

Ghani

THE GLASS EXPERTS



2021-22

HALF YEAR

FINANCIAL STATEMENTS



CORPORATE INFORMATION

BOARD OF DIRECTORS

Directors

Mr. Awais Ahmad
Mr. Imtiaz Ahmad Khan
Mr. Anwaar Ahmad Khan
Mr. Aftab Ahmad Khan
Mr. Obaid Ghani
Mr. Jubair Ghani
Mr. Ibrahim Ghani
Mr. Umair Ghani
Mr. Muhammad Mushtaq
Mr. Tahir Ghafoor Khan
Mrs. Maryam Junaid
Mr. Muhammad Ayub
Mr. Imtiaz Ahmad Khan
Mr. Anwaar Ahmad Khan

CHAIRMAN

CHIEF EXECUTIVE OFFICER

AUDIT COMMITTEE

Chairman

Mr. Awais Ahmad

Members

Mr. Jubair Ghani
Mrs. Maryam Junaid

HR & R COMMITTEE

Chairman

Mr. Awais Ahmad

Members

Mr. Aftab Ahmad Khan
Mr. Jubair Ghani

CHIEF FINANCIAL OFFICER

COMPANY SECRETARY

Mr. Umer Farooq Khan
Hafiz Muhammad Imran Sabir

AUDITORS

EY Ford Rhodes
Chartered Accountants

SHARE REGISTRAR

Corplink (Pvt) Ltd
Wings Arcade, 1-K Commercial Area
Model Town, Lahore, Pakistan
Phones : (042) 35916714, 35916719
Fax : (042) 35869037

BANKERS

Habib Metropolitan Bank Limited (Islamic)
MCB Bank Limited (Islamic)
Albaraka Bank (Pakistan) Limited
Bank Alfalah Limited (Islamic)
Askari Bank Limited (Islamic)
Bank Al Habib (Islamic)
The Bank of Punjab (Islamic)
Dubai Islamic Bank
Allied Bank Limited
Soneri Bank Limited, Islamic Banking
Habib Bank Limited
Meezan Bank Limited
UBL Ameen Limited
Bank Alfalah Limited
Faysal Bank Limited
Bank of Punjab (Taqwa)

HEAD OFFICE & REGISTERED OFFICE

40-L Model Town Extension, Lahore, Pakistan
UAN: (042) 111 949 949, Fax:(042) 35172263
E-mail : info@ghanivalueglass.com
<http://www.ghanivalueglass.com>

PLANT

31-KM Shekhupura Road, Mouza Beti Heriya,
Tehsil Nankana Sahib, District Shekhupura.
Ph: (056) 3406171

DIRECTORS' REPORT

Dear shareholders

Assalam-u-Alaikum Wa Rehmatullah Wa Barakatohu

The board of Directors of Ghani Value Glass Limited is pleased to present financial statements for the Half Year ended December 31, 2021 along with review report of auditors thereon.

The Company recorded net revenue of Rupees 1.7 billion for the half year ended December 31, 2021, a growth of 46% over the corresponding period of the last year.

During the half year ended December 31, 2021, Gross Profit has increased to Rupees 744 million as compared to Rupees 376 million for the same period of last year.

The Company has earned Net Profit of Rupees 450 million as compared to Rupees 181 million for the corresponding period of last year. Earning per share also increased to Rupees 6.98 against Rupees 2.81 for the same period of last year. The results for the period under review are as follow:

FINANCIAL INDICATORS	December 31, 2021	December 31, 2020
	Rupees '000'	
Net Revenue	1,720,678	1,177,431
Gross Profit	743,646	375,862
Profit before tax	544,288	207,973
Net Profit	449,741	181,180
Earning per share (Rupees)	6.98	2.81

Economic growth of Pakistan has been targeted 4.8% in the current fiscal year. However, the International Monetary Fund (IMF) projected that Pakistan's economic growth as 4% in its report, which was a decent rate but nearly half of what was required to create jobs for all new entrants into the market. The Large Scale Manufacturing (LSM) growth eased to 3.3% in July-November of fiscal year 2021-22. The July-December current account deficit was at \$9.09 billion, compared with a \$1.25 billion surplus in the same period of the last year. The current account gap in the six months to December was a result of a significant trade shock amid the ongoing economic recovery. The average inflation for 1HFY22 stood at 9.8%, closer to the lower end of central bank's expectations for FY22. Inflation expectation for FY22 now stood at 11.02%.

