



Ghani Global Glass Limited

Faith.... Experience.... Innovation.... Growth

CORPORATE INFORMATION

BOARD OF DIRECTORS

Atique Ahmad Khan
Masroor Ahmad Khan
Hafiz Farooq Ahmad
Rabia Atique
Saira Farooq
Tahir Bashir Khan
Mahmood Ahmad
Farzand Ali

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director
Director

AUDIT COMMITTEE

Mahmood Ahmad - Chairman
Atique Ahmad Khan
Hafiz Farooq Ahmad
Saira Farooq

HR & R COMMITTEE

Tahir Bashir Khan - Chairman
Atique Ahmad Khan
Hafiz Farooq Ahmad
Rabia Atique

PRESIDENT

M. Ashraf Bawany

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

COMPANY SECRETARY

Farzand Ali, FCS

SHARE REGISTRAR

Vision Consulting Limited
1st Floor, 3-C, LDA Flats, Lawrence Road, Lahore
Tel: 042-36375531, 36375339, Fax: 042-36312550

AUDITORS

Rizwan & Company
Chartered Accountants
Member Firm of DFK International

BANKERS

Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Al Falah Limited
Bank Al Habib Limited
BankIslami Pakistan Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
The Bank of Punjab
UBL Ameen

LEGAL ADVISOR

Barrister Ahmed Pervaiz, Ahmed & Pansota
Lahore

GLASS PLANT

52-K.M. Lahore Multan Road
Phool Nagar, Distt. Kasur
Ph:(049) 4510349-549, Fax: (049) 4510749
E-mail: glassplant@ghaniglobal.com

REGIONAL MARKETING OFFICE

C-7/A, Block F, Gulshan-e-Jamal
Rashid Minhas Road, Karachi.
Ph: (021) 34572150
E-mail: hanif@ghaniglobal.com

REGISTERED/CORPORATE OFFICE

10-N, Model Town Ext, Lahore 54000, Pakistan
UAN: 111 GHANI 1 (442-641)
Fax: (092) 42 35160393
E-mail: info@ghaniglobalglass.com
Website: www.ghaniglobalglass.com
www.ghaniglobal.com

DIRECTORS' REPORT

Dear Shareholders

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The Directors of Ghani Global Glass Limited (the Company) are pleased to present the unaudited condensed interim financial statements of the Company for the half year ended December 31, 2019, along with review report of the auditors thereon, in compliance with the requirements of Companies Acts, 2017.

FINANCIAL PERFORMANCE

Alhamdulillah your Company's sales are improving day by day by acceptance of company products in the market. For the period ended December 2019, your company's sales have increased from amounting to Rs. 346 million to Rs. 637 million as compared with the same period of last year. Gross profit of the company increased from amounting to Rs. 31 million to 137 million as compared to the same period of last year. Distribution cost and administrative cost incurred during period is Rs. 15.6 million and 29.6 million whereas for the last period it was Rs. 19.4 million and Rs. 32.7 million, respectively. Finance cost for the period incurred on the project finance and working capital lines is amounting to Rs. 73.4 million and for the last period it was Rs. 40.9 million, high increase is due to heavy jump in the policy rate by SBP. By the grace of Almighty Allah your Company reported profit of Rs. 19 million for the period ended December 2019 against loss of Rs. 62 million for the same period of last year. Earnings per share during the period was Rs. 0.19 against loss per share of Rs. 0.62 in comparison with same period of last year.

A comparison of the key financial results of your Company for the period ended December 31, 2019 with the same period last year is as under:

Particulars	Rupees in '000' Except EPS	
	December 2019	December 2018
Sales	637,403	345,916
Net Sales	541,103	293,093
Gross Profit	137,953	31,388
Distribution cost	15,630	19,441
Administrative expenses	29,691	32,760
Operating profit/(loss)	92,501	(21,189)
Financial cost	73,459	40,909
Net Profit / (Loss)	19,041	(62,098)
Earning per Share (EPS)	0.19	(0.62)

FUTURE PROSPECTS

Sales portfolio is growing and we are aiming at growth rate of our sales in double digit. Alhamdulillah in addition to local sales we have succeeded enter in export business with Bangladesh, Egypt (MENA), Argentina and Mexico. Management and marketing team is working day and night to improve the profitability.

