

Ghani

Pakistan's No. 1 Glass Brand

ELEVATING _____
_____ EXCELLENCE
Integrity, Innovation & Sustainability



FIRST QUARTER
FINANCIAL STATEMENTS

2023-24

GHANI GLASS LIMITED

CORPORATE INFORMATION

Board of Directors	Mr. Zaid Ghani Mr. Imtiaz Ahmad Khan Mr. Anwaar Ahmad Khan Mr. Aftab Ahmad Khan Mrs. Reema Anwaar Mr. Junaid Ghani Mr. Jubair Ghani Mr. Hamza Ghani Mr. Moeez Ghani Mr. Ibrahim Ghani Mr. Ayub Sadiq Mr. Shamim Ahmed Mr. Ovais Shamim Mr. Nouman Shaukat Mr. Waqar Zafar Mr. Khalid Aslam Butt Hafiz Muhammad Saad Syed Wasi Haider (Nominee EOBI)	Chairman Chief Executive Officer Deputy Chief Executive Officer Deputy Chief Executive Officer Director Director Director Director Director Director Director Director Director Director Director Director Director Director Director
Audit Committee	Mr. Ayub Sadiq Mr. Zaid Ghani Mr. Ibrahim Ghani	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 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-AlaikumwaRahmatullahwaBarakatoHu.

The Board of Directors is pleased to present the unaudited Financial Statements of Ghani Glass Limited for the first quarter ended September 30, 2023.

During the first quarter ended September 30, 2023, the Net Revenue of the Company increased to Rupees 11.8 billion as compared to Rupees 7.9 billion for the corresponding period of the last year. The Company booked Gross Profit of Rupees 2.6 billion as compared to Rupees 1.9 billion for the same period of the last year. The company earned net profit of Rupees 1.4 billion as compared to Rupees 1.2 billion for the corresponding period of last year. Earning per share also increased to Rupees 1.40 as compared to Rupees 1.15 (*restated*) for the same period of the last year.

FINANCIAL HIGHLIGHTS

	September 30, 2023	September 30, 2022
	(Rupees in million)	
Revenue - Net	11,819	7,925
Gross Profit	2,612	1,992
Profit before Tax	1,650	1,216
Profit after Tax	1,400	1,154
Earning per Share (Rupees)	1.40	1.15 <i>restated</i>

The economy of Pakistan is continuing with challenges of unsustainable fiscal deficit, increasing circular debt, rupee devaluation (*PKR started recovering during September 2023*), rising inflation, low foreign reserves, tight policy measures, a balance-of-payments crisis etc. Large Scale Manufacturing (LSM) displayed a decline of 1.1% YoY in Jul-2023 and the data continued to remain in the red zone, the declining pace contracted over lower base. Consolidation measures, energy limitations, and impediments in import of raw materials for industries have remained major issues for the LSM segment. **A strong recovery would require an ambitious medium-term reform focused on fiscal consolidation and enhancing competitiveness**, supported by solid commitment. CPI for Sep-2023 clocked in at 31.4% YoY, over low base effect, while MoM increase came in at 2.0%. Core inflation continues to expand, while gap between Urban and Rural core inflation is simultaneously expanding.

Future outlook

Amid difficult era of political and economic uncertainty, we foresee to have long term growth potential of the business optimistically, however certain headwinds are also foreseen in the form of pressure on Rupee, higher inflation, surging energy and input costs and overall industrial slump which might have an impact on the future results. The management remains fully committed towards managing these challenges and delivering sustainable profitable growth capitalizing our strength, proved capabilities and operational excellence with continuous Excellence mindset.


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


Anwaar Ahmad Khan
Director

Lahore: October 27, 2023

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-audited)

