrastructure Development Cess (GIDC) payable	11.2	6,536	82,167
		6,536	82,167
11.1 Long term loans - secured			
From banks and financial institutions - Secured			
NBP - DF I	11.1.1	-	4,873
NBP - DF II (Frozen Markup)	11.1.1	-	2,873
		-	7,746
Current and overdue portion presented under current liabilities			
NBP - DF I	11.1.1	-	(3,248)
NBP - DF I - overdue	11.1.1	-	(1,625)
NBP - DF II (Frozen Markup)	11.1.1	-	(1,910)
NBP - DF II (Frozen Markup) - overdue	11.1.1	-	(963)
		-	(7,746)
		-	-

11.1.1 The Company had entered into an amicable compromised restructuring of its deferred finance facility along with markup with National Bank of Pakistan in November 2016. Through this arrangement, balance of running finance facility amounting to Rs. 32.498 million after making the upfront payment of Rs. 17.499 million is repayable in 5 years in 20 quarterly installments @ 3 months KIBOR plus 1%. The Bank has also restructured the mark up amounting to Rs. 19.253 million after the upfront payment of Rs. 10.367 million, that is repayable in 20 equal quarterly installments over 5 years. The facility is secured against first pari passu hypothecation charge on plant and machinery and equitable mortgage charge over the land of the Company amounting to Rs. 67.000 million each. The Company has repaid the entire outstanding liability during the year.

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

	Note	2023	2022
(Rupees in Thousands)			
11.2 Gas Infrastructure Development Cess (GIDC) payable			
Gas Infrastructure Development Cess (GIDC) payable		307,124	299,351
Current portion shown under trade and other payables	13	(300,588)	(217,184)
		<u>6,536</u>	<u>82,167</u>

During the financial year 2021, the Supreme Court of Pakistan (SCP) has decided the Appeal against consumers upholding the vires of GIDC Act, 2015 through its judgement dated August 13, 2020. The SCP on November 02, 2020 ordered that their decision of August 13, 2020 has validated the GIDC Act, 2015 in complete sense and the benefits allowed under its Section 8(2) to the industrial sector is also available. Further, payment of due GIDC was allowed in 48 installments instead of 24 installments.

However, the Company has also filed suits with the Lahore High Court and Sindh High Court (the Courts) against collection of GIDC installments, before a factual determination of GIDC pass on is carried out, and the Courts granted a stay against recovery of Gas Infrastructure Development Cess (GIDC) payable from the Company till the finalization of matter by the Courts. The matter is currently pending in the Courts.

In accordance with the requirements of "Guidance on Accounting of GIDC" issued by the Institute of Chartered Accountants of Pakistan (ICAP) in January 2021, GIDC liability is being subsequently carried in the financial statements at amortized cost. The current and non-current portion of the GIDC liability has been segregated in the statement of financial position as at reporting date, in accordance with the SCP decision on review petition.

12 DEFERRED LIABILITIES

Deferred taxation - net	12.1	53,132	60,482
Employees retirements benefits - gratuity	12.6	1,404	3,667
		<u>54,536</u>	<u>64,149</u>
12.1 Deferred taxation - net			
Credit balances arising due to:			
- Accelerated tax depreciation allowances		131,530	142,438
Debit balances arising due to:			
- Staff gratuity		(407)	(1,063)
- Relating to provisions		(55,371)	(56,202)
- Unused tax losses	12.3	(763,857)	(741,141)
- Available tax credits	12.4	(55,423)	(53,098)
Deferred tax asset - net		(743,528)	(709,066)
Deferred tax asset not recognized	12.5	743,528	709,066
		-	-
Deferred tax liability relating to revaluation surplus on property, plant and equipment - opening balance		57,150	62,631
Incremental depreciation		(4,972)	(5,481)
Remeasurement gain on GIDC payable - net		954	3,332
		<u>53,132</u>	<u>60,482</u>
Deferred tax liability - net		<u>53,132</u>	<u>60,482</u>



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

	Note	2023	2022
12.2 Movement in deferred tax liability - net is as follows:		(Rupees in Thousands)	
Opening balance		60,482	69,608
Recognized in profit or loss during the year	33	(7,350)	(9,126)
Closing balance		53,132	60,482
12.3 Expiry of business and depreciation losses is as follows:		Unused Tax Losses (Rs. '000')	Expiry in Tax Year
Nature			
Business loss for Tax Year 2018		181,093	2024
Business loss for Tax Year 2019		12,036	2025
Business loss for Tax Year 2020		298,453	2026
Business loss for Tax Year 2022		102,150	2028
Business loss for Tax Year 2023		2,126	2029
		595,858	
Accumulated unabsorbed depreciation loss		2,038,131	No expiry
		2,633,989	
12.4 Expiry of available tax credits is as follows :			
Minimum tax for Tax Year 2020		17,684	2025
Minimum tax for Tax Year 2021		18,588	2026
Minimum tax for Tax Year 2022		16,826	2025
Minimum tax for Tax Year 2023		2,325	2026
		55,423	

12.5 Deferred tax asset has not been recognized as the future taxable profits may not be available against which the deductible temporary differences will be adjusted.

	Note	2023	2022
12.6 Employees retirements benefits		(Rupees in Thousands)	
Staff gratuity:			
Opening balance		3,667	5,173
Less: Payments / adjustments during the year		(2,263)	(1,506)
Closing balance	12.6.1	1,404	3,667

12.6.1 The Company had decided to change its employees' retirement benefit plan from defined benefit plan (Gratuity) to defined contribution plan (Provident Fund) from June 30, 2017. Liabilities of the employees as at June 30, 2017 had been computed on the assumption that liability was payable as at June 30, 2017. These balances shall be frozen till the employees leave the Company. Previously defined benefits were valued in accordance with the requirements of IAS-19 "Employee benefits" and last actuarial valuation was carried out on June 30, 2016 using the 'projected unit credit method'.

