



# Ghani

**Leading Locally...  
Growing Globally**

**First Quarter Financial  
Statements 2018-19**

**GHANI GLASS LIMITED**

## CORPORATE INFORMATION

<b>Board of Directors</b>	Mr. Zaid Ghani Mr. Imtiaz Ahmad Khan Mr. Anwaar Ahmad Khan Mr. Aftab Ahmad Khan Mrs. Rubina Imtiaz Mrs. Reema Anwaar Mrs. Ayesha Aftab Mr. Junaid Ghani Mr. Jubair Ghani Mr. Hamza Ghani Mr. Moezz Ghani Mr. Ibrahim Ghani Mr. Ayub Sadiq Mr. Shamim Ahmed Mr. Junaid Shamim Mr. Ovais Shamim Mr. Jawed Zia (Nominee EOB)	Chairman Chief Executive Officer Deputy Chief Executive Officer Deputy Chief Executive Officer
<b>Audit Committee</b>	Mr. Ayub Sadiq Mr. Zaid Ghani Mr. Hamza Ghani	Chairman Member Member
<b>HR &amp; R Committee</b>	Mr. Ayub Sadiq Mr. Anwaar Ahmad Khan Mr. Zaid Ghani	Chairman Member Member
<b>Chief Financial Officer</b>	Mr. Umer Farooq Khan	
<b>Company Secretary</b>	Hafiz Mohammad Imran Sabir	
<b>Auditors</b>	KPMG Taseer Hadi & Co. Chartered Accountants	
<b>Legal Advisor</b>	Ally Law Associates	
<b>Corporate Consultants</b>	EY Ford Rhodes, Chartered Accountants	
<b>Share Registrar</b>	Corplink (Pvt) Ltd Wings Arcade, 1-K Commercial Area Model Town, Lahore, Pakistan Phones : (042) 35916714, 35916719 Fax : (042) 35869037	
<b>Bankers</b>	Albaraka Islamic Bank Allied Bank Limited Askari Bank Limited Bank Alfalah Limited, IBD Bank Al-Habib Limited Bank Islami Pakistan Limited Faysal Bank Limited, IBD First Women Bank Limited Habib Metropolitan Bank Limited, IBD MCB Bank Limited, IBD National Bank of Pakistan SME Bank Limited Soneri Bank Limited Standard Chartered Bank Limited, IBD The Bank of Punjab Dubai Islamic Bank Limited Habib Bank Limited Meezan Bank Limited United Bank Limited SAMBA Bank Limited	

**Head Office & Registered Office**

40-L Model Town

Lahore, Pakistan

UAN : (042) 111 949 949

Fax : (042) 35172263

E-mail : [info@ghaniglass.com](mailto:info@ghaniglass.com)

<http://www.ghaniglass.com>

**Marketing Office**

12 D/5, Chandni Chowk

KDA Scheme No. 7-8

Karachi - 74000

UAN : (021) 111 949 949

Fax : (021) 34926349

E-mail : [marketing@ghaniglass.com](mailto:marketing@ghaniglass.com)

**GGL Plant-1 & Regional Marketing Office-North**

22 km Haripur Taxila Road, (From Haripur)

Thesil & District Haripur (KPK)

Phones : (0995) 639236-40 & (0995) 539063-65

Fax : (0995) 639067

**GGL Plant-2**

H-15, Landhi Industrial Area

Karachi-74000

Phone : (021) 35020761-63

Fax : (021) 35020280

**GGL Plant-3**

29-km Lahore Sheikhpura Road,

District Sheikhpura

Phones : (056) 3406810-11

Fax : (056) 3406795

Email : [ghanifloat@ghaniglass.com](mailto:ghanifloat@ghaniglass.com)

# DIRECTORS' REPORT

Dear Shareholders,

Assalam-o-Alaikum wa Rahmatullah wa Barakatohu.

The Board of Directors is pleased to present the unaudited Financial Statements of Ghani Glass Limited for the first quarter ended September 30, 2018.

