



Ghani Global Group

# 3rd Quarter

March 31, 2020



## 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 third quarter ended March 31, 2020, in compliance with the requirements of Companies Acts, 2017.

## FINANCIAL PERFORMANCE

Alhamdulillah despite all adverse factors your Company's sales are improving day by day by acceptance of company products in the market. For the nine months period ended March 2020, sales of your company have improved by 82%, from Rs. 582 million to Rs. 1,062 million as compared with the same period of last year. Gross profit of the company has increased by almost five times from amounting to Rs. 35 million to Rs. 212 million as compared to the same period of last year. Selling and Distribution cost and administrative cost incurred during the period is Rs. 25 million and Rs. 48 million whereas for the last period it was Rs. 28 million and Rs. 50 million, respectively. Finance cost for the period incurred on the project finance and working capital lines is amounting to Rs. 110 million and for the last period, it was Rs. 67 million. It also went up partly due to enhancement of policy rates.

During the period Profit after taxation is Rs. 29 million as compared to loss Rs. 109 million during the same period of last year. Earnings per share during the period was Rs. 0.29 against loss per share of Rs. (1.09) in comparison with same period of last year.

A comparison of the key financial results of your Company for the nine months ended March 31, 2020 with the same period of last year is as under:

Particulars	Rupees in 'Millions' except EPS		Incr / Decr
	March 2020	March 2019	%
Sales	1,062	582	82
Net sales	911	494	84
Gross profit	212	35	515
Distribution cost	25	28	(8)
Administrative expenses	48	50	(4)
Operating Profit	139	(43)	-
Financial cost	110	67	65
Net Profit / (loss)	29	(109)	-
Earnings per share	0.29	(1.09)	-

## FUTURE OUTLOOK

The socio-economic impact of the 2019-20 coronavirus pandemic has had far-reaching consequences beyond the spread of the COVID-19 disease itself and efforts to quarantine it. The coronavirus pandemic caused the largest global recession in history, with more than a third of the global population at the time being placed on lockdown.

Your Company has taken timely and proactive measures and observing Government SOP for industries. We have enforced sanitization facility at entry point and sanitization of transport vehicles, and daily body temperature screening for all employees, mandatory use of face masks and education to employees about the risks of coronavirus and proper hygiene measures. Your Company is well aware of the challenges being faced and will leave no stone unturned to overcome these unprecedented circumstances.

The sales off-take and recovery of Glass Tube and value added products Ampoules and Vials is disturbed due to lock-down across Pakistan. Your Company is ultimately working to provide services to Pharmaceutical companies whether direct or through converters by selling them tube. Current situation is very difficult for business even with pharma companies. Due to uncertainty & non-availability of staff, even the cash flows from Pharma industries and allied customers delayed.

Alhamdulillah 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. Despite recent lockdowns, due to worldwide spread of COVID- 19 we are expecting improvement in export business. Recent reduction in policy rate, reduction in petroleum prices and SBP's employees finance scheme will help to improve the financial results and above all Company is continuing to make all efforts to improve productivity through innovations, improving efficiency and effective cost containment initiatives ultimately improvement in profitability of the Company in the period to come.

### **ACKNOWLEDGEMENTS**

The board of directors wishes to express their gratitude to valued shareholders, banks/financial Institutions, customers and suppliers for their continuous support, cooperation 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 on behalf of Board of Directors**



**MASROOR AHMAD KHAN**  
(CHIEF EXECUTIVE OFFICER)



**HAFIZ FAROOQ AHMAD**  
(DIRECTOR)

**Lahore**

**Dated:** April 29, 2020

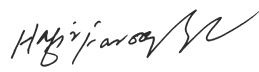
آپ کی کمپنی نے صنعتوں کے لئے بروقت اور فعال اقدامات اور حکومتی ایس او پی پر عمل کیا ہے۔ ہم نے داخلے کے مقام پر صفائی ستھرائی کی سہولت نافذ کی ہے اور ٹرانسپورٹ گاڑیوں کی صفائی اور روزانہ جسمانی درجہ حرارت کی اسکریننگ کے لئے ملازمین کو کورونا وائرس کے خطرات اور حفظانِ صحت کے مناسب اقدامات کے بارے میں، ملازمین کو چہرے کے ماسک اور حفظانِ صحت کی آگاہی دے رہے ہیں۔ آپ کی کمپنی درپیش چیلنجوں سے بخوبی واقف ہے اور ان غیر معمولی حالات پر قابو پانے میں کوئی کسر نہیں چھوڑے گی۔