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

	Note	2023	2022
(Rupees in Thousands)			
13 TRADE AND OTHER PAYABLES			
Trade creditors		152,500	348,384
Accrued expenses	13.1	24,565	132,765
Contract liabilities		6,675	64,882
Employees' provident fund		24	2,475
Sales tax payable		29,070	32,564
Income taxes payable		19,198	18,312
Current and overdue portion of GIDC payable	11.2	300,588	217,184
Others		-	14,721
Workers' profit participation fund	13.2	246	198
Workers' welfare fund		940	940
		<u>533,807</u>	<u>832,425</u>
13.1	This includes Nil (2022: Rs. 21.780 million) against the rent payable to the Director.		
13.2 Workers' profit participation fund			
Opening balance		198	2,473
Provision for the year		-	-
Interest on funds utilized in business		48	25
Paid during the year		-	(2,299)
Closing balance		<u>246</u>	<u>198</u>
14 MARK UP ACCRUED			
Mark up accrued	14.1	<u>230,935</u>	<u>109,880</u>
14.1	This includes an amount of Rs. 228.747 million (2022: Rs. 106.012 million) payable to associated company (Gharibwal Cement Limited). The company has subsequently fully settled/paid this outstanding markup.		
15 SHORT TERM BORROWINGS			
From Bank of Punjab - secured			
Short term running finance			
-Current portion	15.1	29,602	89,900
From related parties - unsecured			
Associated company	15.2	587,366	587,366
Directors			
-Mr. Shaffi uddin Paracha	8.2.3	121,200	23,801
-Mr. Nazir Ahmed Paracha	8.2.3	71,882	33,500
-Mr. Muhammad Tousif Paracha		39,142	117,167
	15.3	232,224	174,468
Temporary bank overdraft	15.4	-	445
		<u>849,192</u>	<u>852,179</u>
15.1	This represents running finance facility limit of Rs. 30.000 million (2022: Rs. 90.000 million) with accepted condition of reduction of exposure by Rs. 5.000 million every month during the currency of limit from Bank of Punjab (BOP) availed by the company to meet the working capital requirements. The facility is secured against ranking charge of Rs. 833.334 million over present and future fixed assets, ranking charge of Rs. 334.000 million over current assets, pledge of 58.000 million shares of Gharibwal Cement Limited (associated company) in the name of Directors and personal guarantee of Director and subordination of loans as stated in note 8.2.4. Subsequent to the year end, Company has repaid the entire liability of the facility on July 04, 2023.		



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

- 15.2** This represents unsecured loan / short term advance facility of Rs. 600.000 million (2022: Rs. 600.000 million) obtained from the associated company, Gharibwal Cement Limited (GCL), to meet the working capital requirements of the Company and carries mark up at 3 months KIBOR + 3.5% p.a (2022: 3 months KIBOR + 3.5% p.a). This balance also included settlement of payable amount of nil (2022: Rs. 0.531 million) on account of purchase of stores and spares from GCL during the year. The unavailed portion from the above facility amounted to Rs. 12.634 million (2022: Rs. 12.634 million) as at year end.
- 15.3** These represent temporary financial support obtained from directors for working capital requirements and payable on demand. These loans are unsecured and interest free.
- 15.4** This represents the un-presented cheques issued in excess of available balances in the bank account.

	Note	2023	2022
(Rupees in Thousands)			
16	CURRENT MATURITY OF LONG TERM LOANS		
NBP - DF I	11.1.1	-	4,873
NBP - DF II (Frozen Markup)	11.1.1	-	2,873
		-	7,746
17	PROVISION FOR TAXATION - NET OF ADVANCE INCOME TAX		
(Provision for taxation) / Advance income tax - net	17.1	(815)	5,576
17.1	(Provision for taxation) / Advance income tax - net		
Advance income tax		1,510	11,744
Income tax refundable		-	10,658
Less: provision for taxation	33	(2,325)	(16,826)
Provision for taxation		(815)	5,576
18	CONTINGENCIES AND COMMITMENTS		
18.1	Contingencies		
18.1.1	Bank guarantees amounting to Rs. 149.906 million (2022: Rs. 149.906 million) have been given by various banks on behalf of the Company on account of suigas connections.		
18.1.2	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 (2022: 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.		
	Tax related contingencies		
18.1.3	Assistant Commissioner Inland Revenue (ACIR) RTO Quetta issued Sales Tax Order dated 08-Feb-2022 for the period from November 2017 to June 2018 thereby raising sales tax demand of Rs. 6.653 million against which the Company preferred an appeal with Commissioner Inland Revenue (Appeals), Quetta, who has upheld the impugned order of ACIR vide his order dated 15-Jun-2022. During the year, an appeal has been filed in Appellate Tribunal Inland Revenue, Karachi which is pending for hearing.		
18.1.4	ACIR RTO Quetta issued a notice u/s 177 (1) dated 27-Jan-2022 against which compliance was duly made by the Company. Further proceedings are still awaited.		

Keeping in view the nature of above tax proceedings, availability of tax losses and tax related provisions, management is of considered opinion that Company may not be liable for any major tax liability in addition to what has already been recorded in the books as on reporting date.

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

18.2 Commitments

There are no known material commitments as at June 30, 2023 (2022: Nil).

