



Ghani

THRIVING BEYOND OBSTACLES

GHANI GLASS LIMITED

FIRST QUARTER
FINANCIAL STATEMENTS 2020-21

CORPORATE INFORMATION

Board of Directors	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. Moez Ghani Mr. Ibrahim Ghani Mr. Ayub Sadiq Mr. Shamim Ahmed Mr. Junaid Shamim Mr. Ovais Shamim Mr. Ajmal Khan (Nominee EOBI)	Chairman Chief Executive Officer Deputy Chief Executive Officer Deputy Chief Executive Officer
Audit Committee	Mr. Ayub Sadiq Mr. Zaid Ghani Mrs. Ayesha Aftab	Chairman Member Member
HR & R Committee	Mr. Ayub Sadiq Mr. Anwaar Ahmad Khan Mr. Zaid Ghani	Chairman Member Member
Chief Financial Officer	Mr. Umer Farooq Khan	
Company Secretary	Hafiz Muhammad Imran Sabir	
Auditors	EY Ford Rhodes, Chartered Accountants	
Legal Advisor	Ally Law Associates	
Share Registrar	Corplink (Pvt) Ltd Wings Arcade, 1-K Commercial Model Town, Lahore, Pakistan Phones : (042) 35916714, 35916719 Fax : (042) 35869037	
Banks	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 Islamic Bank Limited 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 Extension,

Lahore, Pakistan

UAN : (042) 111 949 949

Fax : (042) 35172263

E-mail : 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

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

DIRECTORS' REPORT

Dear Shareholders,

Assalam-o-Alaikumwa 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, 2020.

The economy started minor recovery in the first quarter of current financial year after GDP posted a slight contraction in FY 2020 (July 2019–June 2020) due to lockdown measures imposed at the tail-end of the year. The Economy is expected to rebound majorly driven by positive manufacturing and construction activity, which was likely supported by the government's fiscal stimulus package. Moreover, average remittances growth surged in the quarter, which, coupled with easing containment measures, should have supported private consumption.

Pakistan Economic Scenario is indeed distressing associated with slowing down industrial activity during the second half of FY20. The International Institution's report predicted a challenging outlook for the National economy, assuming that it would only grow by 1%, inflation may cross above 10% and unemployment rate could further jump by the end of the current fiscal year.

FINANCIAL HIGHLIGHTS

	September 30, 2020	September 30, 2019
	(Rupees in million)	
Revenue - Net	4,518	4,312
Gross Profit	870	932
Profit before Tax	610	641
Profit after Tax	633	580
Earning per Share (Rupees)	1.17	1.07

Alhamdulillah, the net revenue of your Company has witnessed a growth of 5% (2020:Rs.4.5 billion, 2019:4.3 billion) during the first quarter ended September 30, 2020. Margins contracted at gross level comparing with the same period of the previous year. However, the management succeeded to control operational expenses by the effective implementation of cost controlling measures. The bottom line remained positive as the Company recorded Net profit of Rupees 633 million as compared to Rupees 580 million for the corresponding period of the last year. Earning per share also increased to Rupees 1.17 as compared to Rupees 1.07 for the same period of the last year.

Interim Dividend

The Board of Directors in their meeting held on October 28, 2020 has approved interim cash dividend @ Rupees 6.5 per share i.e.65% for the year ending June 30, 2021.

Future outlook


Even in the tough business environment amid unprecedented business slow down, the management has a firm belief that profits and losses are all from ALLAH almighty. The management is hopeful for the future growth with full commitment and will continue to pursue its long term expansion strategy.