	September 30, 2018	September 30, 2017
(Rupees in million)		
<b>Net Sales</b>	3,064	2,730
<b>Gross Profit</b>	999	959
<b>Profit before Tax</b>	591	687
<b>Profit after Tax</b>	502	481
<b>Earning per Share (Rupees)</b>	1.21	1.16

During the first quarter ended September 30, 2018, the Net Revenue of the Company has increased to Rupees 3 billion as compared to Rupees 2.7 billion for the corresponding period of the last year showing a growth of 12%. Gross Profit has increased from Rupees 959 million to Rupees 999 million. Profit before tax was Rupees 591 million as compared to Rupees 687 million for the corresponding period of the last year. The Company has earned Net profit of Rupees 502 million as compared to Rupees 481 million for the corresponding period of the last year. Earning per share has also increased to Rupees 1.21 as compared to Rupees 1.16 for the same period of the last year.

Profitability has been adversely impacted by volatility of exchange rate & continuous devaluation of Pak Rupee and use of expensive RLNG. Further, the impact of recent hike in gas prices would add to the cost of sales and hit the profitability in future.

Pakistan economy is going through a tougher era amid worsening macroeconomic challenges. An economic slowdown has started as the country grapples with economic imbalances and both fiscal and monetary policy tightening take hold. Moreover, higher oil prices, widening current account deficit, foreign exchange reserves hitting multi-year low, devaluation of currency on a record low against USD, imposition of taxes and duties are some of the factors hampering the macroeconomic indicators.

## PROJECTS UPDATE

The Board in its meeting held on September 29, 2018 has approved to issue 30% right shares at par value of Rs. 10 per share. The equity raised from the right issue will be used for the expansion, BMR and re-built of food and beverage furnace and pharma furnace located at Harripur Hattar, KPK.

## INTERIM DIVIDEND

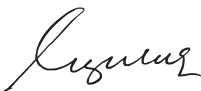
The Board of Directors in their meeting held on October 30, 2018 has approved interim cash dividend @ Rupees 3 per shares i.e. 30% for the year ending June 30, 2019.

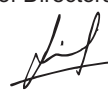
## ACKNOWLEDGMENT

The Board and the management would like to thank senior executives of Pharmaceutical, food and beverage industries for their continuous support and confidence on our quality products. Thanks are also due to our dealers and customers of float glass for their trust reposed on our quality products. The Board also appreciates the cooperation of our suppliers, contractors and bankers.

The Board acknowledges and puts on record its sincere appreciation for all employees of the Company for their hard work, commitment and loyalty.

On behalf of the Board of Directors

  
**Imtiaz Ahmed Khan**  
Chief Executive Officer

  
**Zaid Ghani**  
Chairman

Lahore: October 30, 2018

*As at September 30, 2018*

The annexed notes 1 to 9 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

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

For the period ended 30 September, 2018

	Note	Period ended	
		September 2018	September 2017
		Rupees	Rupees
Sales - net		3,063,932,705	2,730,299,764
Cost of sales		(2,064,091,402)	(1,770,483,272)
<b>Gross profit</b>		<b>999,841,303</b>	<b>959,816,492</b>
General and administrative expenses		(127,927,069)	(105,845,775)
Selling and distribution expenses		(216,846,890)	(156,364,851)
Other operating expenses		(43,817,543)	(50,945,133)
Other income		6,720,793	14,068,689
		(381,870,709)	(299,087,070)
<b>Operating profit</b>		<b>617,970,594</b>	<b>660,729,422</b>
Finance cost		(1,607,383)	(411,809)
Share of (loss)/profit of associate		(25,143,891)	27,072,522
<b>Profit before taxation</b>		<b>591,219,320</b>	<b>687,390,135</b>
Taxation		(88,792,551)	(206,349,254)
<b>Profit after taxation</b>		<b>502,426,769</b>	<b>481,040,881</b>
<b>Earnings per share - basic and diluted</b>	7	<b>1.21</b>	<b>1.16</b>

The annexed notes 1 to 9 form an integral part of these financial statements.

Lahore



Chief Executive



Director



Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the period ended 30 September, 2018

	2018 September Rupees	2017 September Rupees
Profit for the period	502,426,769	481,040,881
Other comprehensive income	-	-
	<u>502,426,769</u>	<u>481,040,881</u>

The annexed notes 1 to 9 form an integral part of these financial statements.