پاکستان بھر میں لاک ڈاؤن کی وجہ سے گلاس ٹیوب اور ویلیو ایڈڈ پروڈکٹس ایپوز اور وائلز کی سیل آف ٹیک اور ریکوری پریشان کن ہے۔ آپ کی کمپنی بالآخر فارماسیوٹیکل کمپنیوں کو ٹیوب بچ کر براہ راست یا کنورٹرز کے ذریعے خدمات فراہم کرنے کے لئے کام کر رہی ہے۔ یہاں تک کہ فارما کمپنیوں کے ساتھ کاروبار کے تسلسل کے لئے موجودہ صورتحال انتہائی تاریک ہے۔ غیر یقینی صورتحال اور عملے کی عدم فراہمی کی وجہ سے، یہاں تک کہ فارما صنعتوں اور اس سے منسلک صارفین کی طرف سے کیش فلو میں تاخیر ہو رہی ہے۔

الحمد للہ ہم بنگلہ دیش، مصر (MENA)، ارجنٹائن اور میکسیکو کے ساتھ برآمدی کاروبار کامیابی سے کر رہے ہیں۔ انتظامیہ اور مارکیٹنگ کی ٹیم منافع کو بہتر بنانے کے لئے دن رات کام کر رہی ہے۔ حالیہ لاک ڈاؤن اور کوویڈ 19 کے دنیا بھر میں پھیلاؤ کی وجہ سے ہم برآمدی کاروبار میں بہتری کی توقع کر رہے ہیں۔ پالیسی کی شرح میں حالیہ کمی، پیٹرولیم قیمتوں میں کمی اور اسٹیٹ بینک کی ملازمین کی فنانس اسکیم سے مالی نتائج کو بہتر بنانے میں مدد ملے گی اور سب سے بڑھ کر کمپنی جدت کے ذریعے پیداواری صلاحیت کو بہتر بنانے کے لئے تمام کوششیں جاری رکھے ہوئے ہے اور کارکردگی کو بہتر بنانے اور مؤثر لاگت میں اضافے کے اقدامات کو بالآخر آنے والی مدت میں منافع میں بہتری آئے گی۔

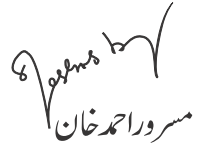
ڈائریکٹرز اپنے معزز شیئر ہولڈرز جنہوں نے کمپنی پر اعتماد کیا ان کے تہہ دل سے قدر کرتی ہے۔ ہم ملازمین کی پیشہ ورانہ فرائض کی ادائیگی پر تہہ دل سے قدر کرتے ہیں اور بینکرز گورنمنٹ اداروں کے تعاون کے بھی بہت مشکور ہیں۔ ہم اپنے شیئر ہولڈرز کا شکریہ ادا کرتے ہیں جنہوں نے کمپنی کی انتظامیہ پر اعتماد کیا، اسی طرح ہم ایس ای سی پی، پاکستان سٹاک ایکسچینج اور گورنمنٹ کے تمام کارکنان کا بھی شکریہ ادا کرتے ہیں، ہم اللہ تعالیٰ کا شکر ادا کرتے ہوئے اللہ تعالیٰ کے احکامات اور اس کے نبی حضرت محمد ﷺ کی سنت مبارکہ سے رہنمائی چاہتے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے



حافظ فاروق احمد

ڈائریکٹر



چیف ایگزیکٹو آفیسر

لاہور

مورخہ 29 اپریل 2020ء

# ڈائریکٹرز رپورٹ

عزیز شیئر ہولڈرز

السلام علیکم ورحمۃ اللہ وبرکات

آپ کی کمپنی (غنی گلوبل گلاس لمیٹیڈ) کے ڈائریکٹران کمپنیز ایکٹ 2017 کی تعمیل میں کمپنی کے تخفیف اور آڈٹ کمیٹی رپورٹ عوامی حسابات بابت 31 مارچ 2020ء پیش کرنے پر خوشی محسوس کرتے ہیں۔