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


Aftab Ahmad Khan
Director

Lahore: October 28, 2020

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2020

EQUITY AND LIABILITIES	Note	Un-audited 2020 September Rupees	Audited 2020 June Rupees
Share capital and reserves			
Authorized share capital			
750,000,000 (2020: 750,000,000) ordinary shares of Rs. 10 each		7,500,000,000	7,500,000,000
Issued, subscribed and paid-up capital		5,415,426,660	5,415,426,660
Reserves		11,267,641,723	10,634,624,902
Shareholders' equity		16,683,068,383	16,050,051,562
Non-Current liabilities			
Deferred taxation		1,407,058,266	1,429,630,255
Long term payable		971,101,458	971,101,458
Liability against right of use asset		69,664,273	71,801,061
Current liabilities		2,447,823,997	2,472,532,774
Trade and other payables		5,103,605,261	5,383,783,194
Contract liability		129,418,415	210,338,321
Loan from sponsor directors		-	26,000,000
Unpaid dividend		-	1,014,638,626
Unclaimed dividend		19,052,071	19,052,071
Current portion of liability against right of use asset		28,262,412	32,925,624
Contingencies and commitments	3	5,280,338,159	6,686,737,836
		24,411,230,539	25,209,322,172
ASSETS			
Non-Current assets			
Property, plant and equipment		12,817,115,521	12,654,450,667
Intangible assets		19,596,922	20,908,612
Investment in associate		1,450,941,360	1,401,188,850
Long term advances and deposits		25,083,235	26,771,695
	4	14,312,737,038	14,103,319,824
Current assets			
Stores, spares and other consumables		720,483,197	773,541,958
Stock in trade		5,042,908,735	6,032,112,248
Trade debtors - considered good		2,105,453,457	2,263,315,099
Advances & deposits		484,937,802	456,660,357
Short term investment		4,439,440	3,825,840
Tax refund due from government		912,351,447	929,527,193
Other receivables		66,623,005	286,109,171
Cash and bank balances		761,296,418	360,910,482
		10,098,493,501	11,106,002,348
		24,411,230,539	25,209,322,172

The annexed notes 1 to 8 form an integral part of these financial statements.

Lahore

Chief Executive Officer



Director



Chief Financial Officer



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

For the period ended 30 September, 2020

	Note	Period ended	
		September 2020	September 2019
		Rupees	Rupees
Revenue - net		4,518,130,818	4,312,345,114
Cost of sales		(3,648,543,472)	(3,379,916,353)
Gross profit		869,587,346	932,428,761
General and administrative expenses		(204,829,043)	(194,134,879)
Selling and distribution expenses		(72,917,785)	(112,347,184)
Other expenses		(45,242,421)	(47,525,240)
Other income		16,121,196	22,413,485
		(306,868,053)	(331,593,818)
Operating profit		562,719,293	600,834,943
Finance cost		(2,026,969)	(2,681,967)
Share of profit/(loss) of associate		49,752,507	43,093,375
Profit before taxation		610,444,831	641,246,351
Taxation		22,571,990	(60,763,036)
Profit after taxation		633,016,821	580,483,315
Earnings per share - basic and diluted	6	1.17	1.07

The annexed notes 1 to 8 form an integral part of these financial statements.

Lahore


Chief Executive Officer

Director



Chief Financial Officer



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the period ended 30 September, 2020


	2020 September Rupees	2019 September Rupees
Profit for the period	633,016,821	580,483,315
Other comprehensive income	-	-
	633,016,821	580,483,315

The annexed notes 1 to 8 form an integral part of these financial statements.

Lahore


Chief Executive Officer


Director


Chief Financial Officer

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

For the period ended 30 September, 2020

	Share capital	Reserve created under scheme of amalgamation	Capital reserve	Share premium	Exchange translation Reserve	Revenue reserve	Unappropriated profit	Total
(Rupees)			Merger reserve					
Balance as at 30 June 2019	5,415,426,660	365,464,087	427,419,290	75,000,000	594,673,733	8,698,225,916		15,576,209,686
Balance as on 01 July, 2019 - as previously reported	5,415,426,660	365,464,087	427,419,290	75,000,000	594,673,733	8,698,225,916		15,576,209,686
Transaction with owners of the company recognised directly in equity - contributions and distributions								
First interim dividend 2020 @ Rs.2.0 per share	-	-	-	-	-	(1,083,085,332)	(1,083,085,332)	
Adjustment on account of legal reserve of an associate	-	-	-	-	113,445,677	(113,445,677)		
Total comprehensive income								
Profit for the year	-	-	-	-	-	1,513,075,459	1,513,075,459	1,513,075,459
Other comprehensive income	-	-	-	-	43,851,749	-	43,851,749	43,851,749
	-	-	-	-	43,851,749	1,513,075,459	1,556,927,208	1,556,927,208
Balance as at 30 June, 2020	5,415,426,660	365,464,087	427,419,290	75,000,000	751,971,159	9,014,770,366		16,050,051,562
Total comprehensive income								
Profit for the period	-	-	-	-	-	633,016,821	633,016,821	633,016,821
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	-	633,016,821	633,016,821	633,016,821
Balance as at 30 September, 2020	5,415,426,660	365,464,087	427,419,290	75,000,000	751,971,159	9,647,787,187		16,683,068,363