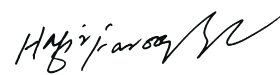
ACKNOWLEDGEMENTS

The board of directors wishes to express their gratitude to valued shareholders, banks/financial Institutions, customers and suppliers for their continuous support, hecooperation and patronage. We also wish to place on record the dedication, hard work and diligence of executives, staff and workers of the company. Needless to mention, all growth in the business of the company is not possible without will and blessings of ALMIGHTY ALLAH.

For and behalf of Board of Directors



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)

Lahore

Dated: February 28, 2020

مستقبل کے امکانات

فروخت کے پورٹ فولیو میں اضافہ ہو رہا ہے اور ہم اپنی فروخت کی شرح نموکوڈ بل ہند سے میں لے رہے ہیں۔ الحمد للہ مقامی فروخت کے علاوہ ہم بنگلہ دیش مصر (MENA)، ارجنٹائن اور میکسیکو کے ساتھ برآمدی کاروبار میں کامیاب ہو گئے ہیں۔ انتظامیہ اور ماکینیٹنگ کی ٹیم منافع کو بہتر بنانے کے لئے دن رات کام کر رہی ہے۔

اعترافات

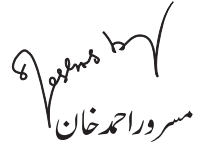
بورڈ آف ڈائریکٹرز اپنے شیئر ہولڈرز، بینک / فنانشل انسٹی ٹیوٹس، کسٹمرز اور سپلائرز کی مسلسل حمایت، تعاون اور سرپرستی پر شکر گزار ہیں۔ ہم اپنے اعلیٰ افسران سٹاف اور ورکرز کی پیشہ ورانہ فرائض کی ادائیگی سخت محنت اور جان فشانی کی قدر کرتے ہیں۔ یہاں یہ ذکر ضروری ہے کہ کمپنی کے کاروبار کی تمام ترقی اللہ تعالیٰ کی برکات اور مرضی کے بغیر ممکن نہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے



حافظ فاروق احمد

ڈائریکٹر



چیف ایگزیکٹو آفیسر

لاہور

مورخہ 28 فروری 2020ء

ڈائریکٹرز رپورٹ

عزیز شیئر ہولڈرز

السلام علیکم ورحمۃ اللہ وبرکات

آپ کی کمپنی (غنی گلوبل گلاس لمیٹڈ) کے ڈائریکٹران کمپنیز ایکٹ 2017 کی تعمیل میں کمپنی کے تخفیف اور آڈیٹر سے تنقیدی جائزہ کے ساتھ حسابات بابت 31 دسمبر، 2019 کو پیش کرنے پر خوشی محسوس کرتے ہیں۔

مالیاتی کارکردگی

الحمد للہ مارکیٹ میں کمپنی کی پراڈکٹس کی قبولیت کے باعث آپ کی کمپنی کی سیل میں دن بدن اضافہ ہو رہا ہے۔ دسمبر 2019 کی مدت کے دوران کمپنی کی سیل 346 ملین روپے سے بڑھ کر 637 ملین روپے ہو گئی۔ کمپنی کے گراس پرافٹ میں گزشتہ سال اسی مدت کے مقابلے میں 31 ملین سے 137 ملین روپے اضافہ ہوا۔ تقسیم کاری کی لاگت اور انتظامی اخراجات بالترتیب 15.6 ملین روپے اور 29.6 ملین روپے رہے جبکہ پچھلے عرصے میں یہ بالترتیب 19.4 ملین روپے اور 32.7 ملین روپے تھے۔ پراجیکٹ فنانس اور ورکنگ کیپیٹل لائسنز کی مالیاتی لاگت 73.4 ملین روپے رہی جبکہ پچھلے عرصے میں یہ رقم 40.9 ملین روپے تھی۔ یہ اضافہ سٹیٹ بینک آف پاکستان کے ذریعے پالیسی کی شرح میں بھاری اضافے کی وجہ سے ہے۔ اللہ تعالیٰ کے فضل و کرم سے آپ کی کمپنی نے دسمبر 2019 کو ختم ہونے والی مدت میں 19 ملین روپے کا منافع حاصل کیا ہے جبکہ پچھلے سال کی اسی مدت میں 62 ملین روپے کا نقصان ہوا تھا۔ اسی مدت کے دوران فی شیئر منافع 0.19 پیسے جبکہ پچھلے سال کی اسی مدت کے دوران فی شیئر 0.62 پیسے نقصان ہوا۔

