

Ghani

THE GLASS EXPERTS



HALF YEAR
FINANCIAL STATEMENTS
2019-20

CORPORATE INFORMATION

BOARD OF DIRECTORS

Directors

Mr. Awais Ahmad
Mr. Imtiaz Ahmad Khan
Mr. Anwaar Ahmad Khan
Mr. Aftab Ahmad Khan
Mr. Junaid Ghani
Mr. Obaid Ghani
Mr. Jubair Ghani
Mr. Ibrahim Ghani
Ms. Afifa Anwaar
Mrs. Javaria Obaid

CHAIRMAN

Mr. Imtiaz Ahmad Khan

CHIEF EXECUTIVE OFFICER

Mr. Anwaar Ahmad Khan

AUDIT COMMITTEE

Chairman

Mr. Awais Ahmad

Members

Mr. Junaid Ghani
Ms. Afifa Anwaar

HR & R COMMITTEE

Chairman

Mr. Awais Ahmad

Members

Mr. Aftab Ahmad Khan
Mr. Jubair Ghani

CHIEF FINANCIAL OFFICER

Mr. Umer Farooq Khan

COMPANY SECRETARY

Hafiz Mohammad 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

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

Hussain Nagar
District Sheikhpura
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, 2019 along with review report of auditors thereon.

During the half year ended December 31, 2019, the Company succeeded to achieve net revenue of Rupees 935 million as compared to Rupees 600 million for the same period of the last year reflecting a growth of 55%. Gross profit has also increased by 31% comparing with the previous years' figure. The Company has booked Net Profit of Rupees 121 million as compared to Rupees 122 million for the corresponding period of last year. Earning per share was Rupees 3.23 against Rupees 3.28 for the same period of last year. The results for the period under review are as follow:

FINANCIAL INDICATORS	December 31, 2019	December 31, 2018
	Rupees '000'	
Sales	935,377	600,324
Gross Profit	264,348	201,339
Profit before taxation	121,444	141,748
Net Profit	121,109	122,855
Earning per share (Rupees)	3.23	3.28

Interim Dividend

The Board of Directors in their meeting held on February 24, 2020 has approved an interim cash dividend @ Rupees 3 per share i.e. 30% (*in addition to first interim cash dividend @ Rupees 2 per share i.e. 20% already paid*) for the year ending June 30, 2020.

Future Outlook

The Board of Directors in their meeting held on October 30, 2019 has approved 55% right issue at par value of Rs.10 per share (right shares have been issued subsequently). The right issue proceeds will be utilized for commissioning of new project of Spectrum Line. The work on new projects of Spectrum Line has been started. Further, the Board of Directors, in their meeting held on January 17, 2020 has accorded their consent to initiate the legal steps necessary for the proposed merger of Ghani Automobile Industries Limited into Ghani Value Glass Limited.

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" (Sallallaho-Alaihe-Wasallum).

On behalf of the Board of Directors

Lahore: February 24, 2020



Anwaar Ahmed Khan
Chief Executive Officer



Aftab Ahmad Khan
Director

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 2019** and the related condensed interim statement of profit or loss and other 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-month 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.

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.

Other Matter

The figures of condensed interim statement of profit or loss and other comprehensive income for quarters ended 31 December 2019 and 2018 have not been reviewed as we are required to review only cumulative figures for the six month period ended 31 December 2019. Accordingly, we do not express a conclusion on them.