## مالیاتی کارکردگی

مارکیٹ میں کمپنی کی پراڈکٹس کی قبولیت کے باعث الحمد للہ آپ کی کمپنی کی سیل میں دن بدن اضافہ ہو رہا ہے۔ نو ماہی عرصہ مارچ 2020 کی مدت کے دوران کمپنی کی سیل میں 82 فیصد بہتری رہی جو 582 ملین روپے سے بڑھ کر 1,062 ملین روپے ہو گئی۔ کمپنی کا گراس پرافٹ گزشتہ سال اسی مدت کے مقابلے میں 5 گنا بڑھنے سے 35 ملین سے 212 ملین روپے تک ہو گیا۔ تقسیم کاری کی لاگت اور انتظامی اخراجات بالترتیب 25 ملین روپے اور 48 ملین روپے رہے جبکہ پچھلے عرصے میں یہ بالترتیب 28 ملین روپے اور 50 ملین روپے تھے۔ پراجیکٹ فنانس اور ورکنگ کیپیٹل لائسنز کی فنانس کا سٹ 110 ملین روپے رہی جبکہ پچھلے عرصے میں یہ رقم 67 ملین روپے تھی۔ جو پالیسی ریٹ میں اضافے کی ایک وجہ سے بھی ہے۔

اسی مدت کے دوران ٹیکس لگانے کے بعد منافع 29 ملین روپے رہا جبکہ پچھلے سال کی اسی مدت کے دوران 109 ملین روپے نقصان ہوا تھا۔ فی شیئر منافع 0.29 پیسے جبکہ پچھلے سال کی اسی مدت کے دوران فی شیئر 1.09 پیسے نقصان ہوا۔

اہم مالیاتی نتائج نو ماہی اکاؤنٹس کا موازنہ مندرجہ ذیل ہے۔

تفصیلات	روپے ملین! میں سوائے فی شیئر منافع	
	مارچ 2019	مارچ 2020
سیل	582	1,062
خالص سیل	494	911
گراس پرافٹ	35	212
تقسیم کاری کی لاگت	28	25
انتظامی اخراجات	50	48
آپریٹنگ منافع	(43)	139
مالیاتی لاگت	67	110
خالص منافع (نقصان)	(109)	29
فی شیئر منافع	(1.09)	0.29

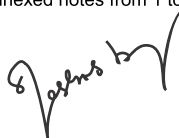
## مستقبل کا نظارہ

2019-20 کے کورونا وائرس وبائی مرض کے معاشرتی معاشی اثر نے خود COVID-19 بیماری کے پھیلاؤ اور اس کو الگ کرنے کی کوششوں سے کہیں زیادہ نتائج برآمد کیے ہیں۔ کورونا وائرس وبائی بیماری تاریخ کی سب سے بڑی عالمی کساد بازاری کا سبب بنی، اس وقت عالمی آبادی کا ایک تہائی سے زیادہ حصہ لاک ڈاؤن پر ہے۔