اہم مالیاتی نتائج ششماہی اکاؤنٹس کا موازنہ مندرجہ ذیل ہے۔

روپے '000 میں سوائے فی شیئر منافع		تفصیلات
دسمبر 2018	دسمبر 2019	
345,916	637,403	سیل
293,093	541,103	خالص سیل
31,388	137,953	گراس پرافٹ
19,441	15,630	تقسیم کاری کی لاگت
32,760	29,691	انتظامی اخراجات
(21,189)	92,501	آپریٹنگ منافع / (نقصان)
40,909	73,459	مالیاتی لاگت
(62,098)	19,041	خالص منافع / (نقصان)
(0.62)	0.19	فی شیئر منافع

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Ghani Global Glass Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Ghani Global Glass Limited** as at **December 31, 2019** and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the selected notes forming part thereof, for the six month period then ended (hereinafter referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures included in condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2019 and December 31, 2018 and the notes forming part thereof have not been reviewed by us and we do not express a conclusion on them as we are required to review only the cumulative figures for the six months period ended December 31, 2019.

Scope of Review

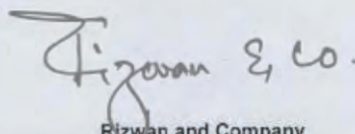
We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion


Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is **Imran Bashir**.

Lahore: February 28, 2020



Rizwan and Company
Chartered Accountants



Ghani Global Glass Limited
Condensed Interim Statement of Financial Position
As at December 31, 2019

		Un-audited December 31, 2019	Audited June 30, 2019
ASSETS	Note	(Rupees)	
Non-current assets			
Property, plant and equipment	5	1,506,470,869	1,531,018,169
Intangible assets - goodwill		19,794,072	19,794,072
Long term deposits		5,830,062	4,884,900
		<u>1,532,095,003</u>	<u>1,555,697,141</u>
Current assets			
Stores, spares and loose tools		93,548,195	65,782,178
Stock in trade		380,317,857	264,374,474
Trade debts		194,939,010	194,326,433
Loans and advances		72,204,794	101,974,150
Trade deposits and prepayments		18,141,219	9,485,569
Other receivables		698,703	104,848
Tax refunds due from government		105,010,925	107,797,097
Advance income tax - net		87,225,236	92,848,757
Cash and bank balances		36,255,835	60,349,591
		<u>988,341,774</u>	<u>897,043,097</u>
TOTAL ASSETS		<u>2,520,436,777</u>	<u>2,452,740,238</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital		2,000,000,000	2,000,000,000
200,000,000 (June 30, 2019: 200,000,000) ordinary shares of Rupees 10 each			
Issued, subscribed and paid up share capital	6	1,000,000,000	1,000,000,000
Loan from sponsors		788,960,638	768,960,638
Accumulated loss		(430,729,227)	(449,771,147)
		<u>1,358,231,411</u>	<u>1,319,189,491</u>
Non-current liabilities			
Long term financing	7	132,905,529	261,763,356
Long term security deposits		400,000	400,000
		<u>133,305,529</u>	<u>262,163,356</u>
Current liabilities			
Trade and other payables	8	139,468,698	91,014,145
Payable to related party		650,000	9,096,047
Payable to employees' provident fund		6,046,982	-
Accrued profit on financing		60,049,974	33,598,487
Short term borrowings		534,540,235	495,936,195
Current portion of long term financing		288,143,948	241,742,517
		<u>1,028,899,837</u>	<u>871,387,391</u>
TOTAL EQUITY AND LIABILITIES		<u>2,520,436,777</u>	<u>2,452,740,238</u>