Interim Dividend

The Board of Directors in their meeting held on February 26, 2022 has approved interim cash dividend @ Rupees 2 per share i.e. 20% for the year ending June 30, 2022.

Future Outlook

The Company is foreseeing an excellent future amid persistent growth of the business operations. The management is putting its utmost efforts to explore new areas of potential. In this regard, Spectrum and appliances business segments have much potential in which the company has already enhanced its investment. So, the focus of the management is to expand appliances business segment to increase its market share by catering the market demand of national and multinational customers.

Acknowledgment

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 thank Allah Subhanatallah for blessing all of us and your 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



Anwaar Ahmed Khan
Chief Executive Officer



Aftab Ahmed Khan
Director

Lahore: February 26, 2022

INDEPENDENT AUDITORS' REVIEW REPORT

to the Members of Ghani Value Glass Limited

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Ghani Value Glass Limited** as at **31 December 2021** and the related condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flow and notes to the **condensed interim financial statements**, for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of condensed interim statement comprehensive income for quarters ended 31 December 2021 and 31 December 2020 have not been reviewed as we are required to review only cumulative figures for the six months period ended 31 December 2021. Accordingly, we do not express a conclusion on them.

Scope of Review

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

Conclusion

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

The engagement partner on the review resulting in this independent auditor's review report is Sajjad Hussain Gill.



EY Ford Rhodes
Chartered Accountants

Lahore: 01 March 2022

UDIN Number: RR2021100872JERQoCXK

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT 31 DECEMBER 2021

ASSETS	Note	(Un-audited)	(Audited)
		31 December 2021	30 June 2021
		Rupees	Rupees
Non-current assets			
Property, plant and equipment	6	1,291,584,755	1,139,366,354
Long term advances and deposits		20,068,149	20,068,149
Deferred tax asset - net		90,613,829	117,759,317
		1,402,266,733	1,277,193,820
Current assets			
Stores, spares and loose tools		110,445,569	78,204,624
Stock in trade	7	403,708,361	223,617,289
Trade receivables	8	146,708,488	55,218,454
Advances, deposits and other receivables		171,475,775	19,289,460
Tax refunds due from the Government		307,798,935	351,118,112
Cash and bank balances	9	234,354,943	550,710,002
		1,374,492,071	1,278,157,941
TOTAL ASSETS		2,776,758,804	2,555,351,761
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150,000,000 (30 June 2021: 150,000,000) ordinary shares of Rs.10/- each (30 June 2021: Rs. 10/- each)		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	10	644,413,690	580,312,730
Shares to be issued pursuant to merger		-	64,100,960
		644,413,690	644,413,690
Capital reserves			
Share premium		171,854,674	171,854,674
Revaluation surplus on land		255,734,706	255,734,706
Merger reserve		87,059,680	87,059,680
		514,649,060	514,649,060
Revenue reserves			
Un-appropriated profit		875,057,088	811,964,012
General reserve		3,680,000	3,680,000
		878,737,088	815,644,012
Total equity		2,037,799,838	1,974,706,762
Current liabilities			
Trade and other payables	11	666,401,136	482,487,508
Contract liabilities		67,643,986	95,281,057
Unclaimed dividend		4,913,844	2,876,434
Total liabilities		738,958,966	580,644,999
TOTAL EQUITY AND LIABILITIES		2,776,758,804	2,555,351,761
CONTINGENCIES AND COMMITMENTS	12		

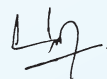
The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

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

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

(Un-audited)					
		Six months period ended		Three months period ended	
Note	31 December 2021	31 December 2020	31 December 2021	31 December 2020	
----- (Rupees) -----					
Revenue from contracts with customers - net	13	1,720,678,113	1,177,430,696	1,004,750,747	720,787,334
Cost of sales	14	(977,031,764)	(801,568,835)	(565,298,338)	(483,611,829)
Gross profit		743,646,349	375,861,861	439,452,409	237,175,505
Distribution expenses		(18,262,681)	(14,036,755)	(8,665,994)	(8,001,463)
Administrative expenses		(124,627,809)	(121,991,930)	(33,368,206)	(65,029,392)
Other operating expenses		(80,659,051)	(48,189,089)	(65,438,889)	(11,893,203)
		(223,549,541)	(184,217,774)	(107,473,089)	(22,991,974)
Operating profit		520,096,808	191,644,087	331,979,320	141,152,676
Other income		24,190,905	16,328,505	10,918,850	8,699,995
Profit before tax		544,287,713	207,972,592	342,898,170	149,852,671
Taxation		(94,546,423)	(26,792,587)	(84,115,584)	(27,055,975)
Profit for the period		449,741,290	181,180,005	258,782,586	122,796,696
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		449,741,290	181,180,005	258,782,586	122,796,696
Earnings per share - basic and diluted	15	6.98	2.81	4.02	1.91