**GHANI GLOBAL GLASS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2020**

	Un audited March 31, 2020	Audited June 30, 2019
ASSETS	(Rupees)	
<b>Non-current assets</b>		
Property, plant and equipment	1,494,872,926	1,531,018,169
Intangible assets - goodwill	19,794,072	19,794,072
Long term deposits	<u>5,020,900</u>	<u>4,884,900</u>
	<u>1,519,687,898</u>	<u>1,555,697,141</u>
<b>Current assets</b>		
Stores, spares and loose tools	72,678,636	65,782,178
Stock in trade	350,352,170	264,374,474
Trade debts	244,073,472	194,326,433
Loans and advances	53,155,849	101,974,150
Trade deposits and prepayments	19,239,812	9,485,569
Other receivables	843,255	104,848
Tax refunds due from government	93,596,596	107,797,097
Advance income tax - net	75,943,184	92,848,757
Cash and bank balances	<u>35,286,461</u>	<u>60,349,591</u>
	<u>945,169,435</u>	<u>897,043,097</u>
<b>TOTAL ASSETS</b>	<u><u>2,464,857,333</u></u>	<u><u>2,452,740,238</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Authorized share capital 200,000,000 (2019: 120,000,000) ordinary shares of Rupees 10 each	<u>2,000,000,000</u>	<u>2,000,000,000</u>
Issued, subscribed and paid up share capital	1,000,000,000	1,000,000,000
Accumulated losses	(420,545,101)	(449,771,147)
Loan from sponsors	787,460,638	768,960,638
<b>Total equity</b>	<u>1,366,915,537</u>	<u>1,319,189,491</u>
<b>Non-current liabilities</b>		
Long term financing	124,997,196	261,763,356
Long term security deposits	1,753,999	400,000
	<u>126,751,195</u>	<u>262,163,356</u>
<b>Current liabilities</b>		
Trade and other payables	109,889,919	91,014,145
Payable to related parties	8,937,450	9,096,047
Accrued profit on financing	53,935,024	33,598,487
Short term borrowings	535,322,180	495,936,195
Current portion of long term financing	263,106,028	241,742,517
	<u>971,190,601</u>	<u>871,387,391</u>
<b>Total liabilities</b>	<u>1,097,941,796</u>	<u>1,133,550,747</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>2,464,857,333</u></u>	<u><u>2,452,740,238</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>	9	

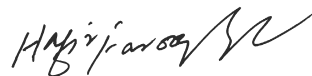
The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



**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 NINE MONTHS ENDED MARCH 31, 2020**

	Note	NINE MONTHS ENDED		QUARTER ENDED	
		March 31, 2020 (Rupees)	March 31, 2019	March 31, 2020 (Rupees)	March 31, 2019
Gross sales - local sales		1,062,047,297	582,164,030	424,643,418	236,247,983
Sales tax		(149,107,850)	(88,080,592)	(53,552,485)	(35,257,475)
Discount allowed		(2,174,958)	-	(1,429,838)	-
Sales - net		910,764,489	494,083,438	369,661,095	200,990,508
Cost of sales		(698,310,945)	(459,536,259)	(295,161,227)	(197,831,687)
<b>Gross profit</b>		212,453,544	34,547,179	74,499,868	3,158,821
Administrative expenses		(47,688,216)	(49,574,476)	(17,996,611)	(16,814,523)
Selling and distribution expenses		(25,275,795)	(27,537,964)	(9,646,357)	(8,096,805)
Other operating expenses		(1,675,349)	(1,773,361)	(382,164)	(227,471)
		(74,639,360)	(78,885,801)	(28,025,132)	(25,138,799)
Other income		1,482,122	1,634,695	319,753	465,253
<b>Profit / (Loss) from operations</b>		139,296,306	(42,703,927)	46,794,489	(21,514,725)
Finance cost		(110,070,260)	(66,698,175)	(36,610,363)	(25,789,501)
<b>Profit / (Loss) before taxation</b>		29,226,046	(109,402,102)	10,184,126	(47,304,226)
Taxation		-	-	-	-
<b>Profit / (Loss) after taxation</b>		29,226,046	(109,402,102)	10,184,126	(47,304,226)
Earnings per share - basic and diluted (Rupees)	10	0.29	(1.09)	0.10	(0.47)

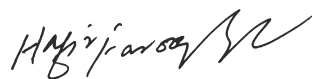
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**MASROOR AHMAD KHAN**  
(Chief Executive Officer)



**ASIM MAHMUD**  
(Chief Financial Officer)



**HAFIZ FAROOQ AHMAD**  
(Director)

**GHANI GLOBAL GLASS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2020**

	NINE MONTHS ENDED		QUARTER ENDED	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	(Rupees)		(Rupees)	
Profit / (loss) for the year	29,226,046	(109,402,102)	10,184,126	(47,304,226)
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income / (loss) for the period	<u>29,226,046</u>	<u>(109,402,102)</u>	<u>10,184,126</u>	<u>(47,304,226)</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