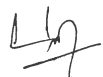
Lahore



Chief Executive



Director



Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the period ended 30 September, 2018

	Share capital	Subscription money against right issue	Reserve created under scheme of amalgamation	Merger reserve	Share premium	Exchange translation Reserve	Revenue reserve	Total
		(Rupees)						
Balance as at 30 June 2017	2,192,480,430	1,281,193,800	365,464,087	427,419,290	75,000,000	127,613,522	6,411,332,319	10,880,503,248
First Interim dividend 2018 @ Rs.2.0 per share	-	-	-	-	-	-	(833,142,564)	(833,142,564)
Second Interim dividend 2018 @ Rs.1.0 per share	-	-	-	-	-	-	(416,571,282)	(416,571,282)
Third Interim dividend 2018 @ Rs.1.0 per share	-	-	-	-	-	-	(416,571,282)	(416,571,282)
Subscription money against right issue received	-	692,038,790	-	-	-	-	-	692,038,790
Subscription money against right issue	1,973,232,390	(1,973,232,390)	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	2,866,111,348	2,866,111,348
Other comprehensive income	-	-	-	-	-	131,450,696	-	131,450,696
Balance as at 30 June 2018	4,165,712,820	-	365,464,087	427,419,290	75,000,000	259,064,218	7,611,158,539	12,903,818,954
Total comprehensive income for the period	-	-	-	-	-	-	502,426,769	502,426,769
Balance as at 30 September, 2018	4,165,712,820	-	365,464,087	427,419,290	75,000,000	259,064,218	8,113,585,308	13,406,245,723



Chief Executive



Director



Chief Financial Officer

Lahore



# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the period ended 30 September, 2018

## Cash flows from operating activities

Profit before taxation

Adjustments for non cash and other items:

Depreciation

Amortization

Capital gain

Financial charges

Gain on sale of fixed assets

Share of (profit)/ loss of associate

Workers' profit participation fund

Workers' welfare fund

**Operating profit before working capital changes**

**(Increase)/decrease in current assets:**

Stores and spares

Stock in trade

Trade debtors

Other receivables

Advances, deposits and prepayments

**Increase/(decrease) in current liabilities:**

Trade and other payables

**Cash generated from operations**

Finance cost paid

Taxes paid

Worker's welfare fund and Workers' profit participation fund paid

**Net cash generated from operating activities**

## Cash flows from investing activities

Fixed capital expenditure

Intangible assets

Proceed from sales of fixed assets

Short Term investments - redeemed

Dividend income from associate

Long term deposits and prepayments

**Net cash used in investing activities**

## Cash flows from financing activities

Subscription money receipt against right issue

Dividend paid

**Net cash generated (used) in financing activities**

**Net increase/(decrease) in cash and cash equivalents during the period**

**Cash and cash equivalents at the beginning of the period**

**Cash and cash equivalents at the end of the period**

September 2018 Rupees	September 2017 Rupees
591,219,320	687,390,135
178,344,329	212,466,808
669,476	1,509,050
150,000	(169,700)
1,607,383	411,809
(3,820,851)	-
25,143,891	(27,072,522)
31,751,843	36,916,763
12,065,700	14,028,370
245,911,771	238,090,578
837,131,091	925,480,713
(20,397,931)	(87,562,996)
(643,075,742)	(270,107,385)
(95,990,524)	(60,301,429)
92,387,379	3,310,244
(76,723,910)	145,982,479
142,561,188	(224,983,746)
(601,239,540)	(493,662,833)
235,891,551	431,817,880
(1,607,383)	(411,809)
(138,736,479)	(37,432,531)
(30,000)	(74,666)
(140,373,862)	(37,919,006)
95,517,689	393,898,874
(1,114,396,415)	(533,936,160)
(1,096,000)	-
9,005,554	-
150,238,900	-
-	21,868,406
8,981,864	(948,600)
(947,266,097)	(513,016,354)
-	686,582,870
(415,601,107)	(520,776,925)
(415,601,107)	165,805,945
(1,267,349,515)	46,688,465
2,026,060,054	2,419,360,492
758,710,539	2,466,048,957

The annexed notes 1 to 9 form an integral part of these financial statements.

