

Corporate Information

BOARD OF DIRECTORS	Mr. Obaid Ghani Mr. Aftab Ahmad Khan Mrs. Ayesha Aftab Mrs. Maryam Junaid Ms. Afifa Anwaar Ms. Zahra Aftab Mr. Junaid Ghani Mr. Jubair Ghani Mr. Umair Ghani Hafiz Muhammad Saad Mr. Muhammad Ayub Mr. Nauman Shaukat Mr. Sarfraz Anwar Dr. Amjad Aqeel	Chairman Chief Executive Officer
AUDIT COMMITTEE	Hafiz Muhammad Saad Mr. Muhammad Ayub Mr. Jubair Ghani	Chairman Member Member
HR & R COMMITTEE	Mr. Nauman Shaukat Mr. Sarfraz Anwar Mr. Junaid Ghani	Chairman Member Member
COMPANY SECRETARY	Hafiz Mohammad Imran Sabir	
CHIEF FINANCIAL OFFICER	Mr. Umer Farooq Khan	
AUDITORS	Hassan Farooq & Company Chartered Accountants	
LEGAL ADVISORS	Ally Law Associates	
SHARE REGISTRAR	Corplink (Pvt) Ltd Wings Arcade, 1-K Commercial Model Town Lahore, Pakistan Phones : (042) 35916714, 35916719 Fax : (042) 35869037	
BANKERS	Albaraka Islamic Bank Allied Bank Limited Soneri Bank Limited, Islamic Banking Habib Metropolitan Bank Limited (IBD) Habib Bank Limited Meezan Bank Limited UBL Ameen Limited Bank Alfalah Limited Bank Al-Habib Faysal Bank Limited Bank of Punjab (Taqwa) MCB Limited (Islamic Banking)	
REGISTERED OFFICE	274-B, N Block, Model Town Extension, Lahore Phones : (042) 3516 8873, 3517 2205 Fax : (042) 3517 2263 E-mail : info@ghaniautomobiles.com http://www.ghaniautomobiles.com	
PLANT	49-KM, Multan Road, (from Lahore)	

Directors' Report

Dear Shareholders,

Assala-mo-Alaikum wa Rahmatullah wa Barakatohu.

The Board of Directors of Ghani Automobile Industries Limited is pleased to present financial statements of the company for the third quarter and nine months ended March 31, 2020.

FINANCIAL INDICATORS	March 31, 2020	March 31, 2019
	Rupees '000'	
Sales-Net	68,214	144,688
Gross Profit/(Loss)	(9,470)	(8,619)
Profit/ (Loss) before taxation	(25,085)	(29,387)
Net Profit / (Loss)	(26,108)	(30,803)
Earning / (loss) per share (Rupees)	(0.52)	(0.62)

During the third quarter and nine months ended March 31, 2020, the net revenue of the company has decreased to Rupees 68.2 million as compared to Rupees 144.7 million for the same period of the last year. Gross Loss was recorded as Rupees 9.5 million. Net Loss was reduced to Rupees 26.1 million as compared to Rupees 30.8 million for the corresponding period of the last year. Loss per shares also decreased to Rupees 0.52 as compared to Rupees 0.62 for the same period of the last year.

Global outbreak of Coronavirus (COVID-19) has hit the economies of the world. Due to continuous lock down and preventive measures announced by the Government of Pakistan, the manufacturing sectors had to close down its operations. Closure of operations created high risk for industries and huge job cut is expected if the lock down continues.

Future Outlook

The Board of Directors, in their meeting held on January 16, 2020 has accorded their consent to initiate the legal steps necessary for the proposed merger of Ghani Automobile Industries Limited into Ghani Value Glass Limited. The working on the merger has been started by the management.

On behalf of the Directors, we are pleased to record our appreciation for our customers, employees, suppliers, shareholders and financial institutions for their trust in the management of the company.

We all should continue our endeavors to fully obey the commandments of Almighty Allah and Sunnah of our Prophet Muhammad (Sallallahu-Alaihe-Wasallum).