19 PROPERTY, PLANT AND EQUIPMENT

	Note	2023	2022
(Rupees in Thousands)			
Operating fixed assets	19.1	2,332,127	2,463,090
Capital work in progress	19.6	25,045	25,045
		<u>2,357,172</u>	<u>2,488,135</u>

19.1 Operating fixed assets

Particulars	2023									
	Cost / Revaluation				Depreciation / Impairment				Book value As at June 30, 2023	Rate % / Method
	Opening July 01, 2022	Additions / Transfer from CWP	Disposal / Transfer	Closing June 30, 2023	Opening July 01, 2022	For the Year	Disposal / Transfer	Closing June 30, 2023		
(Rupees in thousands)										
Freehold land	962,825	-	-	962,825	-	-	-	-	-	-
Building on freehold land										
Factory	446,277	-	-	446,277	217,092	22,919	-	240,011	206,266	10
Non factory	94,374	-	-	94,374	38,246	2,806	-	41,052	53,322	5
Plant and machinery										
Owned	3,192,215	-	-	3,192,215	2,340,135	96,294	-	2,436,429	755,786	10 & 15
Electric and gas installation	127,624	-	-	127,624	55,105	7,252	-	62,357	65,267	10
Furniture and fixtures	12,876	-	-	12,876	10,924	195	-	11,119	1,757	10
Office equipment	10,013	-	-	10,013	7,308	271	-	7,579	2,434	10
Vehicles										
Owned	31,021	-	-	31,021	24,893	1,226	-	26,119	4,902	20
Moulds	578,701	-	-	578,701	299,133	-	-	299,133	279,568	Units Produced
	<u>5,455,926</u>	<u>-</u>	<u>-</u>	<u>5,455,926</u>	<u>2,992,836</u>	<u>130,963</u>	<u>-</u>	<u>3,123,799</u>	<u>2,332,127</u>	

Particulars	2022									
	Cost / Revaluation				Depreciation / Impairment				Book value As at June 30, 2022	Rate % / Method
	Opening July 01, 2021	Additions / Transfer from CWP	Disposal / Transfer	Closing June 30, 2022	Opening July 01, 2021	For the Year	Disposal / Transfer	Closing June 30, 2022		
(Rupees in thousands)										
Freehold land	962,825	-	-	962,825	-	-	-	-	962,825	-
Building on freehold land										
Factory	446,277	-	-	446,277	191,627	25,465	-	217,092	229,185	10
Non factory	94,374	-	-	94,374	35,374	2,954	-	38,246	56,128	5
Plant and machinery										
Owned	3,164,624	27,444	-	3,192,215	2,232,238	107,897	-	2,340,135	852,080	10 & 15
Electric and gas installation	127,624	-	-	127,624	47,047	8,058	-	55,105	72,519	10
Furniture and fixtures	12,876	-	-	12,876	10,707	217	-	10,924	1,952	10
Office equipment	10,013	-	-	10,013	7,007	301	-	7,308	2,705	10
Vehicles										
Owned	32,946	-	(1,925)	31,021	25,221	1,532	(1,860)	24,893	6,128	20
Moulds	545,624	33,077	-	578,701	288,847	10,286	-	299,133	279,568	Units Produced
	<u>5,397,330</u>	<u>60,521</u>	<u>(1,925)</u>	<u>5,455,926</u>	<u>2,837,986</u>	<u>156,710</u>	<u>(1,860)</u>	<u>2,992,836</u>	<u>2,463,090</u>	



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

	Note	2023	2022
(Rupees in Thousands)			
19.2 Depreciation charge for the year has been allocated as follows:			
Cost of sales	28	128,753	154,066
Administrative and selling expenses	29	2,210	2,644
		<u>130,963</u>	<u>156,710</u>

19.3 Particulars of immovable fixed assets (i.e. freehold land and building on freehold land) of the Company are as follows:

Sr.	Location	Purpose	Total area (acre)
1	Plot no. 8, Block – M, Hub Industrial Trading Estate, Distt. Lasbella Hub, Balochistan	Production Unit I	21.95
2	29 – Km Lahore - Sheikhpura Road, Sheikhpura	Production Unit II	10.43
3	12 – Km Lahore - Sheikhpura Road near Total Pump, Kot Abdul Mallik, Distt. Sheikhpura	Production Unit III	4.65

19.4 The forced sale value of the revalued freehold land and building on freehold land as on the date of revaluation i.e. June 30, 2021 was determined to be Rs. 770.260 million and Rs. 250.986 million respectively.

19.5 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, 2023	Accumulated Depreciation as at June 30, 2023	Book Value as at June 30, 2023	Book Value as at June 30, 2022
(Rupees in thousands)				
Freehold land	45,167	-	45,167	45,167
Building on freehold land				
Factory	151,127	76,200	74,927	83,253
Non factory	19,353	14,615	4,738	4,987
	<u>215,647</u>	<u>90,815</u>	<u>124,832</u>	<u>133,407</u>

	Note	2023	2022
(Rupees in Thousands)			
19.6 Capital work in progress - Movement			
Opening balance		25,045	25,045
Add: Additions / (transfers)		-	-
Closing balance		<u>25,045</u>	<u>25,045</u>
19.7 Capital work in progress - Breakup			
Plant and machinery	19.7.1	<u>25,045</u>	<u>25,045</u>

19.7.1 This represents glass tempering machine purchased in previous years, however, due to change in business strategies, the same could not be installed / made available for intended use till year-end. The management expects its recoverable amount higher than its carrying value and therefore no impairment is required at year-end.