Lahore



Chief Executive



Director



Chief Financial Officer

# CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS

*For the period ended 30 September, 2018 (Un-audited)*

## **1 THE COMPANY AND ITS OPERATIONS**

Ghani Glass Limited ("The Company") was incorporated in Pakistan in 1992 as a limited liability company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange. The registered office of the Company is located at 40-L Ext., Model Town, Lahore, Pakistan. The Company is engaged in the business of manufacturing and sale of glass containers and float glass of different types.

## **2 STATEMENT OF COMPLIANCE**

This interim financial information of the Company for the quarter ended September 30, 2018 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provision of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

This interim financial information is un-audited and is being submitted to shareholders, as required by section 237 of the Companies Act, 2017.

## **3 BASIS OF PREPARATION**

This interim financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2018.

The accounting policies adopted for the preparation of this interim financial information are same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2018.

The Company has adopted the following amended IFRS and IFRIC interpretation which became effective during the period:

IFRS 2 - Share-based Payments - Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS 4 - Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts- (Amendments)

IFRS 9-Financial instruments

IFRS 15-Revenue from Contracts with Customers

IAS 40-Investment Property: Transfer of Investment Property (Amendments)

IFRIC 22- Foreign Currency Transactions and Advance Consideration

The adoption of the above amendments did not have any effect on the interim financial information however, the management is in the process of assessing the impact of changes laid down by IFRS 9 on its financial statements.

#### 4 CONTINGENCIES AND COMMITMENTS

There is no significant change in the contingencies and commitments status since the last annual balance sheet date.

#### 5 PROPERTY, PLANT & EQUIPMENT

	Note	Un-audited September 30 2018 Rupees	Audited June 30 2018 Rupees
Net book value at the beginning of the period		<b>9,925,572,332</b>	7,563,935,436
Add: Addition during the period	5.1	<b>136,709,763</b>	1,419,340,070
Add: Capital work in progress		<b>978,132,139</b>	1,829,477,917
Less: Disposal during the period		<b>(5,184,130)</b>	(146,125,102)
Less: Depreciation charged during the period		<b>(178,344,329)</b>	(741,055,989)
		<b><u>10,856,885,775</u></b>	<b><u>9,925,572,332</u></b>

##### 5.1 Details of additions during the period are as follows:

##### **Owned**

Land	-	36,368,675
Building	<b>1,126,257</b>	29,252,807
Plant & Machinery	<b>109,200,926</b>	770,579,014
Furnace	<b>4,727,803</b>	448,731,577
Tools and office equipment	-	1,168,070
Office Equipments	<b>429,000</b>	16,072,592
Furniture & Fixtures	<b>232,400</b>	11,759,386
Vehicles	<b>20,993,377</b>	105,407,949
	<b><u>136,709,763</u></b>	<b><u>1,419,340,070</u></b>

## 6 TRANSACTION WITH RELATED PARTIES

	September 2018 Rupees	September 2017 Rupees
Expenses	15,475,406	690,983
Sales	125,217,466	207,400,258

## 7 EARNINGS PER SHARE-BASIC AND DILUTED

Net profit after tax	502,426,769	481,040,881
Number of ordinary shares	416,571,282	416,571,282
Earnings per share	1.21	1.16

## 8 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 30, 2018 by the Board of Directors of the Company.

## 9 GENERAL

I. Figures have been rounded to nearest rupee.

II. Consequent to substitution of Fourth Schedule to the Companies Ordinance, 1984 and more appropriate presentation of financial statements, corresponding figure have been re-arranged and re-classified wherever necessary for the purpose of comparison.