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



EY Ford Rhodes
Chartered Accountants

Lahore: February 24, 2020

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT 31 DECEMBER 2019

	Note	(Un-audited) 31 December 2019 Rupees	(Audited) 30 June 2019 Rupees
ASSETS			
Non current assets			
Property, plant and equipment	5	469,276,425	453,881,321
Long term advances and deposits		13,556,154	10,740,654
		482,832,579	464,621,975
Current assets			
Stores, spares and loose tools		54,081,444	43,849,861
Stock in trade	6	173,511,862	188,932,113
Trade debts	7	207,278,852	224,956,760
Advances and other receivables		13,991,373	27,451,199
Tax refunds due from Government		186,795,039	161,155,931
Cash and bank balances		78,998,203	67,253,862
		714,656,773	713,599,726
TOTAL ASSETS		1,197,489,352	1,178,221,701
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
65,000,000 (30 June 2019: 45,000,000) ordinary shares of Rs.10/- each (30 June 2019: Rs. 10/- each).		650,000,000	450,000,000
Issued, subscribed and paid up capital			
37,439,531 (30 June 2019: 37,439,531) ordinary shares of Rs.10/- each (30 June 2019: Rs. 10/- each)		374,395,310	374,395,310
Capital Reserve			
Revaluation surplus on property plant and equipment	8	144,619,706	144,619,706
Revenue reserves			
Unappropriated profit		287,446,445	316,094,704
General reserve		3,680,000	3,680,000
		291,126,445	319,774,704
		810,141,461	838,789,720
Share deposit money			
		4,237,000	-
		814,378,461	838,789,720
Non current liabilities			
Deferred taxation		26,754,664	27,447,555
Current liabilities			
Trade and other payables		327,868,614	285,958,912
Contract liabilities		25,988,821	24,312,402
Unclaimed dividend		2,498,792	1,713,112
		356,356,227	311,984,426
TOTAL EQUITY AND LIABILITIES		1,197,489,352	1,178,221,701
CONTINGENCIES AND COMMITMENTS			
	9		

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2019

Note	Six Month Period Ended		Three Month Period Ended		
	31 December 2019	31 December 2018	31 December 2019	31 December 2018	
	----- (Rupees) -----				
Revenue from contracts with customers-net	10	935,377,336	600,324,271	571,763,974	407,685,765
Cost of sales	11	(671,028,659)	(398,984,667)	(404,940,695)	(262,016,426)
Gross profit		264,348,677	201,339,604	166,823,278	145,669,339
Distribution cost		(16,416,096)	(12,775,693)	(8,214,437)	(8,375,451)
Administrative expenses		(127,822,541)	(51,298,431)	(73,521,511)	(25,701,474)
Other operating expenses		(9,839,293)	(10,701,527)	(6,645,923)	(8,718,466)
		(154,077,930)	(74,775,651)	(88,381,871)	(42,795,391)
Operating profit		110,270,747	126,563,953	78,441,407	102,873,948
Other operating income		11,173,934	15,184,297	5,421,533	12,093,936
Profit before tax		121,444,681	141,748,250	83,862,942	114,967,884
Taxation		(334,816)	(18,892,893)	970,609	(13,190,247)
Profit after tax		121,109,865	122,855,357	84,833,551	101,777,637
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		121,109,865	122,855,357	84,833,551	101,777,637
Earnings per share - basic and diluted		3.23	3.28	2.27	2.83


The annexed notes from 1 to 18 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 MONTH PERIOD ENDED 31 DECEMBER 2019

	Note	31 December 2019 Rupees	31 December 2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period before taxation		121,444,681	141,748,250
Adjustments for non-cash items:			
Depreciation on property plant and equipment	5.1	17,118,208	16,074,475
Provision for doubtful debts		-	12,279,042
Provision for Workers' Profit Participation Fund		6,560,777	7,622,489
Provision for Workers' Welfare Fund		2,604,292	2,888,089
Finance costs		68,427	190,949
Profit on bank deposits		(1,878,818)	-
Operating profit before working capital changes		145,917,566	180,803,294
Working capital adjustments			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		(10,231,583)	(472,266)
Stock in trade		15,420,251	(5,984,906)
Trade debts		17,677,908	(28,711,642)
Advances and other receivables		13,459,827	14,971,617
		36,326,402	(20,197,197)
Increase / (decrease) in current liabilities:			
Trade and other payables		47,883,933	4,055,451
Contract liabilities		1,676,419	(7,799,447)
		49,560,352	(3,743,996)
Cash generated from operations		231,804,321	156,862,101
Tax paid		(26,666,815)	(30,043,714)
Finance cost paid		(68,427)	(190,949)
Profit on bank deposit received		1,878,818	463,568
Workers' Profit Participation Fund paid		(15,139,300)	-
Net cash generated from operating activities	A	191,808,597	127,091,006
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(32,513,312)	(26,245,558)
Long term advances and deposits		(2,815,500)	-
Net cash used in investing activities	B	(35,328,812)	(26,245,558)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(148,972,444)	(148,726,838)
Share deposit money received		4,237,000	-
Net cash used in financing activities	C	(144,735,444)	(148,726,838)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	A+B+C	11,744,341	(47,881,390)
CASH AND CASH EQUIVALENTS - At the beginning of the period		67,253,862	104,012,224
CASH AND CASH EQUIVALENTS - At the end of the period		78,998,203	56,130,834