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

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

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

	Issued, subscribed and paid-up share capital	Shared to be issued pursuant to merger	Revenue reserves			Capital reserve			Total
			General reserve	Unappropriated profit	Share premium	Revaluation surplus on land	Merger reserve	(Rupees)	
Balance as at 01 July 2020 - audited	580,312,730	-	3,680,000	222,420,244	-	144,619,706	-	951,032,680	
Total comprehensive income	-	-	-	181,180,005	-	-	-	181,180,005	
Shares to be issued pursuant to merger	-	64,100,960	-	-	171,854,674	-	-	235,955,634	
Gain under the Merger Scheme	-	-	-	-	-	-	87,059,680	87,059,680	
Balance as at 31 December 2020 - un-audited	580,312,730	64,100,960	3,680,000	403,600,249	171,854,674	144,619,706	87,059,680	1,455,227,999	
Balance as at 01 July 2021 - audited	580,312,730	64,100,960	3,680,000	811,964,012	171,854,674	255,734,706	87,059,680	1,974,706,762	
Final Dividend (Rs. 6 per share)	-	-	-	(386,648,214)	-	-	-	(386,648,214)	
Shares issued during the period / year	64,100,960	(64,100,960)	-	-	-	-	-	-	
Total comprehensive income	-	-	-	449,741,290	-	-	-	449,741,290	
Balance as at 31 December 2021 - un-audited	644,413,690	-	3,680,000	875,057,088	171,854,674	255,734,706	87,059,680	2,424,448,052	

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

		(Un-audited)	
		31 December 2021	31 December 2020
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
	Profit before taxation	544,287,713	207,972,592
Adjustments to reconcile profit before taxation to net cash flows:			
	Depreciation of operating fixed assets	30,602,812	19,837,151
	Allowance for expected credit losses	-	10,250,125
	Provision of Workers' Profit Participation Fund	29,639,918	11,582,390
	Provision of Workers' Welfare Fund	7,908,149	5,191,388
	Exchange gain-unrealized	(752,318)	(274,488)
	Loss on disposal of operating fixed assets	974,225	-
	Profit on bank deposits	(8,225,456)	(3,957,519)
	Cashflow before working capital changes	604,435,043	250,601,639
<u>Effect on cash flow due to working capital changes:</u>			
Decrease / (increase) in current assets:			
	Stores, spares and loose tools	(32,240,945)	(12,739,434)
	Stock in trade	(180,091,072)	65,588,429
	Trade receivables	(91,490,034)	15,840,130
	Advances and other receivables	(153,850,399)	(7,464,936)
		(457,672,450)	61,224,189
(Decrease) / increase in current liabilities:			
	Trade and other payables	178,291,043	(99,493,060)
	Contract liabilities	(27,637,071)	14,690,028
		150,653,972	(84,803,032)
	Net working capital changes	297,416,565	227,022,796
	Income tax paid	(34,126,824)	(36,319,509)
	Profit on bank deposits received	9,889,540	3,357,589
	Workers' Profit Participation Fund paid	(21,128,098)	(16,127,333)
	Workers' Welfare Fund paid	-	(5,751,649)
	Net cash flows from operating activities	252,051,183	172,181,894
CASH FLOWS FROM INVESTING ACTIVITIES			
	Additions to operating fixed assets	(127,936,710)	(9,305,218)
	Additions to capital work in progress	(55,858,728)	(37,279,601)
	Net cash flows used in investing activities	(183,795,438)	(46,584,819)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Dividend paid	(384,610,804)	-
	Net increase in cash and cash equivalents	(316,355,059)	125,597,075
	Cash and cash equivalents - at the beginning of the period	550,710,002	166,695,166
	Cash and cash equivalents - at the end of the period	234,354,943	292,292,241

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Ghani Value Glass Limited (the Company) was incorporated in Pakistan on 17 March 1967 as a public limited company under the The Companies Act 2017 (the Act) and its shares are quoted on Pakistan Stock Exchange Limited. The principal activities of the company are manufacturing and sale of mirror, tempered glass, laminated glass and automotive vehicles. The Company's registered office is situated at 40-L, Model Town Extension, Lahore. The manufacturing units are located at 31-KM Sheikhpura Road, Mouza Beti Heriya, Tehsil Nankana Sahib, District Sheikhpura and 49-Km Multan Road, Phool Nagar (Bhai Pheru), Kasur.
- 1.2 The Honorable High Court of Lahore sanctioned the merger Scheme of Ghani Automobile Industries Limited with and into the Company 06 September 2021 and consequently, as of 01 July 2020, the entire undertaking of GAIL stands merged with and into the Company and the entire business of GAIL including its properties, assets, liabilities and rights and obligations vested into the Company.