**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 NINE MONTHS ENDED MARCH 31, 2020**

	Note	NINE MONTHS ENDED	
		March 31, 2020	March 31, 2019
		(Rupees)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operating activities	11	135,588,231	23,365,688
Finance cost paid		(89,733,723)	(59,556,186)
Income tax received / (paid)		16,905,573	(13,983,026)
		(72,828,150)	(73,539,212)
<b>Net cash generated / (used) in operating activities</b>		<b>62,760,081</b>	<b>(50,173,524)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions in operating fixed assets		(30,183,023)	(12,231,637)
Additions in capital work in progress		-	(29,888,148)
Proceeds from disposal of operating fixed assets		12,476	290,000
Long term deposits		(136,000)	2,464,270
<b>Net cash used in investing activities</b>		<b>(30,306,547)</b>	<b>(39,365,515)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loan from sponsors		18,500,000	-
Long term deposits		-	(113,166)
Long term financing - net		(115,402,649)	168,471,685
Short term borrowings		39,385,985	(92,142,595)
<b>Net (cash used) / generated from financing activities</b>		<b>(57,516,664)</b>	<b>76,215,924</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(25,063,130)</b>	<b>(13,323,115)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>60,349,591</b>	<b>72,679,861</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>35,286,461</b>	<b>59,356,746</b>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



**MASROOR AHMAD KHAN**  
(Chief Executive Officer)



**ASIM MAHMUD**  
(Chief Financial Officer)



**HAFIZ FAROOQ AHMAD**  
(Director)

**GHANI GLOBAL GLASS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2020**

	Share Capital	Accumulated losses	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
Total comprehensive loss for the period	-	(109,402,102)	-	(109,402,102)
Loan received during the period	-	-	-	-
Balance as at March 31, 2019 - (un-audited)	1,000,000,000	(411,574,465)	734,360,638	1,322,786,173
<b>Balance as at June 30, 2019-(audited)</b>	<b>1,000,000,000</b>	<b>(449,771,147)</b>	<b>768,960,638</b>	<b>1,319,189,491</b>
Total comprehensive income for the period	-	29,226,046	-	29,226,046
Loan received during the period	-	-	18,500,000	18,500,000
Balance as at March 31, 2020 - (un-audited)	<b>1,000,000,000</b>	<b>(420,545,101)</b>	<b>787,460,638</b>	<b>1,366,915,537</b>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



**MASROOR AHMAD KHAN**  
(Chief Executive Officer)



**ASIM MAHMUD**  
(Chief Financial Officer)



**HAFIZ FAROOQ AHMAD**  
(Director)

## **Notes to the Condensed Interim Financial Statements FOR THE NINE MONTHS ENDED MARCH 31, 2020**

### **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 condensed 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.
- 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 nine months period ended March 31, 2020 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.