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2019

	Share Capital	Revenue Reserves		Capital reserve	Total
		General reserve	Unappropriated profit	Revaluation surplus on property, plant and equipment	
----- (Rupees) -----					
Balance as at 01 July 2018 - Audited	374,395,310	3,680,000	153,165,811	144,619,706	675,860,827
Profit for the period	-	-	122,855,357	-	122,855,357
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	122,855,357	-	122,855,357
Interim cash dividend (Rs. 2 per share)	-	-	(74,879,062)	-	(74,879,062)
Balance as at 31 December 2018 - Un-audited	374,395,310	3,680,000	201,142,106	144,619,706	723,837,122
Balance as at 01 July 2019 - Audited	374,395,310	3,680,000	316,094,704	144,619,706	838,789,720
Profit for the period	-	-	121,109,865	-	121,109,865
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	121,109,865	-	121,109,865
Final dividend (Rs. 2 per share)	-	-	(74,879,062)	-	(74,879,062)
Interim dividend (Rs. 2 per share)	-	-	(74,879,062)	-	(74,879,062)
Balance as at 31 December 2019 - Un-audited	374,395,310	3,680,000	287,446,445	144,619,706	810,141,461

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

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

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

Ghani Value Glass Limited (the Company) was incorporated in Pakistan on 17 March 1967 as a public limited company under the Companies Act 2017, and its shares are quoted on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of mirror, tempered glass and laminated glass. The Company's registered office is situated at 40-L, Model Town Extension, Lahore. The manufacturing unit is located at 31-KM Sheikhpura Road, Mouza Beti Heriya, Tehsil Nankana Sahib, District Sheikhpura.

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 which comprise of International Accounting Standard (IAS) 34 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Act. Where the 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 do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2019.

2.3 These condensed interim financial statements comprise of condensed interim statement of financial position as at 31 December 2019, condensed interim statement of profit or loss account and other 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 have been subjected to a review in accordance with the requirements of the Act but not audited. These condensed interim financial statements also include condensed interim profit or loss account and other comprehensive income for the quarter ended 31 December 2018 which has neither been reviewed nor audited.

3 BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING POLICIES

3.1 The accounting policies and method of computation adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2019, except for the adoption of new standards effective as of 01 July 2019 as notified by the Securities and Exchange Commission of Pakistan (SECP). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Last year, the SECP had notified vide its S.R.O 299 (I)/2019 that the effective date for the applicability of IFRS 9 'Financial Instruments' would be for the reporting period/year ending on or after year ending June, 30 2019. Accordingly, the Company had not applied IFRS 9 while preparing condensed interim financial statements for the half year ended 31 December 2018.

As at 30 June 2019, the Company had applied IFRS 9 and the expected credit loss against financial assets had been recorded accordingly. The Company has also made assessment of the expected credit losses for the current period, however, no material loss has been assessed. Further, no adjustment has been made in the corresponding figures relating to the period ended 31 December 2018.

3.2.1 Standards, Interpretations and Amendments to Published Approved Accounting Standards that became effective during the period

The Company has adopted the following revised standards, amendments and interpretation of IFRSs which became effective for the current period:

IFRS 16 – Leases

IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments)

IAS 28 - Long-term Interests in Associates and Joint Ventures – (Amendments)

IFRIC 23 - Uncertainty over Income Tax Treatments

IFRS 11 - Joint Arrangements - Previously held interests in a joint operation - (AIP)

IAS 23 - Borrowing Costs - Borrowing costs eligible for capitalization

IFRS 3 - Business Combinations - Previously held Interests in joint operation - (Amendments)

IFRS 9 - Prepayment Features with Negative Compensation - (Amendments)

IAS 12 - Income Taxes - Income tax consequences of payments on financial instruments classified as equity

IFRS - 14 - Regulatory Deferral Accounts

The above standards and amendments have not any material impact on these condensed interim financial statements of the Company.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

Standard	Effective Date (Annual periods beginning or after)
IFRS 1 - First time adoption of IFRS	01 July 2009
IFRS 17 – Insurance Contracts	01 January 2021

4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements requires management to make judgments, 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. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements for the year ended 30 June 2019.