On behalf of the Board of Directors



Junaid Ghani
Director



Aftab Ahmed Khan
Chief Executive Officer

Lahore: April 30, 2020

Condensed Interim Statement of Financial Position

For the Quarter Ended March 31, 2020 (UN-AUDITED)

	31 March 2020 Rupees	30 June 2019 Rupees
EQUITY & LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized Share Capital 85,000,000 (Jun 2019: 85,000,000) ordinary shares of Rs.10 each	850,000,000	850,000,000
Issued, subscribed and paid up capital	500,288,800	500,288,800
Accumulated Losses	(324,158,182)	(292,514,891)
Discount on issue of right Shares	(150,028,880)	(150,028,880)
	26,101,738	57,745,029
NON CURRENT LIABILITIES		
Security Deposit Payable	39,500,000	39,500,000
CURRENT LIABILITIES		
Trade and other payables	191,517,315	193,183,024
Unclaimed dividend	609,746	609,746
	192,127,061	193,792,770
	257,728,799	291,037,799
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipments	43,228,877	45,526,323
Security deposits	598,700	598,700
	43,827,577	46,125,023
CURRENT ASSETS		
Stores, spares and loose tools	-	699,752
Stock in trade	49,329,156	52,233,052
Trade debts - secured and considered good	97,944,793	109,263,959
Advances and other receivables	20,018,045	23,083,542
Tax refunds and due from government	44,437,467	56,740,752
Cash and bank balances	2,171,762	2,891,719
	213,901,223	244,912,776
	257,728,800	291,037,799

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



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Ghani Automobile Industries Limited

Condensed Interim Statement of Profit or Loss

For the Quarter Ended March 31, 2020 (UN-AUDITED)

	Quarter Ended		Nine Months Ended	
	JANUARY TO MARCH		JULY TO MARCH	
	2020 Rupees	2019 Rupees	2020 Rupees	2019 Rupees
Sales-net	20,339,364	63,652,331	68,214,365	144,687,500
Cost of sales	21,528,247	67,042,410	77,684,734	153,306,043
Gross profit /(loss)	(1,188,883)	(3,390,079)	(9,470,369)	(8,618,543)
Administrative expenses	5,955,270	4,025,193	14,052,404	13,992,807
Distribution and marketing expenses	1,696,433	2,032,686	4,205,658	9,113,007
Other expenses		4,255		5,344
	7,651,703	6,062,134	18,258,062	23,111,158
Operating (loss)	(8,840,585)	(9,452,212)	(27,728,431)	(31,729,701)
Other income	927,232	381,190	2,689,842	2,521,505
Other Operating Income	927,232	381,190	2,689,842	2,521,505
Operating Loss /Profit before finance costs	(7,913,353)	(9,071,022)	(25,038,589)	(29,208,196)
Finance Cost	13,757	10,651	46,371	178,351
(Loss)/profit before taxation	(7,927,110)	(9,081,673)	(25,084,960)	(29,386,547)
Taxation				
Current	(305,090)	(403,186)	(1,023,215)	(1,416,126)
Deferred	-	-	-	-
	(305,090)	(403,186)	(1,023,215)	(1,416,126)
(Loss) / profit after taxation	(8,232,201)	(9,484,859)	(26,108,176)	(30,802,673)
(Loss) per share - Basic and diluted	(0.16)	(0.19)	(0.52)	(0.62)

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



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Condensed Interim Statement of Comprehensive Income

For the Quarter Ended March 31, 2020 (UN-AUDITED)

	2020	2019	2020	2019
	January to March		July to March	
	Rupees	Rupees	Rupees	Rupees
(Loss) For the period/year	(8,232,201)	(9,484,859)	(26,108,176)	(30,802,673)
Total Comprehensive (Loss)	(8,232,201)	(9,484,859)	(26,108,176)	(30,802,673)

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



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Condensed Interim Cash Flow Statement

For the Quarter Ended March 31, 2020 (UN-AUDITED)