	<b>Un audited</b>	Audited		<b>Un audited</b>	Audited
	<b>March 31, 2020</b>	June 30, 2019		<b>March 31, 2020</b>	June 30, 2019
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>					
Operating fixed assets- tangible	<b>1,463,631,195</b>	1,499,776,438			
Capital work in progress	<b>31,241,731</b>	31,241,731			
Closing book value	<b><u>1,494,872,926</u></b>	<u>1,531,018,169</u>			
<b>5.1 Operating fixed assets- tangible</b>					
Opening carrying value	<b>1,499,776,438</b>	1,511,631,118			
Add: Additions during the period / year					
Building	<b>63,210</b>	701,429			
Plant & Machinery	<b>15,548,042</b>	26,395,721			
Furnace	<b>10,325,309</b>	28,181,354			
Furniture and fixtures	<b>1,645,132</b>	2,194,697			
Office equipments	<b>2,326,430</b>	192,698			
Computers	<b>274,900</b>	55,948			
Vehicles	<b>-</b>	190,040			
	<b>30,183,023</b>	57,911,887			
Less: Book value of the disposals	<b>(7,301)</b>	(642,672)			
Less: Depreciation charged during the period / year	<b>(66,320,965)</b>	(69,123,895)			
	<b>(66,328,266)</b>	(69,766,567)			
Closing carrying value	<b><u>1,463,631,195</u></b>	<u>1,499,776,438</u>			
<b>6 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>					
	<b>Un audited</b>	Audited		<b>Un audited</b>	Audited
	<b>March 31, 2020</b>	June 30, 2019		<b>March 31, 2020</b>	June 30, 2019
	<b>(Number of Shares)</b>			<b>(Rupees)</b>	
	<b>98,000,000</b>	98,000,000	Ordinary shares of Rupees 10 each fully paid in cash	<b>980,000,000</b>	980,000,000
			Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement for amalgamation.		
	<b>2,000,000</b>	2,000,000		<b>20,000,000</b>	20,000,000
	<b><u>100,000,000</u></b>	<u>100,000,000</u>		<b><u>1,000,000,000</u></b>	<u>1,000,000,000</u>
			<b>Note</b>	<b>Un audited</b>	Audited
				<b>March 31, 2020</b>	June 30, 2019
				<b>(Rupees)</b>	
<b>7 LONG TERM FINANCING</b>					
<b>Diminishing Musharakah facility from:</b>					
Advance against DM from banking company - secured				<b>238,939,049</b>	279,759,612
Syndicate financing from banking companies - secured				<b>149,164,175</b>	223,746,261
				<b>388,103,224</b>	503,505,873
Current portion taken as current liability				<b>(263,106,028)</b>	(241,742,517)
				<b><u>124,997,196</u></b>	<u>261,763,356</u>

## 8 TRADE AND OTHER PAYABLES

Payable against supplies and services	<b>52,638,333</b>	30,330,345
Advance from customers - unsecured	<b>2,569,944</b>	15,937,205
Accrued liabilities	<b>21,691,732</b>	32,770,202
Withholding income tax	<b>3,477,772</b>	920,024
Book overdraft	<b>29,512,138</b>	11,056,369
	<b><u>109,889,919</u></b>	<u>91,014,145</u>

## 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 21.330 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 million).

## 10 EARNINGS PER SHARE - BASIC AND DILUTED

	UN-AUDITED NINE MONTHS ENDED		UN-AUDITED QUARTER ENDED	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Profit / (loss) attributable to ordinary shareholders	<i>(Rupees)</i> <u>29,226,046</u>	<u>(109,402,102)</u>	<u>10,184,126</u>	<u>(47,304,226)</u>
Weighted average number of ordinary shares outstanding during the year	<i>(Number)</i> <u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
Earnings per share - basic and diluted	<i>(Rupees)</i> <u>0.29</u>	<u>(1.09)</u>	<u>0.10</u>	<u>(0.47)</u>

10.1 No figure for diluted earnings per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

	Note	March 31, 2020	March 31, 2019
		(Rupees)	
<b>11 CASH USED IN OPERATING ACTIVITIES</b>			
Profit / (loss) before taxation		29,226,046	(109,402,102)
<b>Adjustments to reconcile loss to net cash provided by operating activities</b>			
Depreciation	5.1	66,320,965	47,597,325
Finance costs		110,070,260	66,698,175
Gain on disposal of operating fixed assets		(5,175)	(174,015)
<b>Cash flows from operating activities before working capital changes</b>		<b>205,612,096</b>	<b>4,719,383</b>
<b>Cash flows from working capital changes</b>			
<i>(Increase) / decrease in current assets:</i>			
Stores, spares and loose tools		(6,896,458)	(16,231,486)
Stock in trade		(85,977,696)	130,651,430
Trade debts		(49,747,039)	(36,268,333)
Loans and advances		48,818,301	(3,171,139)
Trade deposits and prepayments		(9,754,243)	(18,865,418)
Other receivables		(738,407)	67,484
Tax refunds due from government		14,200,501	19,457,331
<i>Increase / (decrease) in current liabilities:</i>			
Trade and other payables		18,875,774	(56,993,564)
Payable to related party		(158,597)	-
<i>Increase/(decrease) in:</i>			
Long term security deposit - Payable		1,353,999	-
<b>Net cash used in working capital changes</b>		<b>(70,023,865)</b>	<b>18,646,305</b>
<b>Cash used in operating activities</b>		<b>135,588,231</b>	<b>23,365,688</b>

## 12 SEGMENT INFORMATION

- 12.1 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.