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 Act.
 - Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act, have been followed.

- 2.2 These condensed interim financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019.

3 BASIS OF PREPARATION

- 3.1 These condensed interim financial statements do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited annual financial statements of the Company for the year ended 30 June 2021.
- 3.2 These condensed interim financials statements comprise of condensed interim statement of financial position as at 31 December 2021, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes thereto for the six months period then ended which has been subjected to a review in accordance with the listing regulation but not audited.
- 3.3 The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the audited annual financial statements of the Company for the year ended 30 June 2021, whereas comparative condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from the un-audited and unreviewed condensed interim financial statements for the six months period ended 31 December 2020.
- 3.4 The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the three months ended December 31, 2021 and December 31, 2020 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the six months ended December 31, 2021 and December 31, 2020.
- 3.5 These condensed interim financial statements have been prepared under the historical cost convention and are presented in Pak Rupee, which is also the functional currency of the Company.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2021.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2021.

	Note	(Un-audited) 31 December 2021	(Audited) 30 June 2021
		Rupees	Rupees
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	1,209,938,473	1,113,578,800
Capital work in progress	6.2	81,646,282	25,787,554
		<u>1,291,584,755</u>	<u>1,139,366,354</u>
6.1 Operating fixed assets			
Opening net book value at the beginning of the period / year		1,113,578,800	484,514,882
Additions / transfers from capital work in progress during the period / year:			
- Free-hold land		-	-
- Buildings on free-hold land		27,342,034	5,421,024
- Plant and machinery		35,562,218	215,069,310
- Mill equipment		53,940	1,053,667
- Furniture and fixtures		3,228,860	464,460
- Office equipment		1,606,094	2,997,030
- Computer equipment		1,450,541	1,854,688
- Vehicles		58,693,023	1,558,374
- Acquisition under the Merger Scheme		-	338,927,212
- Revaluation surplus		-	111,115,000
		127,936,710	678,460,765
Less: depreciation charge for the period / year		(30,602,812)	(49,396,847)
Less: disposal during the period / year		(974,225)	-
Closing net book value at the end of the period / year		<u>1,209,938,473</u>	<u>1,113,578,800</u>
6.2 Capital work in progress			
Balance at the beginning of the period / year		25,787,554	-
Additions during the period		55,858,728	25,787,554
Balance at the end of the period / year		<u>81,646,282</u>	<u>25,787,554</u>
6.2.1 This includes construction of tempering unit and facilities for appliance product.			
7 STOCK IN TRADE			
Raw materials		265,697,533	164,798,753
Finished goods		138,010,828	43,619,416
		403,708,361	208,418,169
Raw materials in transit		-	15,199,120
		<u>403,708,361</u>	<u>223,617,289</u>

		(Un-audited) 31 December 2021	(Audited) 30 June 2021
8 TRADE RECEIVABLES	Note		
Receivables from third-party customers		202,271,874	111,179,146
Less: allowance for expected credit losses	8.1	(55,563,386)	(55,960,692)
		<u>146,708,488</u>	<u>55,218,454</u>
8.1			
Set out below is the movement of the allowance for expected credit losses of trade receivables:			
Opening balance		55,960,692	32,494,650
Allowance for expected credit losses		-	23,466,042
Less: reversal of provision of expected credit losses		(397,306)	-
Closing balance		<u>55,563,386</u>	<u>55,960,692</u>
9 CASH AND BANK BALANCES			
Balances with banks:			
- Current accounts		2,716,633	9,370,568
- Saving accounts	9.1	230,873,330	541,128,719
		<u>233,589,963</u>	<u>550,499,287</u>
Cash in hand		764,980	210,715
		<u>234,354,943</u>	<u>550,710,002</u>