Rajinder

Chief Executive Officer

A. H. N.

Director

U. J.

Chief Financial Officer

Lahore

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

For the period ended 30 September, 2020

Cash flows from operating activities

Profit before taxation
Adjustments for non cash and other items:
Depreciation
Amortization
Financial cost
Gain on sale of fixed assets
Share of (profit)/loss of associate
Provision for workers' profit participation fund
Provision for workers' welfare fund

Operating profit before working capital changes

(Increase)/decrease in current assets:

Contract assets
Stores and spares and other consumables
Stock in trade
Trade debtors
Other receivables
Advances, deposits and prepayments

Increase/(decrease) in current liabilities:

Contract liability
Trade and other payables

Cash generated from operations

Finance cost paid
Income taxes paid
Worker's welfare fund and Workers' profit participation fund paid

Net cash (used)/generated from operating activities

Cash flows from investing activities

Fixed capital expenditure
Proceed from sales of fixed assets
Short Term investments
Long term deposits and prepayments

Net cash (used) in investing activities

Cash flows from financing activities

Payment of liability against right of use asset
Loan from sponsor directors-repayment
Dividend paid

Net cash (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 2020 Rupees	September 2019 Rupees
610,444,831	641,246,351
299,131,015	240,336,958
1,311,690	1,339,413
2,026,969	2,681,967
-	(2,280,612)
(49,752,507)	(43,093,375)
32,784,363	34,438,580
12,458,058	13,086,660
297,959,588	246,509,591
908,404,419	887,755,942
-	3,535,988
53,058,761	(16,875,172)
989,203,513	(1,221,042,460)
157,861,642	(357,968,722)
219,486,166	173,975,098
(28,277,445)	59,137,798
(80,919,906)	917,321
(275,420,356)	486,970,762
1,034,992,375	(871,349,387)
1,943,396,794	16,406,555
(2,026,969)	(2,681,967)
17,175,746	(92,651,583)
(50,000,000)	(50,695,522)
(34,851,223)	(146,029,072)
1,908,545,571	(129,622,517)
(462,077,998)	(384,186,970)
282,129	4,479,749
(613,600)	(4,580)
1,688,460	(3,665,640)
(460,721,009)	(383,377,441)
(6,800,000)	-
(26,000,000)	(104,000,000)
(1,014,638,626)	(50,506,553)
(1,047,438,626)	(154,506,553)
400,385,936	(667,506,511)
360,910,482	725,982,640
761,296,418	58,476,129

The annexed notes 1 to 8 form an integral part of these financial statements.

Lahore

Chief Executive Officer

Director

Chief Financial Officer

CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 September, 2020 (Un-audited)

1 Corporate and general information

- 1.1 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 Company is engaged in the business of manufacturing and sale of glass containers and float glass.

The geographical locations and addresses of the Company's business units, including production facilities are as under:

- Head office and Registered office: 40 - L Model Town Extension, Lahore;
- Marketing Office: 12 D/5 Chandani Chowk, KDA Scheme No. 7-8, Karachi;
- Plant 1 and Regional Marketing Office (North): 22 Km Haripur Taxila Road, District Haripur;
- Plant 2: H-15 Landhi Industrial Area, Karachi;
- Plant 3: 29 Km Lahore Sheikupura Road, District Sheikupura.
- Plant 4: 50 Km Lahore Gujranwala road, Tehsil Kamonke, District Gujranwala.

2

2.1 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) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention except for certain foreign currency translation adjustments and certain financial instruments which are carried at fair value.

2.3 Standards, interpretations and amendments to published approved accounting periods standards not relevant

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2019 are considered not to be relevant for the Company's financial statements and hence not been detailed here.

3 Contingencies and commitments

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

4 Property, plant & equipment

	Note	Un-audited September 30 2020 Rupees	Audited June 30 2020 Rupees
Net book value at the beginning of the period		11,884,228,354	10,998,531,887
Add: Addition during the period	4.1	346,898,701	2,135,031,740
Add: Capital work in progress		885,401,610	770,222,313
Less: Disposal during the period		(282,129)	(2,822,954)
Less: Depreciation charged during the period		(299,131,015)	(1,246,512,319)
		12,817,115,521	12,654,450,667
4.1 Details of additions during the period are as follows:			
Owned			
Building		-	59,706,000
Plant & machinery		333,803,380	366,817,868
Furnace		5,934,224	1,498,840,595
Right of use asset-building		-	111,812,416
Office equipment		1,836,097	42,844,093
Furniture & fixtures		-	2,085,273
Vehicles		5,325,000	52,925,495
		346,898,701	2,135,031,740

5 Transactions with related parties

	September 2020 Rupees	September 2019 Rupees
Expenses	3,728,864	1,745,721
Sales	304,205,866	273,827,199

6 Earnings per share - basic and diluted

Net profit after tax	633,016,821	580,483,315
Number of ordinary shares	541,542,666	541,542,666
Earning per share	1.17	1.07

7 Date of authorization for issue

These financial statements were authorized for issue on October 28, 2020 by the Board of Directors of the Company.