CONTINGENCIES AND COMMITMENTS

9

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)

Ghani Global Glass Limited
Condensed Interim Statement of Profit or Loss
For the Six Months Period Ended December 31, 2019 (Un-Audited)

	Six months period ended		Three months period ended	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	(Rupees)		(Rupees)	
Gross sales	637,403,879	345,916,047	332,088,381	203,539,939
Less: Sales tax	(95,555,365)	(52,823,117)	(49,220,079)	(30,309,402)
Discount allowed	(745,120)	-	(745,120)	-
Net sales	541,103,394	293,092,930	282,123,182	173,230,537
Cost of sales	(403,149,718)	(261,704,572)	(220,482,469)	(149,894,937)
Gross profit	137,953,676	31,388,358	61,640,713	23,335,600
Administrative expenses	(29,691,605)	(32,759,953)	(13,771,768)	(16,752,871)
Distribution expenses	(15,629,438)	(19,441,159)	(7,140,205)	(8,347,960)
Other operating expenses	(1,293,185)	(1,545,890)	(354,697)	(1,421,890)
	91,339,448	(22,358,644)	40,374,043	(3,187,121)
Other income	1,162,369	1,169,442	856,645	539,031
Profit / (loss) from operations	92,501,817	(21,189,202)	41,230,688	(2,648,090)
Finance costs	(73,459,897)	(40,908,674)	(37,607,033)	(22,350,779)
Profit / (loss) before taxation	19,041,920	(62,097,876)	3,623,655	(24,998,869)
Taxation	-	-	-	-
Profit / (loss) after taxation	19,041,920	(62,097,876)	3,623,655	(24,998,869)
Earnings per share	0.19	(0.62)	0.04	(0.25)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)

Ghani Global Glass Limited
Condensed Interim Statement of Comprehensive Income
For the Six Months Period Ended December 31, 2019 (Un-Audited)

	Six months period ended		Three months period ended	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	(Rupees)		(Rupees)	
Profit / (loss) after taxation	19,041,920	(62,097,876)	3,623,655	(24,998,869)
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income / (loss)	19,041,920	(62,097,876)	3,623,655	(24,998,869)

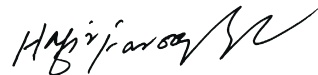
The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)




HAFIZ FAROOQ AHMAD
(DIRECTOR)

Ghani Global Glass Limited
Condensed Interim Statement of Changes in Equity
For the Six Months Period Ended December 31, 2019

	Share Capital	Accumulated loss	Loan from sponsors	Total
	(Rupees)			
Balance as at June 30, 2018 (audited)	1,000,000,000	(299,524,187)	734,360,638	1,434,836,451
Effect of change in accounting policy	-	(2,648,176)	-	(2,648,176)
Balance as at July 01, 2018 - as adjusted	1,000,000,000	(302,172,363)	734,360,638	1,432,188,275
Loss for the period	-	(62,097,876)	-	(62,097,876)
Other Comprehensive income / (loss)	-	-	-	-
Total comprehensive loss for the period	-	(62,097,876)	-	(62,097,876)
<i>Transactions with sponsors</i>				
Loan received during the period	-	-	-	-
Balance as at December 31, 2018 (un-audited)	1,000,000,000	(364,270,239)	734,360,638	1,370,090,399
Balance as at June 30, 2019 (audited)	1,000,000,000	(449,771,147)	768,960,638	1,319,189,491
Profit for the period	-	19,041,920	-	19,041,920
Other Comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period	-	19,041,920	-	19,041,920
<i>Transactions with sponsors</i>				
Loan received during the period	-	-	20,000,000	20,000,000
Balance as at December 31, 2019 (un-audited)	1,000,000,000	(430,729,227)	788,960,638	1,358,231,411