9.1 Rate of profit on saving accounts ranges from 5% to 9.25% (30 June 2021: 2% to 6%) per annum.

		(Un-audited) 31 December 2021	(Audited) 30 June 2021
10 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	Note		
		Rupees	Rupees
Ordinary shares at the beginning of the period / year		580,312,730	580,312,730
Shares issued during the period / year		64,100,960	-
Ordinary shares at the end of the period / year		<u>644,413,690</u>	<u>580,312,730</u>
11 TRADE AND OTHER PAYABLES			
Trade creditors	11.1	404,624,295	264,613,872
Security deposits - dealers		97,276,743	100,776,743
Accrued liabilities		86,723,145	57,595,971
Payable to employees' provident fund		5,121,578	2,347,442
Workers' Welfare Fund payable		13,858,634	5,950,485
Workers' Profit Participation Fund payable		36,537,065	28,025,245
Income tax deducted at source		16,448,250	21,470,783
Zakat Payable		369,061	-
Sales tax payable		3,829,421	-
Advances from employee against vehicle		1,612,944	1,706,967
		<u>666,401,136</u>	<u>482,487,508</u>

11.1 This includes payable to Ghani Glass Limited, amounting to Rs. 265.139 million (30 June 2021: 47.074 million) an associated company due to common directorship.

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

There is no material change in the contingencies since the date of preceding published annual financial statements.

	(Un-audited) 31 December 2021 Rupees	(Audited) 30 June 2021 Rupees
12.2 Commitments		
12.2.1 Commitments in respect of capital and revenue expenditures		
Property, plant and equipment	3,868,507	135,349,212
Raw material	122,209,706	13,873,636
	126,078,213	149,222,848
12.2.2 Guarantees issued by banks on behalf of the Company		
In favor of LESCO	5,129,774	5,129,774
In favor of SNGPL	1,200,000	1,200,000
	6,329,774	6,329,774

In addition, non funded facilities of letters of guarantee and letters of credit amounting to Rs. 1,251 million (30 June 2021: Rs.1251 million) have also been provided by the banks. The aggregated un-utilized facility for letters of guarantee and letter of credit at period end amounts to Rs.1,126 million (30 June 2021: Rs. 1,097 million).

These finances are secured against first charge of Rs. 338.5 million (2020: 193.75 million) and ranking charge of Rs. 67 million (2020: 67 million) respectively over current assets of the Company.

13 REVENUE FROM CONTRACTS WITH CUSTOMERS - net

		(Un-audited)			
		Six month period ended		Three month period ended	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
Note		----- (Rupees) -----			
	Gross sales - local	2,151,777,983	1,527,737,644	1,243,411,644	938,171,298
	Gross sales - export	49,335,826	2,462,376	40,439,942	-
	13.1	2,201,113,809	1,530,200,020	1,283,851,586	938,171,298
	Less:				
	Commission on sales	107,783,951	80,899,522	62,735,334	50,161,189
	Sales tax	311,627,410	224,468,375	181,189,128	137,948,017
	Dealer incentives	61,024,335	47,401,427	35,176,377	29,274,758
		480,435,696	352,769,324	279,100,839	217,383,964
		1,720,678,113	1,177,430,696	1,004,750,747	720,787,334

13.1 Revenue from contracts with customer is disaggregated on the basis of nature and time of revenue recognition as follows:

		(Un-audited)			
		Six month period ended		Three month period ended	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
13.1.1 Nature		----- (Rupees) -----			
	Sales of mirror glass	1,335,269,090	1,053,848,639	762,301,014	656,264,655
	Sales of tempered and non tempered glass	261,911,066	122,178,045	157,067,617	72,353,148
	Sales of frosted glass	194,913,621	77,609,184	128,536,458	43,145,184
	Rendering of tempering and other services	10,794,030	14,982,527	5,230,012	9,620,028
	Sales of laminated glass	18,997,657	11,851,650	10,012,632	5,704,142
	Sales of offline coating services	48,397,869	-	31,367,514	-
	Sales of motor bikes	19,203,066	25,261,600	8,147,211	13,136,124
		1,889,486,399	1,305,731,645	1,102,662,458	800,223,281
	Add: Aggregated sales tax	311,627,410	224,468,375	181,189,128	137,948,017
		2,201,113,809	1,530,200,020	1,283,851,586	938,171,298