As at 30 September, 2023

	Un-audited 2023 September 30 Rupees	Audited 2023 June 30 Rupees	Note
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital	10,000,000,000	10,000,000,000	
1,000,000,000 (2023: 1,000,000,000) ordinary shares of Rs. 10 each	9,997,148,380	9,997,148,380	
Reserves	19,683,659,933	18,283,407,925	
	29,680,808,313	28,280,556,305	
Non-Current liabilities			
Issued, subscribed and paid-up share capital	2,265,620,131	2,388,668,969	
Deferred taxation	28,362,782	34,957,952	
Long term payable	46,819,714	48,320,030	
Lease Liabilities	2,340,802,627	2,471,946,951	
Current liabilities			
Trade and other payables	12,337,310,193	11,709,727,524	
Contract liabilities	552,408,034	624,501,045	
Unclaimed dividends	22,236,136	22,236,136	
Current portion of lease liabilities	36,251,683	31,675,459	
	12,948,206,046	12,388,140,164	
Contingencies and commitments	44,969,816,986	43,140,643,420	3
	44,969,816,986	43,140,643,420	
ASSETS			
Non-Current assets			
Property, plant and equipment	16,684,665,530	16,866,676,514	4
Intangible assets	16,263,259	16,779,700	
Investment in associate	3,147,504,501	2,918,495,047	
Long term advances and deposits	91,787,430	91,737,430	
	19,940,220,720	19,893,688,691	
Current assets			
Stores, spares and other consumables	1,225,806,695	1,162,280,172	
Stock in trade	15,150,689,862	13,530,074,411	
Trade debtors	5,112,060,237	3,264,218,917	
Advances and deposits	1,361,420,413	1,621,593,632	
Short term investments	82,566,013	82,853,663	
Tax refunds due from Government	989,165,790	1,108,114,416	
Other receivables	303,471,354	739,749,284	
Cash and bank balances	804,415,902	1,738,070,244	
	25,029,596,266	23,246,954,729	
	44,969,816,986	43,140,643,420	

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



Chief Executive Officer



Director



Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)

For the period ended 30 September, 2023


	Note	Period ended	
		2023 September 30 Rupees	2022 September 30 Rupees
Revenue from contracts with customers- net		11,819,988,007	7,925,085,230
Cost of sales		(9,208,024,960)	(5,933,141,263)
Gross profit		2,611,963,047	1,991,943,967
General and administrative expenses		(410,313,561)	(305,277,726)
Selling and distribution expenses		(602,456,733)	(427,006,648)
Other expenses		(124,609,604)	(91,321,068)
Exchange gain / (loss) - net		(25,550,680)	(6,545,134)
Allowance for expected credit losses		(1,176,719)	(1,576,312)
Other income		32,015,454	65,081,116
		(1,132,091,843)	(766,645,772)
Profit from operations		1,479,871,204	1,225,298,195
Finance cost		(58,450,071)	(29,135,026)
Share of profit of an associate		229,009,454	20,023,413
Profit before taxation		1,650,430,587	1,216,186,582
Taxation		(250,178,579)	(61,815,665)
Profit after taxation		1,400,252,008	1,154,370,917
			Restated
Earnings per share - basic and diluted	6	1.40	1.15

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, 2023

	2023 September 30 Rupees	2022 September 30 Rupees
Profit after taxation for the period	1,400,252,008	1,154,370,917
	<u>1,400,252,008</u>	<u>1,154,370,917</u>

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, 2023

	Capital reserve		Revenue reserve		Total
	Share Capital	Reserve created under scheme of amalgamation	Capital reserve under Merger reserve	Exchange translation and other reserve	
Balance as on 01 July, 2022 - as previously reported	8,393,911,320	365,464,087	427,419,290	1,173,930,441	10,121,950,510
Transaction with members of the company.					
Interim dividend for the year ended 30 June 2023 @ Rs.1.00 per share	-	-	-	-	(839,391,132)
Interim bonus shares issued for the year ended 30 June 2023 @ 19.1% per share	1,603,237,060	-	-	-	(1,603,237,060)
Adjustment on account of legal reserve of an associate	-	-	-	28,482,097	(28,482,097)
Profit for the year	-	-	-	-	8,096,948,581
Other comprehensive income	-	-	-	465,323,208	465,323,208
	-	-	-	465,323,208	8,096,948,581
Balance as at 30 June, 2023	9,997,148,380	365,464,087	427,419,290	1,667,735,746	15,747,768,802
Profit for the period	-	-	-	-	1,400,252,008
Balance as at 30 September, 2023	9,997,148,380	365,464,087	427,419,290	1,667,735,746	17,148,040,810

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



Chief Executive Officer



Director



Chief Financial Officer

Lahore

CONDENSED INTERIM STATEMENT OF CASH FLOW (Un-audited)