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)

Ghani Global Glass Limited
Condensed Interim Statement of Cash Flows
For the Six Months Period Ended December 31, 2019 (Un-Audited)

		Six months period ended	
		December 31, 2019	December 31, 2018
Note		(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operating activities	10	61,571,598	49,183,450
Finance costs paid		(47,008,410)	(41,140,537)
Refund of income tax received		25,377,373	-
Income tax paid		(19,753,852)	(7,598,743)
Net generated from operating activities		20,186,709	444,170
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property, plant and equipment		(19,495,423)	(6,259,965)
Proceeds from disposal of operating fixed assets		12,476	290,000
Long term deposits		(945,162)	1,749,391
Net cash used in investing activities		(20,428,109)	(4,220,574)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from sponsors - net		20,000,000	-
Long term deposits		-	(113,166)
Long term financing - net		(82,456,396)	115,209,880
Short term borrowings		38,604,040	(131,577,547)
Net cash used in financing activities		(23,852,356)	(16,480,833)
Net decrease in cash and cash equivalents		(24,093,756)	(20,257,237)
Cash and cash equivalents at the beginning of the period		60,349,591	72,679,861
Cash and cash equivalents at the end of the period		36,255,835	52,422,624


The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)

Notes to the Condensed Interim Financial Statements
For the Six Months Period Ended December 31, 2019 (Un-audited)

1 LEGAL STATUS AND OPERATIONS

Ghani Global Glass Limited ("the Company") was incorporated in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company on October 04, 2007 as Ghani Tableware (Private) Limited. Its status was changed to public unlisted company, consequently its name was changed to Ghani Tableware Limited as on July 24, 2008. Name of the Company was further changed to Ghani Global Glass Limited on January 14, 2009. The Company became listed on Pakistan Stock Exchange on December 12, 2014 upon merger of Libas Textiles Limited with and into the Company. The Company's registered office is situated at 10-N, Model Town Extension, Lahore and its manufacturing units are situated at 52-KM Lahore Multan Road, Phool Nagar District Kasur. The Company is principally engaged in manufacturing and sale of glass tubes, glass-ware, vials, ampules and chemicals. The Company commenced its commercial operations with effect from April 01, 2016.

2 STATEMENT OF COMPLIANCE

- 2.1** These interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.2** These condensed interim financial statements are unaudited and being submitted to shareholders, as required by Section 237 of the Companies Act, 2017. The figures included in the condensed interim statement of profit or loss and other comprehensive income for the three months period ended December 31, 2019 and 2018 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the six months period ended December 31, 2019 and 2018.
- 2.3** These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2019. The accounting policies and methods of computations adopted for the preparation of these interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended June 30, 2019. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2019 except those that stated in note 3.2 (a) below.
- 3.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards**

a) Standards and amendments to published accounting and reporting standards which were effective during the six months period ended December 31, 2019

IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17: Leases. As the distinction between operating and finance lease is eliminated, it has resulted in leases being recognised on the statement of financial position except for short-term and low-value leases. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. However, the application of IFRS 16 does not have any material impact on the Company's books of account.

The amendments that were mandatory for the six months period ended December 31, 2019 are considered not to be relevant for the Company's financial reporting process and hence have not been disclosed here.

b) Standards and amendments to approved accounting and reporting standards that are not yet effective

There is a new standard and certain amendments and interpretation to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2020. However, these standard, amendments and interpretation will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

3.3 Functional and presentation currency

These interim financial statements is presented in Pak rupees, which is the functional and presentation currency for the Company.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied in the Company's annual audited financial statements for the year ended June 30, 2019.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended June 30, 2019.