(Un-audited)			
Six month period ended		Three month period ended	
31 December 2021	31 December 2020	31 December 2021	31 December 2020
(Rupees)			
13.1.2 Timing of transfer of goods and services			
Goods transferred and services at a point in time	2,201,113,809	1,530,200,020	1,283,851,586
			938,171,298
14 COST OF SALES			
Raw material consumed	829,500,990	584,025,191	381,505,346
Fuel and power	87,242,647	63,714,619	43,980,604
Salaries, wages and benefits	67,357,303	45,185,094	29,716,690
Depreciation of operating fixed assets	27,466,288	17,165,236	19,537,166
Stores consumed	24,661,461	16,153,897	13,136,384
Packing, loading and unloading	10,920,113	9,143,154	5,747,255
Entertainment	5,751,714	3,421,352	2,643,207
Repair and maintenance	5,248,974	1,908,925	2,532,213
Travelling and conveyance	3,960,321	1,662,335	2,927,271
Freight and handling	4,378,594	1,612,591	2,704,285
Rent, rates and taxes	234,033	323,973	175,280
Communication	472,286	377,072	242,712
Printing and stationery	1,500	153,251	-
Miscellaneous expenses plant	4,226,952	415,169	1,742,366
Cost of goods manufactured	1,071,423,176	745,261,859	506,590,779
Finished goods			397,921,795
Add: Opening stock	43,619,416	100,258,673	196,718,387
Less: Closing stock	(138,010,828)	(43,951,697)	(138,010,828)
	977,031,764	801,568,835	565,298,338

15 EARNINGS PER SHARE - BASIC AND DILUTED

Basic and diluted earnings per share are same because the Company has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Company are as follows:

(Un-audited)			
Six months period ended		Three months period ended	
31 December 2021	31 December 2020	31 December 2021	31 December 2020
		(Restated)	
Profit attributable to owners of the	(Rupees) 449,741,290	181,180,005	258,782,586
			122,796,696
Ordinary number of shares	58,031,273	58,031,273	58,031,273
Number of shares issued pursuant to merger	6,410,096	6,410,096	6,410,096
Weighted average number of ordinary shares as at year end	(Number) 64,441,369	64,441,369	64,441,369
Basic / diluted	(Rupees) 6.98	2.81	4.02
			1.91

16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise the related group companies, associated companies, subsidiary companies, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. All the transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial statements are as follows:

Name of related parties and their relationship	Nature and description of related party transaction	(Un-audited)		
		Six months period ended		Three months period ended
		31 December 2021	31 December 2020	31 December 2020
		(Rupees)		
Ghani Glass Limited - associated company by virtue of common directorship	Purchase of goods	889,766,792	590,723,792	450,951,086
	Payments made	671,473,000	710,901,833	540,000,000
	Sale of Offline Coating Services	56,625,507	-	19,866,011
	Sales of mirror and tempering services	-	7,394,010	-
	Sales of cullet	4,719,756	2,847,874	2,214,108
	Shared expenses	5,439,586	2,659,700	2,478,153
	Rental income	6,455,622	6,092,938	3,227,811
	Advance for rent and mess expenses	1,016,036	3,433,238	749,658
Ghani Foundation - common directorship	Donations	42,553,409	30,862,627	17,618,573
Directors	Remuneration and reimbursements	39,642,279	45,642,279	19,821,140
Staff retirement benefits	Payment to provident fund	14,364,683	14,582,128	7,182,342
Key management personnel	Salaries and other employee benefits	104,978,145	71,643,496	52,489,073

17

OPERATING SEGMENT

Information related to each reportable segment is set out below. Operating results of segment is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

	Glass		Automobile		Total	
	Six months period ended		Six months period ended		Six months period ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Rupees					
Revenue - net	1,701,475,047	1,152,169,096	19,203,066	25,261,600	1,720,678,113	1,177,430,696
Cost of sales	(955,999,839)	(775,207,848)	(21,031,925)	(26,360,987)	(977,031,764)	(801,568,835)
Gross profit	745,475,208	376,961,248	(1,828,859)	(1,099,387)	743,646,349	375,861,861
Distribution expenses	(17,309,146)	(12,598,495)	(953,535)	(1,438,260)	(18,262,681)	(14,036,755)
Administrative expenses	(121,972,866)	(116,998,225)	(2,654,943)	(4,993,705)	(124,627,809)	(121,991,930)
Operating results	606,193,196	247,364,528	(5,437,337)	(7,531,352)	600,755,859	239,833,176

	Glass		Automobile		Total	
	Three months period ended 31 December 2021	31 December 2020	Three months period ended 31 December 2021	31 December 2020	31 December 2021	31 December 2020
Revenue - net	996,603,536	707,651,210	8,147,211	13,136,124	1,004,750,747	720,787,334
Cost of sales	(556,923,398)	(471,705,944)	(8,374,940)	(11,905,885)	(565,298,338)	(483,611,829)
Gross profit	439,680,138	235,945,266	(227,729)	1,230,239	439,452,409	237,175,505
Distribution expenses	(8,204,059)	(7,208,066)	(461,935)	(793,397)	(8,665,994)	(8,001,463)
Administrative expenses	(32,746,248)	(63,777,619)	(621,958)	(1,251,773)	(33,368,206)	(65,029,392)
Operating results	398,729,831	164,959,581	(1,311,622)	(814,931)	397,418,209	164,144,650

The following table presents assets and liabilities information for the Company's operating segments as at 31 December 2021 and 30 June 2021, respectively.