Note	(Un-audited) 31 December 2019	(Audited) 30 June 2019
5 PROPERTY, PLANT AND EQUIPMENT	Rupees	Rupees
Operating fixed assets tangible	5.1 469,276,425	450,412,495
Capital work in progress (CWIP)	-	3,468,826
	469,276,425	453,881,321
5.1 Operating fixed assets tangible		
Opening book value	450,412,495	435,056,986
Addition / transfer from CWIP during the period / year:		
- Buildings on free-hold land	27,220,761	5,729,189
- Plant and machinery	7,112,023	36,707,341
- Mill equipment	127,900	1,725,341
- Furniture and fittings	39,700	157,312
- Office equipment	195,656	669,727
- Computer equipment	270,040	57,765
- Vehicles	1,016,058	3,399,311
	35,982,138	48,445,986
Disposals	-	(456,954)
Less: Depreciation charge for the period / year	(17,118,208)	(32,633,523)
Closing book value	469,276,425	450,412,495
6 STOCK IN TRADE		
Raw materials	114,063,037	104,804,536
Finished goods	59,448,825	84,127,577
	173,511,862	188,932,113
7 TRADE DEBTS		
Secured against deposits	24,933,146	145,661,267
Unsecured	203,624,748	100,574,535
	228,557,894	246,235,802
Less: Allowance for expected credit losses	(21,279,042)	(21,279,042)
	207,278,852	224,956,760
8 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	144,619,706	144,619,706
The revaluation surplus on property, plant and equipment relates to land.		
9 CONTINGENCIES AND COMMITMENTS		
9.1 Contingencies		
There is no material change in the contingencies since the last audited financial statements for the year ended 30 June 2019.		

9.2	Commitments	(Un-audited)	(Audited)
		31 December 2019	30 June 2019
		Rupees	Rupees
	Raw material	-	17,092,330
	Bank guarantee issued on behalf of the Company to LESCO	5,126,775	3,241,275

In addition, non funded facilities of letters of guarantee and letters of credit amounting to Rs. 15 million and Rs. 228.24 million (30 June 2019: Rs.15 million and Rs. 228.24 million) have also been provided by the banks. The aggregated un-utilized facility for letter of guarantee and credits at period end amounts to Rs.228.24 million (30 June 2019: Rs. 211.147) million.

These finances are secured against first charge of Rs. 75 million and ranking charge of Rs. 67 million over current assets of the Company (30 June 2019: First charge of Rs. 75 million and ranking charge of Rs.67 million over current assets of the Company for Askari Bank Limited and first charge over current assets of the company of Rs. 62.50 million for Bank Alfalah Limited.

10 REVENUE FROM CONTRACTS WITH CUSTOMERS-NET

Revenue from contracts with customers 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 2019	31 December 2018	31 December 2019	31 December 2018
		----- (Rupees) -----			
10.1	Gross local	1,208,194,565	762,498,460	740,311,803	520,098,855
	Gross exports	1,417,192	797,362	463,054	797,362
		1,209,611,757	763,295,822	740,774,857	520,896,217
	Less:				
	Commission on sale	61,966,228	36,803,737	38,671,320	25,681,406
	Sales tax	176,415,703	105,636,808	107,742,579	72,768,528
	Dealers Incentive	35,852,490	20,531,006	22,596,984	14,760,518
		274,234,421	162,971,551	169,010,883	113,210,452
		935,377,336	600,324,271	571,763,974	407,685,765

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

Nature	(Un-audited)	(Un-audited)
	31 December 2019	31 December 2018
	Rupees	Rupees
Sale of mirror glass	805,169,945	450,913,205
Sale of tempered and non tempered glass	156,282,990	117,309,107
Sale of offline coating	-	21,040,721
Sale of frosted glass	51,795,987	62,187,528
Rendering of tempering and other services	12,639,785	6,208,453
Sale of laminated glass	7,307,347	-
	1,033,196,054	657,659,014
Add: Aggregated sales tax	176,415,703	105,636,808
	1,209,611,757	763,295,822
10.3 Timing of transfer of goods and services		
Goods transferred and services rendered at a point in time	1,209,611,757	763,295,822

(Un-audited)