Lahore



Chief Executive



Director



Chief Financial Officer

## ڈائریکٹران کی جائزہ رپورٹ

معزز حصہ داران

اسلام علیکم ورحمۃ اللہ وبرکاتہ

ڈائریکٹران 30 ستمبر 2018 کو مکمل ہونے والی پہلی سہ ماہی کیلئے فنی گلاس لمیٹڈ کے غیر آڈٹ شدہ مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔

مالیاتی سرخیاں	30 ستمبر 2018	30 ستمبر 2017
(روپے "000" میں)		
خالص آمدنی	3,064	2,730
خام منافع	999	959
قبل از ٹیکس منافع	591	687
بعد از ٹیکس منافع	502	481
فی حصص منافع (پ)	1.21	1.16

جاری سال کی موجودہ سہ ماہی میں کمپنی کی خالص آمدنی گذشتہ سال کی اسی مدت میں 2.7 ارب روپے سے بڑھ کر 3 ارب روپے ہو گئی جو کہ 12% بڑھوتری کا عکاس ہے۔ خام منافع میں گزشتہ برس اس عرصہ میں 959 ملین روپے کے مقابلے میں 999 ملین روپے تک اضافہ ہوا۔ قبل از ٹیکس منافع گزشتہ برس اسی عرصہ میں 591 ملین روپے کے مقابلے میں 687 روپے رہا۔ کمپنی نے پچھلے سال اسی عرصہ کے دوران 481 ملین روپے کے مقابلے میں 502 ملین روپے کا خالص نفع کمایا۔ فی حصص منافع پچھلے سال اسی عرصے میں 1.16 روپے کے مقابلے میں 1.21 روپے تک بڑھ گیا۔

غیر یقینی شرح مبادلہ

پاکستانی روپے کی قدر میں مسلسل کمی اور مہنگی آراہیل این جی (RLNG) کے استعمال نے کمپنی کے نفع کو متاثر کیا ہے۔

پاکستانی معیشت سخت تر دور سے گزر رہی ہے۔ اس کو مشکل میکرو اکنامک مقابلوں کا سامنا ہے۔ سخت نظام زراور مالیاتی پالیسی اور غیر متوازن معیشت کی وجہ سے معاشی سست روی کا آغاز ہو چکا ہے۔ مزید برآں بڑھتی ہوئی تیل کی قیمتوں، کرنٹ اکاؤنٹ خسارہ میں اضافہ، زرمبادلہ کی کمی، زر کی قدر میں کمی، ٹیکس اور ڈیوٹیوں میں اضافے نے میکرو اکنامک اعشاریوں پر منفی اثر ڈالا ہے۔

منصوبوں کی خبریں

بورڈ اپنے اجلاس منعقدہ 29 ستمبر 2018 کو 10 روپے فی حصص کی پارولیو پر 30% رائٹ حصص جاری کرنے کی منظوری دی ہے۔ اس رائٹ حصص سے جمع ہونیوالا پیسہ فوڈ اور بیوریج اور فارما فرانس واقع ہری پور، ہتار، خیبر پختون خواہ کی بڑھوتری، BMR اور تعمیر نو پر خرچ کیا جائے گا۔

عبوری منافع منقسمہ

ڈائریکٹران نے اپنے اجلاس منعقدہ 30 اکتوبر 2018 کو 30 جون 2019 کو مکمل ہونے والے سال کیلئے 30% (3 روپے فی حصص) عبوری منافع منقسمہ کی منظوری دی ہے۔

اظہار تشکر

بورڈ اور انتظامیہ فارماسیوٹیکل، فوڈ اور مشروبات کی صنعتوں کی طرف سے ہماری مصنوعات کے معیار پر اعتماد اور مسلسل تعاون پر ان کے سپریم ایگزیکٹو کا شکریہ ادا کرتے ہیں، ہم فلوٹ گلاس کے ڈیلروں اور گاہکوں کا بھی ہماری مصنوعات پر کیے گئے اعتماد پر شکریہ ادا کرتے ہیں۔ بورڈ اپنے سپلائرز، کنٹریکٹرز اور بنکرز کا بھی مشکور ہے۔ بورڈ اپنے تمام ملازمین کا ان کی محنت، عہد اور دیانتداری پر ان کا تہہ دل سے مشکور ہے۔

زید غنی

چیرمین

انتیاز احمد خان

چیف ایگزیکٹو آفیسر

لاہور: اکتوبر 2018:30

# Ghani

GHANI GLASS LIMITED

**Head Office:**

40-L, Model Town Extension, Lahore, Pakistan.

UAN: +92-42-111 949 949

Fax: +92-42-35172263

[www.ghaniglass.com](http://www.ghaniglass.com)