	Glass		Automobile		Total	
	(Un-audited) 31 December 2021	(Audited) 30 June 2021	(Un-audited) 31 December 2021	(Audited) 30 June 2021	(Un-audited) 31 December 2021	(Audited) 30 June 2021
Segment assets	2,031,826,857	1,697,228,946	346,519,183	389,245,386	2,378,346,040	2,086,474,332
Unallocated assets					398,412,764	468,877,429
Total assets					2,776,758,804	2,555,351,761
Segment liabilities	657,732,574	342,002,549	30,273,118	203,027,170	688,005,692	545,029,719
Unallocated liabilities					50,953,274	35,615,280
Total liabilities					738,958,966	580,644,999
Reconciliations of reportable segment assets and liabilities					(Un-audited) 31 December 2021	(Audited) 30 June 2021
Assets					Rupees	Rupees
Total assets for reportable segments					2,378,346,040	2,086,474,332
Tax refunds due from the government					307,798,935	351,118,112
Deferred tax asset - net					90,613,829	117,759,317
Total assets					2,776,758,804	2,555,351,761

	(Un-audited) 31 December 2021	(Audited) 30 June 2021
	Rupees	Rupees
Total liabilities for reportable segments	688,005,692	545,029,719
Provisions for Workers' Welfare Fund payable	13,858,634	5,950,485
Provisions for Workers' Profit Participation Fund payable	36,537,065	28,025,245
Provisions for Auditors' remuneration	557,575	1,639,550
Total liabilities	738,958,966	580,644,999

17.1.2 Liabilities

Total liabilities for reportable segments
Provisions for Workers' Welfare Fund payable
Provisions for Workers' Profit Participation Fund payable
Provisions for Auditors' remuneration
Total liabilities

18 FINANCIAL RISK MANAGEMENT

18.1 Financial Risk Factors

The Company finances its operations through equity and management of working capital with a view to maximize the return to the stakeholders. The Company is exposed to market risk, credit risk and liquidity risk. The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as deposits, trade receivables, advances and other receivables and bank balances, which are directly related to operations.

The Board of Directors has the overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the Company's activities.

There is no change in the Company's objectives, policies, procedures for measuring and managing the above risks including capital management risk, since the preceding financial year ended 30 June 2021.

18.2 Fair value of financial and non-financial assets and liabilities

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. The Company have measured its financial instruments at amortized cost and there is no significant change in the status of measurement set out in note 32 to the Company's financial statements for the year ended 30 June 2021.

19 SUBSEQUENT EVENT

The Directors in their meeting held on 26 February 2022 have recommended an interim cash dividend of Rs. 2.00 per share in respect of six months period ended 31 December 2021 (31 December 2020: Rs. Nil). These condensed interim financial statements do not include the effect of the above interim dividend which will be accounted for in the period in which it is approved.

20 GENERAL

20.1 These condensed interim financial statement was approved and authorized for issue on February 26, 2022 by the Board of Directors of the Company.

20.2 Corresponding figures have been re-classified and re-arranged, wherever necessary, for the purpose of comparison and better presentation as per applicable financial reporting framework however, no significant re-arrangements / re-classification have been made other than those disclosed in these condensed interim financial statements.

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ڈائریکٹران کی جائزہ رپورٹ

معزز حصہ داران

اسلام علیکم ورحمۃ اللہ وبرکاتہ

غنی ویلو گلاس لمیٹڈ کے ڈائریکٹران 31 دسمبر 2021 کو مکمل ہونے والے نصف سال کیلئے مالیاتی گوشوارے بمعہ ڈائریان کی جائزہ رپورٹ بخوشی پیش کرتے ہیں۔