11 COST OF SALES	Six Month Period Ended		Three Month Period Ended	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	----- (Rupees) -----			
Raw material consumed	486,237,182	293,243,123	279,843,153	199,921,334
Stores consumed	19,088,914	14,436,612	13,934,907	11,062,162
Salaries, wages and benefits	45,294,710	45,072,285	17,134,253	28,174,080
Entertainment	3,576,728	2,994,987	1,870,066	1,529,762
Packing, loading and unloading	7,737,225	4,911,912	4,242,268	1,950,884
Fuel and power	61,270,582	32,091,990	36,564,043	20,252,805
Depreciation	15,086,059	13,675,833	10,412,234	2,925,673
Repair and maintenance	2,763,730	453,588	2,219,448	199,001
Communication	475,037	208,991	187,964	114,243
Travelling and conveyance	2,690,084	1,774,708	1,724,902	407,911
Rent, rates and taxes	84,801	37,707	(112,500)	37,707
Freight and handling	1,707,915	1,242,317	987,560	244,126
Printing and stationery	6,095	12,829	-	4,969
Miscellaneous expenses plant	330,845	2,238,616	125,787	1,434,368
Cost of goods manufactured	646,349,907	412,395,498	369,134,085	268,259,025
Finished goods				
Add: Opening stock	84,127,577	14,731,537	95,255,434	21,899,769
Less: Closing stock	(59,448,825)	(28,142,368)	(59,448,825)	(28,142,368)
	671,028,659	398,984,667	404,940,694	262,016,426

12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise companies with common directorship, key management personnel and provident fund. Details of transactions with associated companies during the period are as follows:

Transactions

Name of related party	Relationship with the Company	Nature and description of related party transaction	(Un-audited)	(Un-audited)
			31 December 2019	31 December 2018
			Rupees	Rupees
Associated Companies				
Ghani Glass Limited	Associated company by virtue of common directorship	Purchase of goods and services	415,028,441	280,181,551
		Sales of goods and services	4,397,926	25,217,892
		Cullet sales	3,994,632	9,151,225
		Shared expenses	3,374,000	3,087,000
		Rental income	1,837,878	3,722,064
		Advance for rent and mess expense	1,536,122	635,064
Ghani Foundation	Common directorship	Donations	23,540,683	-
Directors		Remuneration and reimbursements	28,912,265	15,696,777
Staff retirement benefit		Payment to provident fund	13,107,782	7,575,052
Key management personnel		Salaries and other employee benefits	60,848,316	21,081,145
Name of related party	Relationship with the Company	Nature and description of related party balances	(Un-audited)	(Audited)
			31 December 2019	30 June 2019
Ghani Glass Limited	Associated Undertaking	Payable	132,274,826	1,448,827

13 SEGMENT REPORTING

The Company's chief decision maker reviews the Company's performance on single segment. Accordingly, the financial information has been prepared on the basis of a single reportable segment.

Revenue from sale of goods and services represents 99% and 1% (2018: 96% and 4%) of total revenue respectively.

14 FINANCIAL RISK MANAGEMENT

14.1 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 debts, profit accrued and cash 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 analyse 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 2019.

14.2 Financial Instruments

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction. The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values.

31 December 2019			
Cash and cash equivalents	Amortised Cost	Total	
----- (Rupees) -----			
Financial assets as per statement of financial position			
Long term deposits	-	10,740,654	10,740,654
Trade debts	-	207,278,852	207,278,852
Profit accrued	-	122,574	122,574
Cash and bank balances	78,998,203	-	78,998,203
Total	<u>78,998,203</u>	<u>218,142,080</u>	<u>297,140,283</u>

30 June 2019			
Cash and cash equivalents	Amortised Cost	Total	
----- (Rupees) -----			
Financial assets as per statement of financial position			
Long term deposits	-	10,740,654	10,740,654
Trade debts	-	224,956,760	224,956,760
Profit accrued	-	460,354	460,354
Cash and bank balances	67,253,862	-	67,253,862
Total	<u>67,253,862</u>	<u>236,157,768</u>	<u>303,411,630</u>

Financial liabilities as per statement of financial position

31 December 2019

	Amortised Cost
	Rupees
Trade and other payables	302,652,688
Unclaimed dividend	2,498,813
	<u>305,151,501</u>

Financial liabilities as per statement of financial position

30 June 2019

Trade and other payables	254,768,755
Unclaimed dividend	1,713,112
	<u>256,481,867</u>

14.3 Fair values of non financial assets and liabilities

The carrying values of other assets and liabilities reflected in financial statements approximate their fair values. Fair values is determined on the basis of objective evidence at each reporting period.