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

23.1 Aggregate amount due from executives of the Company is Rs. 0.606 million (2022: Rs. 0.606 million).

	Note	2023	2022
(Rupees in Thousands)			
23.2 Allowance for doubtful loans and advances			
Opening balance		(75,070)	(75,070)
Charge for the year		(70)	-
Written off during the year		4,835	-
Closing balance		(70,305)	(75,070)

24 TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLE

Short term deposits		20,634	22,394
Prepaid insurance		715	1,147
Other receivable	24.1	19,120	19,120
		40,469	42,661
Less: Allowance for doubtful short term deposits		(18,648)	(18,648)
Allowance for doubtful other receivables		(19,120)	(19,120)
		(37,768)	(37,768)
		2,701	4,893

24.1 This includes receivable from related party amounting to Rs. 0.925 million (2022: Rs. 0.925 million).

25 CASH AND BANK BALANCES

Cash in hand		34	72
Cash at banks			
- Current accounts		5,565	5,639
- Saving accounts	25.1	115	101
		5,680	5,740
		5,714	5,812

25.1 These carry mark up at the rates ranging from 12.25% to 19.50% (2022: 5.50% to 12.50%) per annum.

26 NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

Long term investment classified as held for sale	26.1	139,414	139,414
Less: disposed off during the year	26.2	(139,414)	-
		-	139,414

26.1 12,563,136 fully paid ordinary shares of Rs. 10 each - cost		125,631	125,631
Company's share of profits upto June 30, 2022		13,783	13,783
		139,414	139,414

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

NOTES TO THE FINANCIAL STATEMENTS



For The Year Ended June 30, 2023

Owing to joint control of the Company and Chinese investor in PHGPL, investment in associate had been accounted for under the equity method of accounting. On the basis of PHGPL's unaudited financial statements, BGL has taken its share of net assets.

As per PHGPL's unaudited financial statements as at June 30, 2022, the paid up capital of the company is Rs. 251.263 million, its total equity including accumulated profit amounts to Rs. 278.833 million, total assets amount to Rs. 292.085 million including bank balance of Rs. 187.283 million.

- 26.2** As a result of the management endeavors to resolve the issue, the Board of Directors at its meeting held on September 30, 2022, agreed and approved the divestment of entire shareholding in the aforementioned associated company at its current book value to Mr. M. Tousif Paracha (Director). Accordingly, on execution of shares purchase agreement and after obtaining of necessary approvals during the year, the current account balance of director has been settled against the book value of investment as proceeds from investment disposal.

	Note	2023	2022
		(Rupees in Thousands)	
27 SALES - Net			
Local sales - gross		226,920	1,644,023
Less: Sales tax		(37,844)	(266,283)
Trade discount		(3,070)	(31,690)
		186,006	1,346,050
28 COST OF SALES			
Raw material consumed:			
Opening stock		48,135	62,901
Purchases		1,086	492,727
Purchase returns		(10,775)	-
		38,446	555,628
Closing stock	21	(35,000)	(48,135)
Raw material consumed	28.1	3,446	507,493
Power, fuel and water		13,949	686,640
Salaries, wages and other benefits	28.2	23,464	199,798
Stores and spares		12,744	77,713
Oil & lubricants		4,731	19,967
Repairs and maintenance		991	4,141
Communication		96	237
Traveling and conveyance		995	1,892
Legal and professional		1,116	1,664
Printing and stationery		27	369
Insurance		1,515	1,498
Entertainment		396	884
Depreciation	19.2	128,753	154,066
Rent, rates and taxes		433	750
		192,656	1,657,112
Adjustment of work in process:			
Opening stock		-	3,860
Closing stock		-	-
Cost of goods manufactured		192,656	1,660,972
Adjustment of finished goods:			
Opening stock		233,940	89,597
Closing stock	21	(46,900)	(233,940)
		379,696	1,516,629



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

28.1 This represents packing material consumption during the year.

28.2 Salaries, wages and other benefits include amount of Rs. 0.298 million (2022: Rs. 0.863 million) relating to staff retirement benefits.

	Note	2023	2022
(Rupees in Thousands)			
29 ADMINISTRATIVE AND SELLING EXPENSES			
Salaries and other benefits	29.1	4,375	22,113
Communication		1,412	1,217
Rent, rates and taxes		77	-
Traveling and conveyance		5,042	13,200
Legal and professional		3,460	2,264
Advertisement		11	221
Printing and stationery		841	606
Power, fuel and water		-	140
Entertainment		552	942
Auditor's remuneration	29.2	2,097	1,312
Depreciation	19.2	2,210	2,644
Repairs and maintenance		21	93
Promotional discounts and incentives		-	1,555
Freight, handling and forwarding on local sale		4,397	27,228
Charity and donation		-	42
		<u>24,495</u>	<u>73,577</u>
29.1 Salaries and other benefits include Nil (2022: Rs. 1.312 million) relating to staff retirement benefits.			
29.2 Auditor's remuneration:			
Statutory audit fee		819	819
Half yearly statutory review fee		420	420
Special purpose audits fees		735	-
Certification related services		103	53
Out of pocket expenses		20	20
		<u>2,097</u>	<u>1,312</u>
30 OTHER EXPENSES			
Allowance for doubtful balances		1,970	15,685
Allowance for doubtful short term deposits		-	144
Allowance for other receivables		-	924
Exchange loss on foreign currency transactions - net		2,132	-
Security deposit and advances written off		6,408	-
		<u>10,510</u>	<u>16,753</u>
31 OTHER INCOME			
Income from non financial assets			
Reversal of provision for default surcharge on taxation		-	11,386
Exchange gain on foreign transactions -net		-	127
Gain on disposal of fixed assets		-	1,633
Income from financial assets			
Mark up written back on settlement with bank / other associates		18	89,193
Liabilities no longer payable written back		232,130	-
Profit from bank and other deposits		1,618	6
Insurance claims		275	-
		<u>234,041</u>	<u>102,345</u>