	March 2020 Rupees	March 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) for the period before tax	(26,108,176)	(29,386,547)
Adjustment for :		
Depreciation	2,297,447	2,541,793
Financial charges	46,371	178,351
	2,343,818	2,720,144
Operating profit / (loss) before working capital changes	(23,764,357)	(26,666,403)
(Increase) / decrease in current assets		
Store, spares and loose tools	699,751	112,168
Stock in trade	2,903,896	2,872,435
Trade debtors	5,784,051	15,008,931
Tax refundables	12,303,285	(4,314,803)
Advances and other receivables	3,065,497	6,117,009
	24,756,480	19,795,740
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	(1,665,709)	9,009,535
	(673,586)	2,138,872
Financial charges paid	(46,371)	(178,351)
Taxes paid	-	(1,416,126)
	(46,371)	(1,594,477)
NET CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	-	85,000
Share subscription money	-	793,404
	-	878,404
NET CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase / (decrease) in cash	(719,957)	1,422,799
Cash and cash equivalents at the beginning of the period	2,891,719	3,012,603
Cash and cash equivalents at the end of the period	2,171,762	4,435,402

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



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Condensed Interim Statement of Changes in Equity

For the Quarter Ended March 31, 2020 (UN-AUDITED)

	Note	Share Capital	Discount on	Accumulated Loss	Total
		Capital Rupees	right Shares Rupees	profit/(loss) Rupees	Rupees
Balance as on June 30, 2018	1	500,000,000	(150,000,000)	(268,767,402)	81,232,598
Right shares issued during the year		288,800			288,800
Discount on right shares issued during the year			(28,880)		
(Loss) for the year		-	-	(23,747,489)	(23,747,489)
Balance as on June 30, 2019		500,288,800	(150,028,880)	(292,514,891)	57,745,029
Effect of initial application of IFRS-9				(5,535,115)	(5,535,115)
Net profit / (loss) for the period		-	-	(26,108,176)	(26,108,176)
Balance as on March 31, 2020		500,288,800	(150,028,880)	(324,158,182)	26,101,738

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



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Condensed Interim Notes to the Financial Statements

For the Quarter Ended March 31, 2020 (UN-AUDITED)

1 COMPANY AND ITS OPERATIONS

The company is a public listed company incorporated in Pakistan under the Companies Ordinance, 1984 in September 1987. The registered office and factory of the company is situated at 274-B-N Block Model Town, Extention, Lahore and 49 KM Multan Road Bhai Pheru respectively. The shares of the company are quoted on Pakistan Stock Exchange. The name of the company has been changed from Ghani Textile Limited to Ghani Automobile Industries Limited with effect from March 31, 2004.

The Company is principally engaged in manufacture, assemble and trade of Automotive Vehicles of all kinds and sorts. Before 2004, the Company's business was to manufacture and trade of grey cloth.

Geographical location and address of business unit /plant:

274-B, N Block, Model Town Extention, Lahore	Registered Office
49-KM Multan Road Bhai Pheru	Production Plant

2 STATEMENT OF COMPLIANCE

This interim financial information of the Company for the nine months quarter ended March 31, 2020 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

3.1 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, 2019.

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, 2019.

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.

3.2 Accounting Conventions

The accounting policies and method of computation adopted for the preparation of these interim financial statements are the same as applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2019.

4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

March 31 2020	June 30, 2019		Unaudited	Audited
			March 2020 Rupees	June 19 Rupees
Numbers				
19,250,000	19,250,000	Ordinary shares of Rs. 10 each fully paid in cash	192,500,000	192,500,000
250,000	250,000	Ordinary shares of Rs. 10 each fully paid other than cash	2,500,000	2,500,000
500,000	500,000	Ordinary shares of Rs. 10 each fully paid bonus shares	5,000,000	5,000,000
30,028,880	30,028,880	Ordinary shares of Rs. 10 each paid in cash as discount	300,288,800	300,288,800
			500,288,800	500,288,800