8 General

Figures have been rounded to nearest rupee.

Lahore



Chief Executive Officer



Director



Chief Financial Officer

ڈائریکٹر ان کی جائزہ رپورٹ

معزز حصص داران

اسلام علیکم ورحمۃ اللہ وبرکاتہ

ڈائریکٹر ان 30 ستمبر 2020 کو مکمل ہونے والی پہلی سہ ماہی کیلئے غنی گلاس لمیٹڈ کے غیر آڈٹ شدہ مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔ پچھلے سال کے آخر میں کاروباری بندش کے اقدامات سے قومی آمدنی کے سکڑنے کے بعد موجودہ سال کی پہلی سہ ماہی میں معیشت کی بحالی کا آغاز ہو گیا ہے۔ حکومت کے مالی بحالی کے اقدامات کی بدولت معاشی بحالی کی توقع کی جارہی ہے۔ جس کی بڑی وجہ مثبت پیداواری اور تعمیراتی سرگرمیاں ہیں۔ مزید برآں اس سہ ماہی میں باہر سے بھجوائی گئی رقم میں اضافہ اور دوسرے اقدامات کی بدولت ذاتی خرچ میں اضافہ ہوا ہے۔

پچھلے مالی سال کے دوسرے نصف کے دوران پیداواری سرگرمیوں کی سست روی کے نتیجے میں پاکستانی معیشت دباؤ کا شکار ہے۔ بین الاقوامی ادارے کی رپورٹ کی پیشین گوئی کے مطابق قومی معیشت کو مشکلات درپیش رہیں گی معاشی ترقی میں 1% اضافہ ہوگا۔ مہنگائی میں 10% اضافہ اور موجودہ مالی سال کے دوران بے روزگاری مزید بڑھے گی۔

مالیاتی سرخیاں	30 ستمبر 2020	30 ستمبر 2019
(روپے "000" میں)		
خالص آمدنی	4,518	4,312
خام منافع	870	932
قبل از ٹیکس منافع	610	641
بعد از ٹیکس منافع	633	580
فی حصص منافع (پ)	1.17	1.07

الحمد للہ آپ کی کمپنی کی آمدنی میں پہلی سہ ماہی کے اختتام پر 5% کا اضافہ ہوا ہے (2020: 4.5: 2019: 4.3: ارب روپے)۔ پچھلے سال میں اسی عرصہ کے مقابلے میں خام نفع میں کمی آئی ہے تاہم اظہار منافع پر کم کرنے کے موثر اقدامات کی بدولت آپریشنل اخراجات کم کرنے میں کامیاب رہی ہے۔ کمپنی نے پچھلے سال اسی عرصہ میں 580 ملین روپے کے خالص نفع کے مقابلے میں 633 ملین روپے کا خالص نفع ریکارڈ کیا ہے۔ فی حصص نفع میں پچھلے سال اسی عرصہ میں 1.07 روپے کے مقابلے میں 1.17 روپے تک کا اضافہ ہوا۔

عبوری نفع منقسمہ

ڈائریکٹر ان نے اپنے اجلاس منعقدہ 28 اکتوبر 2020 میں 30 جون 2021 کو مکمل ہونے والے سال کیلئے 6.5 روپے فی حصص (65%) عبوری منافع منقسمہ کی منظوری دی ہے۔

مستقبل پر نظر

متوقع کاروباری سست روی کے باعث سخت کاروباری حالات کے باوجود انتظامیہ کا پکا یقین ہے کہ نفع اور نقصان تمام اللہ کی طرف سے ہے۔ انتظامیہ مستقبل میں ترقی کیلئے پُر امید اور پُر عزم ہے۔ اور اپنی دور رس مسلسل بڑھوتری کی حکمت عملی پر گامزن 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 سینئر 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 بندوں کا بھی مشکور ہے۔ بورڈ اپنے تمام ملازمین کا ان کی محنت، عہد اور دیانتداری پر ان کا تہہ دل سے مشکور ہے۔

آفتاب احمد خان
ڈائریکٹر

امتیاز احمد خان
چیف ایگزیکٹو آفیسر

لاہور: اکتوبر 28، 2020

Ghani

GHANI GLASS LIMITED

Head Office:

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