For the period ended 30 September, 2023

Cash flows from operating activities

	2023 September 30 Rupees	2022 September 30 Rupees
Profit before taxation	1,650,430,587	1,216,186,582
Adjustments for non cash and other items:		
Depreciation of fixed assets and right of use assets	451,892,840	436,576,084
Amortization of intangible	516,440	1,723,940
Finance cost on lease liabilities	3,075,909	6,185,655
Impact of discounting and unwinding of interest on GIDC	6,595,170	20,308,247
Expected credit losses	1,176,719	1,576,312
Unrealized fair value loss on re-measurement of short term investments	287,640	542,660
Share of profit of associate	(229,009,454)	(20,023,413)
Exchange gain / (loss) net	25,550,680	(6,545,134)
Gain on sale of property, plant and equipment	(2,160,444)	-
Provision for Workers' Profit Participation Fund	90,088,380	65,781,455
Provision for Workers' Welfare Fund - net	34,233,584	24,996,953
	382,247,464	531,122,759
Operating profit before working capital changes	2,032,678,051	1,747,309,341
(Increase)/decrease in current assets:		
Stores, spares and other consumables	(63,526,523)	(142,707,488)
Stock in trade	(1,620,615,451)	(3,037,341,098)
Trade debtors	(1,849,018,039)	(940,382,711)
Other receivables	193,892,306	(92,815,607)
Advances	260,173,219	240,922,128
Increase/(decrease) in current liabilities:		
Contract liabilities	(72,093,011)	(121,102,069)
Trade and other payables	489,239,385	2,093,974,961
	(2,661,948,114)	(1,999,451,884)
Cash generated/(used) from operations	(629,270,063)	(252,142,543)
Finance cost paid	-	(6,185,655)
Income taxes - net	(254,278,791)	19,031,825
	(254,278,791)	12,846,170
Net cash generated/(used) from operating activities	(883,548,854)	(239,296,373)
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(274,055,409)	(591,004,340)
Proceeds from disposal of property, plant and equipment	6,333,997	2,722,167
Dividend received from associate	242,385,624	-
Short Term investments	287,640	542,660
Long-term advances and deposits paid	(50,000)	(50,000)
Lease rentals paid	(25,007,340)	-
Net cash used in investing activities	(50,105,488)	(587,789,513)
Net increase/(decrease) in cash and cash equivalents during the period	(933,654,342)	(827,085,886)
Cash and cash equivalents at the beginning of the period	1,738,070,244	1,561,587,225
Cash and cash equivalents at the end of the period	804,415,902	734,501,339

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, 2023

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: 22 Km Haripur Taxila Road, District Haripur.
- Plant 2: H-15 Landhi Industrial Area, Karachi.
- Plant 3: 29 Km Lahore Sheikhpura Road, District Sheikhpura.
- Plant 4: 50 Km Lahore Gujranwala road, Tehsil Kamonke, District Gujranwala.

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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 that not relevant

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on 2023 are considered not to be relevant for the Company's financial amendments 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

	Un-audited 2023 September 30 Rupees	Audited 2023 June 30 Rupees
Net book value at the beginning of the period	15,481,876,100	14,404,080,028
Add: Addition during the period	470,087,713	2,942,063,390
Add: Capital work in progress	1,188,768,110	1,384,800,414
Less: Disposal during the period	(4,173,553)	(33,735,331)
Less: Depreciation charged during the period	(451,892,840)	(1,830,531,987)
	16,684,665,530	16,866,676,514

5 Transactions with related parties

	2023 September 30 Rupees	2022 September 30 Rupees
Sales	605,148,658	533,148,430
Purchases	1,684,875	40,556,862
Expenses on behalf of the Company	12,452,860	1,456,893
Expenses on behalf of related parties	7,488,587	17,818,279
Dividend received	242,385,624	-
Donation	317,397,010	188,000,000
Provident fund	87,064,176	59,115,938

6 Earnings per share - basic and diluted

Net profit after tax	1,400,252,008	1,154,370,917
Number of ordinary shares	999,714,838	999,714,838
Earning per share	1.40	1.15

7 Date of authorization for issue

These financial statements were authorized for issue on October 27, 2023 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

ڈائریکٹران کی جائزہ رپورٹ

پیارے شیئرز ہولڈرز،

السلام علیکم ورحمۃ اللہ وبرکاتہ۔

بورڈ آف ڈائریکٹرز کو 30 ستمبر 2023 کو ختم ہونے والی پہلی سہ ماہی کے لیے غنی گلاس لمیٹڈ کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنے پر خوشی ہے۔

30 ستمبر 2023 کو ختم ہونے والی پہلی سہ ماہی کے دوران، کمپنی کی خالص آمدنی گزشتہ سال کی اسی مدت کے 7.9 بلین روپے کے مقابلے میں 11.8 بلین روپے تک بڑھ گئی۔ کمپنی نے گزشتہ سال کی اسی مدت کے لیے 1.9 بلین روپے کے مقابلے میں 2.6 بلین روپے کا مجموعی منافع بک کیا۔ کمپنی نے گزشتہ سال کی اسی مدت کے 1.2 بلین روپے کے مقابلے میں 1.4 بلین روپے کا خالص منافع کمایا۔ فی حصص نفع بھی پچھلے سال کی اسی مدت کے 1.15 روپے (restated) کے مقابلے میں بڑھ کر 1.40 روپے ہو گیا۔