5 CONTINGENCIES AND COMMITMENTS

Contingencies

5.1 There is no charge of contingent liabilities since the date of published audited financial statement for the year ended June 30, 2019

Commitments

5.2 Commitments as at March 31, 2020 was Rs. NIL Same as on (June 30, 2019) Rs. 1,378,330/-

6 PROPERTY PLANT EQUIPMENTS

	Unaudited	Audited
	March 2020 Rupees	June 19 Rupees
Operating fixed assets (WDV)- Opening Balance	45,526,323	49,016,388
Add: Addition during the period/year		-
Less Disposals during the period/year	-	(85,000)
Depreciation charge for the period/year	2,297,447	3,405,065
Operating fixed assets (WDV)- Closing Balance	43,228,876	45,526,323

7. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34-'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended June 30, 2019 and the corresponding figures in the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the unaudited condensed interim financial statements of the Company for the nine month ended March, 31, 2020.

8. AUTHORIZATION TO ISSUE

This condensed interim financial information was authorized for issue on April 30, 2020 in the Board of Directors meeting.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

ڈائریکٹران کی جائزہ رپورٹ

معزز حصداران

اسلام علیکم ورحمۃ اللہ وبرکاتہ

غنی آٹوموبیل انڈسٹریز لمیٹڈ کے ڈائریکٹران 31 مارچ 2020 کو مکمل ہونی والی سہ ماہی اور نو مہینوں کیلئے مالیاتی گوشوارے، بخوشی پیش کرتے ہیں۔

31 مارچ 2019	31 مارچ 2020	مالیاتی اعشاریے
(روپے '000 میں)		
144,688	68,214	آمدنی
(8,619)	(9,470)	خام نقصان
(29,387)	(25,085)	قبل از ٹیکس نقصان
(30,803)	(26,108)	خالص نقصان
(0.62)	(0.52)	فی حصص نقصان / نفع (روپے)

31 مارچ 2020 کو مکمل ہونے والی سہ ماہی اور نو مہینوں کے دوران کمپنی کی خالص آمدنی پچھلے سال اسی عرصہ میں 144.7 ملین روپے کے مقابلے میں 68.2 ملین روپے تک کم ہو گئی۔ خالص نقصان 9.5 ملین روپے ریکارڈ کیا گیا۔ خالص نقصان پچھلے سال اسی عرصہ میں 30.8 ملین روپے کے مقابلے میں 26.1 ملین روپے رہا۔ فی حصص نقصان بھی پچھلے سال اسی عرصہ میں 0.62 روپے کے مقابلے میں 0.52 روپے تک کم ہو گیا۔

عالمی وبا کرونا وائرس (کووڈ-19) نے دنیا کی معیشتوں کو سخت نقصان پہنچایا ہے۔ پیداواری شعبوں کو مسلسل لاک ڈاؤن اور حکومتی احتیاطی تدابیر کے تحت اپنے آپریٹنگ بند کرنا پڑے ہیں۔ آپریٹنگ بند ہونے کی وجہ سے انڈسٹریز کو سخت خطرات لاحق ہیں اور اگر یہ لاک ڈاؤن جاری رہا تو نوکریاں بڑے پیمانے پر ختم ہو سکتی ہیں۔

ہم ڈائریکٹران کی طرف سے اپنے گاہکوں، ملازمین، سپلائرز، حصداران اور مالیاتی اداروں کے کمپنی کی انتظامیہ پر کئے گئے اعتماد پر ان کے مشکور ہیں۔

ہم اپنے اور کمپنی کے اوپر کی گئی رحمت پر اللہ سبحانہ و تعالیٰ کے شکر گزار ہیں۔ ہمیں چاہئے کہ ہم اللہ کے احکامات اور نبی صلی اللہ علیہ وسلم کی سنت کی مکمل پیروی کیلئے مسلسل جدوجہد کریں



بُخیر غنی

ڈائریکٹر



آفتاب احمد خان

چیف ایگزیکٹو آفیسر

لاہور 30 اپریل، 2020