		Un audited December 31, 2019	Audited June 30, 2019
	Note	Rupees	
5	PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets- tangible	5.1	1,475,229,138	1,499,776,438
Capital work in progress	5.2	31,241,731	31,241,731
		<u>1,506,470,869</u>	<u>1,531,018,169</u>
5.1	Operating fixed assets- tangible		
Opening carrying value		1,499,776,438	1,511,631,118
Add: Additions during the period / year			
Building		63,210	701,429
Plant and Machinery		5,292,952	26,395,721
Furnace		10,325,309	28,181,354
Furniture and fixtures		1,324,122	2,194,697
Office equipment		2,326,430	192,698
Computers		163,400	55,948
Vehicles		-	190,040
		<u>19,495,423</u>	<u>57,911,887</u>
Less: Book value of the disposals		(7,301)	(642,672)
Less: Depreciation charged during the period / year		<u>(44,035,422)</u>	<u>(69,123,895)</u>
		<u>(44,042,723)</u>	<u>(69,766,567)</u>
Closing carrying value		<u>1,475,229,138</u>	<u>1,499,776,438</u>
5.2	Capital work in progress		
Opening balance		31,241,731	31,241,731
Additions during the period		-	-
Closing balance		<u>31,241,731</u>	<u>31,241,731</u>
6	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
		Un audited December 31, 2019 (Number of Shares)	Audited June 30, 2019
		98,000,000	98,000,000
	Ordinary shares of Rupees 10 each fully paid in cash		
		2,000,000	2,000,000
	Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement for amalgamation		
		<u>100,000,000</u>	<u>100,000,000</u>
		Un audited December 31, 2019 (Rupees)	Audited June 30, 2019
		980,000,000	980,000,000
		20,000,000	20,000,000
		<u>1,000,000,000</u>	<u>1,000,000,000</u>

		Un audited December 31, 2019	Audited June 30, 2019
		(Rupees)	
7	LONG TERM FINANCING		
	<i>Diminishing Musharakah facilities from:</i>		
	Banking company - secured	247,024,607	279,759,612
	Syndicate financing from banking companies - secured	174,024,870	223,746,261
		421,049,477	503,505,873
	Current portion taken as current liability	(288,143,948)	(241,742,517)
		132,905,529	261,763,356
7.1	Reconciliation of long term financing is as follows:		
	Balance at beginning of period / year	503,505,873	376,240,893
	Availed during the period / year	-	286,900,000
		503,505,873	663,140,893
	Repayment during the period / year	(82,456,396)	(159,635,020)
	Balance at the end of the period / year	421,049,477	503,505,873
8	TRADE AND OTHER PAYABLES		
	Payable against supplies and services	49,271,214	30,330,345
	Advance from customers - <i>Unsecured</i>	22,517,264	15,937,205
	Accrued liabilities	36,023,416	32,770,202
	Book overdraft	29,697,711	11,056,369
	Withholding income tax	1,959,093	920,024
		139,468,698	91,014,145
9	CONTINGENCIES AND COMMITMENTS		
9.1	Contingencies		
9.1.1	Guarantees issued by banks in the ordinary course of business of Rupees 56.407 million (June 30, 2019: Rupees 56.407 million) against gas connection in favor of Sui Northern Gas Pipelines Limited.		
9.1.2	The Company has filed a petition against Federation of Pakistan, before the Honorable Lahore High Court, Lahore vide W.P No. 50298/2019, challenging the rejection of sales tax refund of Rupees 84,128,215 by the Sales Tax Department and Appellant Forum which was claimed by the Company in 2016. The case is at argument stage and the management is of the view that the case would be decided in favour of the Company.		
9.2	Commitments		
9.2.1	Commitments in respect of letter of credit for machinery, raw materials, stores and spares outstanding as at reporting date is of Rupees 18.251 million (June 30, 2019: Rupees 19.13 million).		
9.2.2	Commitments for capital expenditure related to building amounted to Rupees 5 million (June 30, 2019: Rupees 5		
9.2.3	The un-availed unfunded facilities (letters of credit) and funded credit facilities from banks as at reporting date amounted to Rupees 97.209 million (June 30, 2019: Rupees 34.930 million).		

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11 SEGMENT INFORMATION

- 11.1 During the period under review; the Company has identified two segments; i.e. 1) Glass tubes and Glass ware and 2) Chemicals as separate identifiable operating segments.