14.4 Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Fair value is determined on the basis of objective evidence at each reporting date.

At reporting date, the Company had the following assets with respect to their level of fair value modelling:

	Level 1	Level 2	Level 3	Total
	(Rupees)			
31 December 2019				
Free-hold land	-	144,725,000	-	144,725,000
30 June 2019				
Free-hold land	-	144,725,000	-	144,725,000

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statement was approved and authorised for issue on 24 February 2020 by the Board of Directors of the Company.

16 CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

17 SUBSEQUENT EVENTS

Subsequent to period end, the Company has issued 55% right shares to the members amounting to Rs. 205,917,420 as approved by the Board of Directors in the meeting held on 30 October 2019. These condensed interim financial statements do not include the impact of the issuance of right shares.

Further, subsequent to period end, the Board of Directors have considered the merger of Ghani Automobile Industries Limited with and into the Company in a meeting held on 17 January 2020 and have accorded their consent to initiate the steps necessary for the said merger.

18 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ڈائریکٹران کی جائزہ رپورٹ

معزز حصداران

اسلام علیکم ورحمۃ اللہ وبرکاتہ

غنی ویلوگلاس لمیٹڈ کے ڈائریکٹران 31 دسمبر 2019 کو مکمل ہونے والے نصف سال کیلئے مالیاتی گوشوارے بمعہ آڈیٹران کی جائزہ رپورٹ بخوشی پیش کرتے ہیں۔

31 دسمبر 2019 کو مکمل ہونے والے چھ مہینوں کے دوران کمپنی 935 ملین روپے کی خالص آمدنی حاصل کرنے میں کامیاب ہوئی ہے جو کہ پچھلے سال اسی عرصہ میں 600 ملین روپے تھی اور یہ 55% بڑھوتری کی نشاندہی کرتی ہے۔ خام نفع میں بھی پچھلے سال کی نسبت 31% اضافہ ریکارڈ کیا گیا۔ کمپنی نے پچھلے سال کے دوران 122 ملین روپے کے مقابلے میں 121 ملین روپے کا خالص نفع کمایا۔ فی حصص نفع پچھلے سال اسی عرصہ کے دوران 3.28 روپے کے مقابلے میں 3.23 روپے رہا۔

31 دسمبر 2019 کو مکمل ہونے والے نصف سال کیلئے مالیاتی نتائج مندرجہ ذیل رہے:

مالیاتی اعشاریے		31 دسمبر 2018	31 دسمبر 2019
(روپے '000 میں)			
آمدنی		600,324	935,377
خام منافع		201,339	264,348
قبل از ٹیکس نفع		141,748	121,444
خالص نفع		122,855	121,109
فی حصص نفع (روپے)		3.28	3.23

عبوری منافع منقسمہ

ڈائریکٹران نے اپنے اجلاس منعقدہ 24 فروری 2020 کو 30 جون 2020 کو مکمل ہونیوالے سال کے لئے 30% (3 روپے فی حصص) کے نقد عبوری نفع منقسمہ کی منظوری دی ہے۔ جو کہ پہلے نقد عبوری نفع منقسمہ بحساب 20% (2 روپے فی حصص) کے علاوہ ہے جو پہلے ہی ادا کیا جا چکا ہے۔


مستقبل پر نظر


ڈائریکٹران نے اپنے اجلاس منعقدہ 30 اکتوبر 2019 کو 10 روپے کے حساب سے 55% رائٹ حصص کی منظوری دی تھی۔ رائٹ حصص سے اکٹھا ہونے والا پیسہ سیکورم لائن کے نئے منصوبے پر خرچ کیا جائے گا۔ اس منصوبے پر کام کا آغاز ہو چکا ہے۔ ڈائریکٹران نے اپنے اجلاس منعقدہ 17 جنوری 2020 میں غنی آٹوموبیل انڈسٹریز لمیٹڈ، غنی ویلوگلاس لمیٹڈ میں متوقع انضمام کیلئے ضروری قانونی لائحہ عمل شروع کرنے کی منظوری دی ہے۔

اظہار تشکر

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

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


آفتاب احمد خان
ڈائریکٹر


انوار احمد خان
چیف ایگزیکٹو آفیسر

لاہور فروری 24، 2020

Ghani

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