31 دسمبر 2021 کو مکمل ہونے والے 6 ماہ کے دوران کمپنی نے 1.7 بلین روپے کی خالص آمدنی حاصل کی جو کہ پچھلے سال اسی عرصہ میں 46% بڑھوتری کی نشاندہی کرتی ہے۔ 31 دسمبر کو ختم ہونے والے چھ مہینوں کے دوران خام نفع پچھلے سال اسی عرصہ کے دوران 376 ملین روپے سے بڑھ کر 744 ملین روپے ہو گیا۔ کمپنی نے پچھلے سال کے دوران 181 ملین روپے کے مقابلے میں 450 ملین روپے کا خالص نفع کمایا۔ فی شخص نفع پچھلے سال اسی عرصہ کے دوران 2.81 روپے کے مقابلے میں 6.98 روپے رہا۔

مکمل ہونے والے نصف سال کیلئے مالیاتی نتائج متاخر مندرجہ ذیل رہے

مالیاتی اعداد و شمار		31 دسمبر 2021	31 دسمبر 2020
(روپے '000 میں)			
آمدنی		1,720,678	1,177,431
خام منافع		743,646	375,862
قبل از ٹیکس نفع / نقصان		544,288	207,973
خالص نفع / نقصان		449,741	181,180
فی شخص نفع / نقصان (روپے)		6.98	2.81

اس مالی سال میں پاکستان کی معاشی ترقی کا ہدف 4.8 فیصد ہے۔ تاہم بین الاقوامی مالیاتی فنڈ نے پاکستان کی معاشی ترقی کا تخمینہ 4% لگا یا ہے جو کہ اس ہدف سے تقریباً آدھا ہے جو کہ منڈی میں نئی ملازمتیں پیدا کرنے کے لیے ضروری ہوتا ہے۔ بڑے درجے کی صنعتوں میں مالی سال 2022ء میں جولائی سے نومبر کے دوران 3.3% تک ترقی ہوئی۔ جولائی تا دسمبر کرنٹ اکاؤنٹ کا خسارہ 9.09 ارب ڈالر رہا جو کہ پچھلے سال اسی عرصہ میں 1.25 ارب ڈالر اضافی تھا۔ کرنٹ اکاؤنٹ میں فرق کی وجہ جاری معاشی بحالی کے باعث تجارتی جھٹکا ہے۔ مالی سال 2022ء کے پہلے چھ مہینوں میں اوسط مہنگائی مرکزی بینک کے تخمینوں کے قریب 9.8% رہی۔ مالی سال 2022ء میں مہنگائی 11.02 فیصد ہونے کا امکان ہے۔

عموری نفع منقسمہ:


ڈائریکٹران کے اپنے اجلاس منعقدہ 26 فروری 2022ء میں 31 دسمبر 2021ء کو مکمل ہونے والے مالی سال کے لیے 2 روپے فی حصص (20%) عموری نفع منقسمہ کی منظوری دی ہے۔


مستقبل کا جائزہ:

کمپنی مسلسل کاروباری آپریشنز کی بڑھوتری اور تازہ ناک مستقبل کی طرف گامزن ہے۔ انتظامیہ اپنی تمام کوششیں بہترین نئے مواقع تلاش کرنے پر صرف کر رہی ہے۔ اسی اثنا میں سیکورم اور ایپلائنسز کاروباری سیکٹرز میں بہت مواقع موجود ہیں جس میں کمپنی پہلے ہی سرمایہ کاری بڑھا چکی ہے۔ لہذا انتظامیہ کی توجہ ایپلائنسز سیکٹرز کو بڑھا کر مارکیٹ میں اپنا حصہ بڑھانے اور اندرونی و بیرونی منڈیوں کی طلب کو پورا کرنا ہے۔

اظہار تشکر

ہم ڈائریکٹران کی طرف سے اپنے گاہکوں، ملازمین، سپلائرز، حصہ داران اور مالیاتی اداروں کے کمپنی کی انتظامیہ پر کئے گئے اعتماد پران کے مشکور ہیں۔ ہم اپنے اور کمپنی کے اوپر کی گئی رحمت پر اللہ تعالیٰ کے شکر گزار ہیں۔ ہمیں چاہیے کہ ہم اللہ کے احکامات اور نبی صلی اللہ علیہ وسلم کی سنت کی مکمل پیروی کیلئے مسلسل جدوجہد کریں۔


آفتاب احمد خان
ڈائریکٹر


انوار احمد خان
چیف ایگزیکٹو آفیسر

لاہور فروری 26، 2022

Ghani

GHANI VALUE GLASS LIMITED

Head Office:

40-L, Model Town Extension, Lahore, Pakistan.

UAN: +92-42-111 949 949

Fax: + 92-42-35172263

www.ghanivalueglass.com