Unallocated assets include long and short term advances, deposits and prepayments, other receivables, taxes recoverable and cash and bank balances. Liabilities are not segment-wise reported to the Board of Directors. All the unallocated results and assets are reported to the Board of Directors at entity level. There was no Inter-segment sales during the period under review. Segment results are as follows:

	Six months period ended (Un-audited)					
	December 31, 2019			December 31, 2018		
	Glass tubes and Glass ware	Chemicals	Total	Glass tubes and Glass ware	Chemicals	Total
	(Rupees)			(Rupees)		
Gross sales	555,976,885	81,426,994	637,403,879	306,395,447	39,520,600	345,916,047
Less: sales tax	(81,984,199)	(13,571,166)	(95,555,365)	(46,189,880)	(6,633,237)	(52,823,117)
Less: discount allowed	(745,120)	-	(745,120)	-	-	-
Net sales	473,247,566	67,855,828	541,103,394	260,205,567	32,887,363	293,092,930
Cost of sales	(336,102,080)	(67,047,638)	(403,149,718)	(237,197,691)	(24,506,881)	(261,704,572)
Gross profit	137,145,486	808,190	137,953,676	23,007,876	8,380,482	31,388,358
Administrative expenses	(28,207,025)	(1,484,580)	(29,691,605)	(31,121,955)	(1,637,998)	(32,759,953)
Distributions expenses	(14,457,230)	(1,172,208)	(15,629,438)	(17,983,072)	(1,458,087)	(19,441,159)
	(42,664,255)	(2,656,788)	(45,321,043)	(49,105,027)	(3,096,085)	(52,201,112)
Segment profit / (loss)	94,481,231	(1,848,598)	92,632,633	(26,097,151)	5,284,397	(20,812,754)
Unallocated expenses						
Other operating expenses			(1,293,185)			(1,545,890)
Other income			1,162,369			1,169,442
			92,501,817			(21,189,202)
Finance costs			(73,459,897)			(40,908,674)
Profit / (loss) before taxation			19,041,920			(62,097,876)
Taxation			-			-
Profit / (loss) after taxation			19,041,920			(62,097,876)

12 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary and associated companies, directors of the Company, companies in which directors also hold directorship, related companies, key management personnel and staff retirement benefit funds. The Company in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

12.1 Name and nature of relationship

Name of related parties	Basis of relationship
Masroor Ahmad Khan	Director / Shareholder
Atique Ahmad Khan	Director / Shareholder
Hafiz Farooq Ahmad	Director / Shareholder
Ghani Chemical Industries Limited	Associate
Ghani Global Holdings Limited	Parent company
Provident Fund Trust	Employees retirement fund

12.2 Transactions with related parties

Relationship with related party	Nature of Transaction	December 31, 2019	December 31, 2018
		(Rupees)	
Parent Company	Guarantee Commission	1,300,000	1,300,000
Associates	Services	-	6,000,000
	Purchases	18,581,462	6,763,010
	Advances received and paid	369,270,000	-
	Sales	-	116,602
	Return on advances given	593,855	-
	Return on advances received	729,741	-
	Payment on behalf of parent company	650,000	-
Key management personnel			
Sponsors	Loan received - net	20,000,000	-
Others			
Employees Provident Fund Trust	Contribution	5,842,270	4,916,724

12.3 Sales, purchases and other transactions with related parties are carried out on commercial terms and conditions.

13 FINANCIAL RISK MANAGEMENT

13.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk.

These interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2019.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2019.

13.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these interim financial statements.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (Unobservable inputs) (level 3).

As at reporting date, the Company has no item to report in these levels.

14 GENERAL

14.1 The condensed interim statement of financial position has been compared with preceding statement of financial position as at June 30, 2019, whereas the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the corresponding period of the previous year.

14.2 Figures have been rounded off to the nearest rupees, unless otherwise stated.

15 DATE OF AUTHORIZATION

15.1 This condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issue on February 28, 2020.



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)