NOTES TO THE FINANCIAL STATEMENTS



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	Note	2023	2022
32 FINANCE COST		(Rupees in Thousands)	
Mark up on			
- Long term loans			
- banks and financial institutions		374	898
- Short term borrowings			
- banks and financial institutions		11,839	12,460
- related parties		123,143	75,441
Unwinding of GIDC		8,200	12,824
Bank charges		3,239	3,860
Interest on WPPF		48	25
Default surcharge on late payments		646	-
		147,489	105,508
33 TAXATION			
Current	17.1	2,325	16,826
Prior		(2,063)	-
Deferred	12.2	(7,350)	(9,126)
		(7,088)	7,700
<p>The Company is not presenting the tax charge reconciliation because the Company has incurred tax loss during the year and the current tax expense for the year represents minimum tax at the rate of 1.25% of turnover (2022: 1.25% of turnover) under section 113 of the Income Tax Ordinance, 2001.</p>			
34 LOSS PER SHARE - Basic and diluted			
<p>There is no dilutive effect on the basic loss per share of the Company, which is based on:</p>			
Loss after taxation		(135,055)	(269,442)
Weighted average ordinary shares in issue during the year	Number of shares	261,600,000	261,600,000
Loss per share - Basic and diluted	(Rupees)	(0.52)	(1.03)
35 FINANCIAL INSTRUMENTS BY CATEGORY			
FINANCIAL ASSETS			
At amortized cost			
Trade debts - net	22	1,794	11,848
Advances to employees	23	1,662	1,854
Trade deposits and other receivables - net	24	1,986	3,746
Cash and bank balances	25	5,714	5,812
FINANCIAL LIABILITIES			
At cost			
Subordinated loans - unsecured	8	1,061,619	3,635,082
Director's loan - unsecured	9	-	313,235
Loan from holding company - unsecured	10	2,769,121	-
FINANCIAL LIABILITIES			
At amortized cost			
Long term loans (including current portion)		-	7,746
Trade and other payables	13	177,090	498,345
Unclaimed dividend		164	164
Markup accrued	14	230,935	109,880
Short term borrowings	15	849,192	852,179



NOTES TO THE FINANCIAL STATEMENTS

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36 FINANCIAL RISK MANAGEMENT

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.

36.1 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:

	Note	2023	2022
(Rupees in Thousands)			
Trade debts		1,794	11,848
Advances to employees		1,662	1,854
Trade deposits and other receivables		1,986	3,746
Bank balances		5,714	5,740
		11,156	23,188

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.

Based on the past experience, management believes that no additional impairment allowance except as provided in note 22.2 of these financial statements is necessary in respect of trade debts 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. As at June 30, 2023, the Company has 3 customers that owed more than Rs. 5.000 million each (2022: 3 customers that owed more than Rs. 5.000 million each) and accounted for approximately 35% (June 30, 2022: 32%) of all trade debts.

The credit quality of some of the Company's banks can be assessed by their latest available external credit ratings:

Name of Bank	Rating Agency	Rating	
		Short term	Long term
United Bank Limited	JCR-VIS	A 1+	AAA
MCB Bank Limited	PACRA	A 1+	AAA
Meezan Bank Limited	JCR-VIS	A 1+	AAA
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
J S Bank Limited	PACRA	A 1 +	AA -
Bank Islami Pakistan	PACRA	A 1	AA -
Askari Bank Limited	PACRA	A 1+	AA+

Due to Company's long standing relationship with these counter parties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

NOTES TO THE FINANCIAL STATEMENTS



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36.2 Liquidity risk

Liquidity risk reflects a company'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:

	2023			
	Carrying Amount	Contractual Cash Flow	Upto One year	More Than Five Years
	(Rupees in Thousands)			
Financial Liabilities				
Subordinated loans - unsecured	1,061,619	1,061,619	-	1,061,619
Loan for holding company - unsecured	2,769,121	2,769,121	-	2,769,121
Trade and other payables	177,090	177,090	177,090	-
Unclaimed dividend	164	164	164	-
Markup accrued	230,935	230,935	230,935	-
Short term borrowings	849,192	849,192	849,192	-
	5,088,121	5,088,121	1,257,381	3,830,740
	2022			
	Carrying Amount	Contractual Cash Flow	Upto One year	More Than Five Years
	(Rupees in Thousands)			
Financial Liabilities				
Subordinated loans - unsecured	3,635,082	3,635,082	-	3,635,082
Director's loan - unsecured	313,235	313,235	-	313,235
Long term loans (including current portion)	7,746	7,746	7,746	7,746
Trade and other payables	498,345	498,345	498,345	-
Unclaimed dividend	164	164	164	-
Markup accrued	109,880	109,880	109,880	-
Short term borrowings	852,179	852,179	852,179	-
	5,416,631	5,416,631	1,468,314	3,948,317

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 11 and 15 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. The Company manages the liquidity risk through finance from the sponsor directors, financial institutions and associated entities of the Company.

36.3 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.

36.3.1 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. The Company is not exposed to any material foreign currency risk as at June 30, 2023.



NOTES TO THE FINANCIAL STATEMENTS

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36.3.2 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.