Segment results are as follows:

	YEAR ENDED (AUDITED)					
	March 31, 2020			March 31, 2019		
	Glass tubes and Glass ware	Chemicals	Total	Glass tubes and Glass ware	Chemicals	Total
	(Rupees)			(Rupees)		
Gross sales	965,695,346	94,176,993	1,059,872,339	529,618,430	52,545,600	582,164,030
Less: sales tax	(133,411,684)	(15,696,166)	(149,107,850)	(79,276,522)	(8,804,070)	(88,080,592)
Net sales	832,283,662	78,480,827	910,764,489	450,341,908	43,741,530	494,083,438
Cost of sales	(611,433,044)	(86,877,901)	(698,310,945)	(436,291,135)	(23,245,124)	(459,536,259)
Gross profit	220,850,618	(8,397,074)	212,453,544	14,050,773	20,496,406	34,547,179
Administrative expenses	(45,303,805)	(2,384,411)	(47,688,216)	(47,095,752)	(2,478,724)	(49,574,476)
Distributions expenses	(23,380,110)	(1,895,685)	(25,275,795)	(25,472,617)	(2,065,347)	(27,537,964)
	(68,683,915)	(4,280,096)	(72,964,011)	(72,568,369)	(4,544,071)	(77,112,440)
<b>Segment Profit Carried forward</b>	<b>152,166,703</b>	<b>(12,677,170)</b>	<b>139,489,533</b>	<b>(58,517,596)</b>	<b>15,952,335</b>	<b>(42,565,261)</b>
<b>Segment Profit Brought forward</b>	<b>152,166,703</b>	<b>(12,677,170)</b>	<b>139,489,533</b>	<b>(58,517,596)</b>	<b>-</b>	<b>(42,565,261)</b>
<b>Unallocated expenses</b>						
Other operating expenses			(1,675,349)			(1,773,361)
Other income			1,482,122			1,634,695
			139,296,306			(42,703,927)
Finance costs			(110,070,260)			(66,698,175)
Profit / (loss) before taxation			29,226,046			(109,402,102)
Taxation			-			-
Profit / (loss) after taxation			29,226,046			(109,402,102)

### 13 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:

#### 13.1 Name and nature of relationship

##### Name of related parties

Masroor Ahmad Khan  
Atique Ahmad Khan  
Hafiz Farooq Ahmad  
Ghani Chemical Industries Limited  
Ghani Global Holdings Limited  
Provident Fund Trust

#### 13.2 Transactions with related parties

Relationship with related party	Nature of Transaction	March 31, 2020	March 31, 2019
		(Rupees)	
<b>Parent Company</b>	Guarantee Commission	1,950,000	1,950,000
<b>Associates</b>	Services	-	9,000,000
	Purchases	28,278,881	9,905,103
	Sales	-	116,602
	Return on advances given	738,407	-
	Return on advances received	1,729,660	-
	Payment on behalf of parent	650,000	-
	Balance payable	7,637,450	-
<b>Key management personnel</b>			
Sponsors	Loan received - net	18,500,000	-
<b>Others</b>			
Employees Provident Fund Trust	Contribution	9,012,334	7,465,208

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

### 14 FINANCIAL RISK MANAGEMENT

#### 14.1 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.

#### 14.2 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.

## 15 GENERAL

- 15.1** Corresponding figures have been re-arranged / re-classified wherever necessary to facilitate comparison. However, no significant reclassification has been made during the year.
- 15.2** 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.
- 15.3** Figures have been rounded off to the nearest rupees, unless otherwise stated.

## 16 DATE OF AUTHORIZATION

- 16.1** This condensed interim financial information was approved by the Board of Directors of the Company and authorized for issue on 29 April, 2020.



**MASROOR AHMAD KHAN**  
(Chief Executive Officer)



**ASIM MAHMUD**  
(Chief Financial Officer)



**HAFIZ FAROOQ AHMAD**  
(Director)