مالیاتی جھلکیاں

مالیاتی سرخیاں	30 ستمبر 2023	30 ستمبر 2022
خاص آمدنی	11,819	7,925
خام منافع	2,612	1,992
عمل درآمد منافع	1,650	1,216
بعد از ٹیکس منافع	1,400	1,154
فی حصص منافع (روپے)	1.40	1.15 restated

مالیاتی جھلکیاں

پاکستان کی معیشت غیر پائیدار مالیاتی خسارے، بڑھتے ہوئے گروتھی قرضوں، روپے کی قدر میں کمی (ستمبر 2023 کے دوران روپے کی قدر کی بحالی شروع ہوئی)، بڑھتی ہوئی مہنگائی، کم غیر ملکی ذخائر، سخت پالیسی اقدامات، ادائیگیوں کے توازن کا بحران وغیرہ جیسے چیلنجز کا سامنا جاری رکھے ہوئے ہے۔ مینوفیکچرنگ (LSM) نے جولائی-2023 میں 1.1% کی سالانہ کمی کا مظاہرہ کیا اور ڈیٹا ریڈ زون میں برقرار رہا، گرتی ہوئی رفتار چلنی بنیاد پر سکون گئی۔ استحکام کے اقدامات، توانائی کی حدود، اور صنعتوں کے لیے خام مال کی درآمد میں رکاوٹیں LSM شعبہ کے لیے اہم مسائل رہے ہیں۔ مضبوط بحالی کے لیے ایک بوجھ درمیانی مدتی اصلاحات کی ضرورت ہوگی جو مالی استحکام اور مسابقت کو بڑھانے پر مرکوز ہوگی، جس کی حمایت ٹھوس عزم سے ہوگی۔ ستمبر 2023 کے لیے سی پی آئی 31.4% سالانہ کم بنیاد پر، جبکہ MoM اضافہ 2.0% پر آیا۔ بنیادی افراط زر میں اضافہ جاری ہے، جبکہ شہری اور دیہی بنیادی افراط زر کے درمیان فرق بیک وقت بڑھ رہا ہے۔

مستقبل کا نقطہ نظر


سیاسی اور معاشی غیر یقینی صورتحال کے مشکل دور کے درمیان، ہم امید کے ساتھ کاروبار کی طویل مدتی ترقی کے امکانات کی پیشین گوئی کر رہے ہیں، تاہم روپے پر دباؤ، بلند افراط زر، بڑھتی ہوئی توانائی اور ان پٹ لاگت اور مجموعی طور پر صنعتی مندی کی صورت میں بھی کچھ مشکلات پیش آسکتی ہیں۔ جس کا مستقبل کے نتائج پر اثر پڑ سکتا ہے۔ انتظامیہ ان چیلنجوں سے ٹھنڈے اور ہماری طاقت، ثابت شدہ صلاحیتوں اور آپریشنل عمدگی کو مسلسل بہترین دماغ کے ساتھ استعمال کرتے ہوئے پائیدار منافع بخش موافقہ کرنے کے لیے پوری طرح پر عزم ہے۔


اعتراف

بورڈ اور انتظامیہ دو اسازی، خود کار اور مشروبات کی صنعتوں کے سینئر ایگزیکٹوز کا ہماری معیاری مصنوعات پر مسلسل تعاون اور اعتماد کے لیے شکر یہ ادا کرنا چاہیں گے۔ ہمارے ڈیلرز اور فلوٹ گلاس کے صارفین کا بھی شکر یہ کہ انہوں نے ہماری معیاری مصنوعات پر اعتماد کیا۔ بورڈ ہمارے سپلائرز، ٹھیکیداروں اور بینکرز کے تعاون کو بھی سراہتا ہے۔

بورڈ کے تمام ملازمین کے لیے اپنی مخلصانہ تعریف کو تسلیم کرتا ہے اور ریکارڈ پر رکھتا ہے۔

ان کی محنت، عزم اور وفاداری کے لیے کمپنی۔ بورڈ آف ڈائریکٹرز کی جانب سے


انوار احمد خان
ڈائریکٹر


انوار احمد خان
چیف ایگزیکٹو آفیسر

لاہور، 27 اکتوبر 2023

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