	2023	2022
	(Rupees in Thousands)	
Variable rate instruments at carrying amounts:		
Financial liabilities		
Long term financing (including current portion)	-	4,873
Short term borrowings	616,968	677,266
	616,968	682,139
Financial assets		
Saving accounts	(115)	(101)
Net financial liabilities at variable interest rates	616,853	682,038

Fair value sensitivity analysis for fixed rate instruments:

The Company does not account for any fixed rate financial instruments 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 for the year by the amounts shown below:

Effect on loss due to change of 100 BPs

Increase / (decrease)	6,169	6,820
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The effective interest / mark up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

36.4 Fair value hierarchy

The carrying values of the financial assets and financial liabilities approximate their fair values. The fair value measurement assumes that the asset or liability is exchanged in an orderly transactions between market participants to sell the asset or transfer the liability at measurement date under current market conditions.

The fair value measurement assumes that the transactions to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability; or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The different levels for fair value estimation used by the Company have been explained as follows:

- i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

There are no material level 1, 2 or 3 assets or liabilities during the current or preceding year, other than those which have already been disclosed in note 7 to these financial statements.

36.5 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.

NOTES TO THE FINANCIAL STATEMENTS



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The debt-to-adjusted capital ratios at June 30, 2023 and June 30, 2022 were as follows:

	2023	2022
	(Rupees in Thousands)	
Total debt (including directors' interest free loan)	4,679,932	4,808,242
Less: Cash and bank balances	(5,714)	(5,812)
Net debt	4,674,218	4,802,430
Total equity	(2,970,993)	(2,835,938)

The equity of the Company is negative and the Company is being financially supported by its directors and associates as mentioned in note 2 of these financial statements.

36.6 Off statement of financial position financial instruments

Off statement of financial position financial instruments are disclosed in note 18 to the financial statements.

37. REMUNERATION OF CHEIF EXECUTIVE, DIRECTORS AND EXECUTIES

	Chief Executive		Director		Executives		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees in Thousands)							
Managerial remuneration	-	225	-	-	-	7,557	-	6,468
House rent allowance	-	135	-	-	-	4,318	-	5,084
Utilities	-	68	-	-	-	2,159	-	2,550
Medical	-	68	-	-	-	2,159	-	2,542
Conveyance	-	5	-	-	-	160	-	189
Provident fund contribution	-	-	-	-	-	472	-	499
	-	500	-	-	-	17,125	-	19,332
Number of persons	1	1	-	-	-	5	1	6

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



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

38 TRANSACTIONS WITH RELATED PARTIES

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

	% age shareholding	2023	2022
(Rupees in Thousands)			
Holding Company:			
<i>MMM Holding (Private) Limited (Parent Company)</i>	84.34%		
Long term loan received (Note-10)		2,769,121	-
Associated Entities:			
<i>Gharibwal Cement Limited (Common directorship)</i>			
Short term loan paid - net		-	634
Purchases		-	532
Payment on behalf of GCL		(407)	-
Payment against supplies		-	405
Markup charged on short term loan		123,143	75,441
Markup paid / adjusted during the year		-	859
<i>Shahpur Commerce (Pvt.) Limited (Common directorship)</i>			
Purchases		-	9,853
Payment against supplies		(3,875)	4,259
Balance waived off		(1,400)	-
<i>Pak Hy Oils Limited (Shareholding)</i>			
Accrued markup waived off- written back- net		-	66,827
Directors & their associates:			
<i>Mr. Tousif Paracha (Director/ CEO)</i>			
Loan (paid / adjusted) / received - net	0.0002%	(2,230,000)	97,167
Rent receivable waived off		21,780	-
*Including settlement against disposal of investment in associate of Rs. 139.414 million.			
<i>Mian Nazir Ahmed Paracha (Director)</i>			
Loan (paid) / received - net	0.0002%	(61,619)	23,500
** Resigned on June 20,2023.			
<i>Shafi Uddin Paracha (Director)</i>			
Loan received - net	0.0002%	-	21,200
<i>Muhammad Rehman (Directors' associate)</i>			
Accrued markup waived off- written back- net		-	18,555
Employees retirement benefit plan:			
<i>BGL Officers' Provident fund</i>			
Contributions by the Company		298	2,175

39 INFORMATION ABOUT BUSINESS SEGMENTS

39.1 For management purposes, the activities of the Company are organized into business units based on their products and has two reportable operating segments. The glass containers segment mainly relates to production of glass containers and tableware. Plastic shells segment includes production of plastic shells. However, these financial statements have been prepared on the basis of single reportable segment i.e. glass containers segment as the plastic shells segment has not been operative since 2016.

39.2 All of the revenue of the Company during the year relates to the customers in Pakistan.

39.3 All non-current assets of the Company as at June 30, 2023 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, 2023

40 CAPACITY AND PRODUCTION

Particulars	Unit	2023		2022	
		Capacity	Production	Capacity	Production
Based on 360 working days					
Glass containers	Tons	151,200	-	151,200	11,513
Plastic shells					
Full depth	Pieces	1,500,000	-	1,500,000	-
Half depth	Pieces	800,000	-	800,000	-
	Pieces	2,300,000	-	2,300,000	-

40.1 Management has decided to temporarily halt the production of tableware glass at Unit III as at May 27, 2022. As a result, the operations at all three units remained suspended till the reporting date.

41 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Subordinated loans - Unsecured	Loan from holding company - Unsecured	Loan from directors and others - Unsecured	Long term loans from banks including current portion	Short term borrowings	Accrued/ Deferred Mark up
	(Rupees in Thousands)					
Balance as at July 01, 2022	3,635,082	-	313,235	7,746	852,179	109,880
Changes from financing cash flows						
Proceeds from loans	61,619	2,769,121	-	-	80,093	-
Reclassification of loans -net	(117,577)	-	-	-	117,577	-
Repayment / transfer / settlement of loans	(2,517,505)	-	(313,235)	(7,746)	(61,243)	-
Adjusted against deposit of investment in associate	-	-	-	-	(139,414)	-
Total Changes from financing activities	(2,573,463)	(2,769,121)	(313,235)	(7,746)	(2,987)	-
Finance cost	-	-	-	-	-	138,595
Finance cost paid	-	-	-	-	-	(17,522)
Markup written back on settlement with bank	-	-	-	-	-	(18)
Total liability related other changes	-	-	-	-	-	121,055
Balance as at June 30, 2023	1,061,619	2,769,121	-	-	849,192	230,935

	2022		
	Long term loans from banks including current portion	Short term borrowings	Accrued/ Deferred Mark up
	(Rupees in Thousands)		
Balance as at July 01, 2021	29,376	709,085	124,979
Changes from financing cash flows			
Proceeds from loans	-	141,804	-
Repayments of loans	(21,630)	1,290	-
Total Changes from financing activities	(21,630)	143,094	-
Finance cost	-	-	92,684
Finance cost paid	-	-	(18,590)
Mark up written back on settlement with bank/other associates	-	-	(89,193)
Total liability related other changes	-	-	(15,098)
Balance as at June 30, 2022	7,746	852,179	109,880



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

	2023	2022
	Numbers	
42 NUMBER OF EMPLOYEES		
Number of employees at year end	6	120
Average number of employees during the year	47	357

43 GENERAL

- 43.1** These financial statements are presented in Pak Rupees and figures have been rounded off to the nearest thousand rupees.
- 43.2** Corresponding figures have been re-arranged or reclassified whenever necessary, for better and fair presentation. However, no significant reclassification / re-arrangement has been made in these financial statements.
- 43.3** These financial statements are authorized for issue on October 06, 2023 in accordance with the resolution of the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

PATTERN OF SHAREHOLDING (JUNE 30, 2023)

THE COMPANIES ACT, 2017 SECTION 227(2) (F)



2.2 No. of Shareholders	From	To	Total Shares Held
821	1	100	25,050
703	101	500	247,278
474	501	1,000	442,721
913	1,001	5,000	2,657,597
313	5,001	10,000	2,585,121
93	10,001	15,000	1,210,443
45	15,001	20,000	855,000
43	20,001	25,000	1,027,749
34	25,001	30,000	982,000
17	30,001	35,000	572,267
12	35,001	40,000	469,500
5	40,001	45,000	218,000
24	45,001	50,000	1,190,000
9	50,001	55,000	475,080
7	55,001	60,000	414,500
5	60,001	65,000	312,635
1	65,001	70,000	70,000
8	70,001	75,000	589,000
4	75,001	80,000	314,500
4	80,001	85,000	336,000
2	90,001	95,000	188,000
8	95,001	100,000	799,000
1	100,001	105,000	101,500
3	105,001	110,000	326,500
7	115,001	120,000	823,039
1	125,001	130,000	129,000
1	130,001	135,000	130,500
1	135,001	140,000	137,000
1	140,001	145,000	143,500
1	145,001	150,000	150,000
1	160,001	165,000	161,500
1	165,001	170,000	170,000
2	170,001	175,000	345,590
2	180,001	185,000	365,000
1	185,001	190,000	190,000
7	195,001	200,000	1,399,500
1	205,001	210,000	208,000
1	215,001	220,000	217,500
1	225,001	230,000	230,000
1	245,001	250,000	250,000
1	270,001	275,000	275,000
2	295,001	300,000	600,000
1	305,001	310,000	306,000
1	315,001	320,000	318,000
1	320,001	325,000	321,000
1	335,001	340,000	336,500
1	360,001	365,000	363,000
1	475,001	480,000	480,000
1	495,001	500,000	500,000
1	515,001	520,000	517,500
1	520,001	525,000	522,500
1	565,001	570,000	569,000
1	625,001	630,000	626,558
1	695,001	700,000	700,000
1	910,001	915,000	914,000
1	955,001	960,000	960,000
1	1,705,001	1,710,000	1,706,734
1	1,995,001	2,000,000	2,000,000
1	2,260,001	2,265,000	2,262,208
1	2,470,001	2,475,000	2,471,000
1	2,745,001	2,750,000	2,747,000
1	220,640,001	220,645,000	220,644,430
3602			261,600,000



PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2023

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	36,219	0.0138%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	220,644,430	84.3442%
2.3.3 NIT and ICP	50	0.0000%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	582	0.0002%
2.3.5 Insurance Companies	172,640	0.0660%
2.3.6 Modarabas and Mutual Funds	0	0.0000%
2.3.7 Share holdersholding 10% or more	220,644,430	84.3442%
2.3.8 General Public (Local)	34,202,948	13.0745%
(Foreign)	385,176	0.1472%
2.3.9 Others (to be specified)		
Pension Funds	54,080	0.0207%
Joint Stock Companies	6,101,406	2.3323%
Other Companies	2,469	0.0009%

CATAGORIES OF SHAREHOLDING REQUIRED

UNDER CODE OF CORPORATE GOVERNANCE (CCG)
AS AT JUNE 30, 2023



Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):			
1	MMM HOLDING (PRIVATE) LIMITED	220,644,430	84.3442%
Mutual Funds (Name Wise Detail)			
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MR. MUHAMMAD TOUSEEF PARACHA	650	0.0002%
2	MR. MUHAMMAD NIAZ PARACHA	500	0.0002%
3	MR. SHAFFI UD DIN PARACHA	500	0.0002%
4	MRS. TABUSSAM TAUSEEF	33,237	0.0127%
5	MR. FAISAL AFTAB AHMAD	500	0.0002%
6	MR. SANA ULLAH KHAN GHORI	832	0.0003%
Executives:		-	-
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		227,302	0.0869%
Shareholders holding five percent or more voting intrest in the listed company (Name Wise Detail)			
1	MMM HOLDING (PRIVATE) LIMITED	220,644,430	84.3442%

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 /TRANSFER	PURCHASE
1	MR. MUHAMMAD TOUSEEF PARACHA	205,644,430	-

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Standard Request Form for Circulation of Annual Audited Accounts



The Share Registrar,
Corplink (Pvt) Limited,
Wings Arcade, 1-K Commercial,
Model Town, Lahore.
Tel: 0423 591 6714;
Email: corplink786@gmail.com

**Subject: Circulation of Annual Audited Accounts via
Email/CD/USB/DVD or Any Other Electronic Media**

The Securities and Exchange Commission of Pakistan through its SRO 787(1)/2014 dated 08-09-2014 and SRO 470(1)/2016 dated 31-05-2016, allowed the companies to circulate their annual audited accounts (i.e. Annual Statement of Financial Position, Statement of Profit or Loss, Statements of Comprehensive Income, Statement of Cash Flows, Notes to the Financial Statements, Auditor's and Director's Report) along with notice of general meeting to its members in the form of soft copy through email/DVD/CD/USB.

Balochistan Glass Limited has already passed resolution with the consent of its shareholders in Annual General Meeting held on October 31, 2016 to circulate its Annual Reports and notice of AGM through CD/DVD.

Shareholders who wish to receive the softcopy through email OR hardcopy of Annual Report shall have to fill the below form and send us to Company's address.

I/We wish and hereby consent to receive Annual Report along with notice of AGM as per below selected options instead of delivery these to me through CD/DVD:

Option 1: via email at email address _____ ; OR

Option 2: hard copy at mailing address _____

I/We hereby confirm that the information provided in this form is correct and in case of any change therein, I/we will immediately intimate to the Company's Shares Registrar. I/we further confirm that the transmission of Company's Annual Audited Financial Statements and Notice of General Meeting(s) through my/our above address would be taken as compliance with the Companies Act, 2017.

Shareholder's signature

Name of the Members/ Shareholders: _____

CNIC /NTN/Passport #: _____

Folio / CDC Account Number: _____

E-DIVIDEND MANDATE LETTER

AS AT JUNE 30, 2023



Mandatory Bank account details for payment of Dividend through electronic mode

Dear Sir,

I/We/Messrs., _____, being a/the shareholder(s) of Balochistan Glass Limited (the "Company"), hereby, authorize the Company, to directly credit cash dividends declared by it, in my bank account as detailed below:

Shareholder's Details	
Name of the Shareholder(s)	
Folio No. CDC Participant ID & Sub-Account No. /CDC IAS	
CNIC/NICOP/Passport/NTN No. (please attach copy) - Mandatory	
Contact Number (Landline & Cell Nos.)	
Shareholder's Address	
Zakat Status (Payable or not payable) (submit declaration as per Zakat & Ushr Ordinance 1980, if zakat not payable)	

Shareholder's Bank Account Details	
Title of Bank Account	
IBAN *	
Bank's Name	
Branch Name	
Branch Code No	
Branch Address	

* Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly into your bank account.

It is stated that the above particulars given by me are correct and I shall keep the Company, informed in case of any changes in the said particulars in future.

Yours truly,

Signature of Shareholder (Please affix company stamp in case of corporate entity)

Note:

This letter must be sent by shareholders to his Stock broker or to CDC in case of Investor Account with CDC which maintains his/her CDC account for incorporation of bank account details for direct credit of cash dividend declared by the Company from time to time.

In case of physical shares, please send directly to our share registrar (M/S Corplink (Private) Limited, 1-K Commercial, Model Town, Lahore).

PROXY FORM



The Secretary
Balochistan Glass Limited
Unit-III, 12 Km, Sheikupura Road,
Lahore.

I/We of being a member of

Balochistan Glass Limited, and holder of Ordinary Shares as per Shares Register

Folio No. hereby appoint Mr./Mrs./Ms.

of

Folio No. who is also a member of Balochistan Glass Limited as my/our proxy to attend and vote for and on my / our behalf at the 43st Annual General Meeting of the Company to be held on Thursday, October 28, 2023 at 12:00 noon at the registered office of the Company (Balochistan Glass Limited, M-8 H.I.T.E. Hub industrial Estate Lasbela Balochistan and at any adjournment thereof.

As witnessed given under my / our hand (s) day of ,
2023.

Witness:

Signature

Name

Address

Signature

On Five
Rupees
Revenue
Stamp

Note:

1. The Proxy in order to be valid must be signed across a Five Rupees Revenue Stamp and should be deposited in the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he is a member of the Company.
3. Signature should agree with the specimen signature registered with the Company.



Registered Office:

Plot # 8, Sector M, H.I.T.E., Hub, District Lasbella, Balochistan.
Tel: 0853-363657

Head Office:

12-KM, Sheikhpura Road, Kot Abdul Malik, Lahore.
Tel: 0423-7164075