

***Growth  
Innovation  
Reach***



**3rd Quarter Financial  
Statements 2019-20**

## CORPORATE INFORMATION

<b>Board of Directors</b>	<p>Mr. Zaid Ghani            Mr. Imtiaz Ahmad Khan            Mr. Anwaar Ahmad Khan            Mr. Aftab Ahmad Khan            Mrs. Rubina Imtiaz            Mrs. Reema Anwaar            Mrs. Ayesha Aftab            Mr. Junaid Ghani            Mr. Jubair Ghani            Mr. Hamza Ghani            Mr. Moeez Ghani            Mr. Ibrahim Ghani            Mr. Ayub Sadiq            Mr. Shamim Ahmed            Mr. Junaid Shamim            Mr. Ovais Shamim            Mr. Ajmal Khan (Nominee EOBI)</p>	<p>Chairman            Chief Executive Officer            Deputy Chief Executive Officer            Deputy Chief Executive Officer</p>
<b>Audit Committee</b>	<p>Mr. Ayub Sadiq            Mr. Zaid Ghani            Mrs. Ayesha Aftab</p>	<p>Chairman            Member            Member</p>
<b>HR &amp; R Committee</b>	<p>Mr. Ayub Sadiq            Mr. Anwaar Ahmad Khan            Mr. Zaid Ghani</p>	<p>Chairman            Member            Member</p>
<b>Chief Financial Officer</b>	Mr. Umer Farooq Khan	
<b>Company Secretary</b>	Hafiz Mohammad Imran Sabir	
<b>Auditors</b>	KPMG Taseer Hadi & Co. Chartered Accountants	
<b>Legal Advisor</b>	Ally Law Associates	
<b>Corporate Consultants</b>	EY Ford Rhodes, Chartered Accountants	
<b>Share Registrar</b>	Corplink (Pvt) Ltd Wings Arcade, 1-K Commercial Model Town, Lahore, Pakistan Phones : (042) 35916714, 35916719 Fax : (042) 35869037	
<b>Banks</b>	<p>Albaraka Islamic Bank            Allied Bank Limited            Askari Bank Limited            Bank Alfalah Limited, IBD            Bank Al-Habib Limited            Bank Islami Pakistan Limited            Faysal Bank Limited, IBD            First Women Bank Limited            Habib Metropolitan Bank Limited, IBD            MCB Islamic Bank Limited            National Bank of Pakistan            SME Bank Limited            Soneri Bank Limited            Standard Chartered Bank Limited, IBD            The Bank of Punjab            Dubai Islamic Bank Limited            Habib Bank Limited            Meezan Bank Limited            United Bank Limited            SAMBA Bank Limited</p>	

**Head Office & Registered Office**

40-L Model Town Extension,  
Lahore, Pakistan

UAN : (042) 111 949 949

Fax : (042) 35172263

E-mail : [info@ghaniglass.com](mailto:info@ghaniglass.com)

<http://www.ghaniglass.com>

**Marketing Office**

12 D/5, Chandni Chowk

KDA Scheme No. 7-8

Karachi - 74000

UAN : (021) 111 949 949

Fax : (021) 34926349

E-mail : [marketing@ghaniglass.com](mailto:marketing@ghaniglass.com)

**GGL Plant-1 & Regional Marketing Office-North**

22 km Haripur Taxila Road (From Haripur)

Thesil & District Haripur (KPK)

Phones : (0995) 639236-40 & (0995) 539063-65

Fax : (0995) 639067

**GGL Plant-2**

H-15, Landhi Industrial Area

Karachi-74000

Phone : (021) 35020761-63

Fax : (021) 35020280

**GGL Plant-3**

29-km Lahore Sheikhpura Road,

District Sheikhpura

Phones : (056) 3406810-11

Fax : (056) 3406795

Email : [ghanifloat@ghaniglass.com](mailto:ghanifloat@ghaniglass.com)

# DIRECTORS' REPORT

Dear Shareholders,

Assalam-o-Alaikum wa Rahmatullah wa Barakatohu.

The Board of Directors is pleased to present the unaudited Financial Statements of Ghani Glass Limited for the third quarter and nine months ended March 31, 2020.

The Company's turnover for the nine months ended March 31, 2020 was recorded as Rupees 14.2 billion (2019: Rupees 12.4 billion). During the third quarter, one of the pharma furnaces was closed for the technical upgradation purpose. Moreover, the Company was compelled to shut down the operations partially due to the instructions of the Government for the control of Coronavirus (COVID-19).

Comparing with the nine months of the last year, the margins were adversely impacted due to expensive RLNG as a major component of input cost for glass manufacturing. Furthermore, raw material and finished goods freight costs have increased considerably due to reduced axil law enforcement by the Authorities.

The Company earned net profit of Rupees 1.5 billion as compared to Rupees 2.4 billion for the same period of the last year. Earning per share has also decreased to Rupees 2.69 as compared to Rupees 4.44 for the same period of last year.

Financial Performance	Nine Months ended March 31, 2020	Nine Months ended March 31, 2019
(Rupees in million)		
Revenue - Net	14,159	12,381
Gross Profit	2,450	2,913
Profit before Tax	1,383	2,046
Profit after Tax	1,458	2,403
Earning per Share (Rupees)	2.69	4.44

## Future Outlook


The country is going through the historical catastrophe due to global pandemic corona virus (COVID-19) and the Government has announced complete shut down amid the precautionary measures. The lockdown of Retail Markets has caused significant loss of Float Glass and Container glass Sales. Furthermore, Exports have almost been reduced to zero due to port restrictions at Pakistan and importing countries. The situation is causing not only inventory buildup, but also higher fixed costs and receivable challenges. However, the Company is fully aware to the current challenges and taking all critical decisions in the best interest of the Company. On the Positive side, energy cost has come down significantly and will contribute positively in future months. Energy Cost is a major input cost in Glass industry.

## Acknowledgment

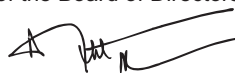
The Board and the management would like to thank senior executives of Pharmaceutical, food and beverage industries for their continuous support and confidence on our quality products. Thanks are also due to our dealers and customers of float glass for their trust reposed on our quality products. The Board also appreciates the cooperation of our suppliers, contractors and bankers.

The Board acknowledges and puts on record its sincere appreciation for all employees of the Company for their hard work, commitment and loyalty.

Lahore: April 29, 2020

  
**Imtiaz Ahmed Khan**  
Chief Executive Officer

On behalf of the Board of Directors

  
**Aftab Ahmad Khan**  
Director

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

As at 31 March 2020

	Note	(Un-audited) 31 March 2020 Rupees	(Audited) 30 June 2019 Rupees
<b>ASSETS</b>			
<b><i>Non-Current assets</i></b>			
Property, plant and equipment	6	12,512,744,363	12,220,358,482
Intangible assets		22,041,048	26,297,740
Investment in associate	7	1,180,767,468	1,308,869,274
Long term advances and deposits		37,261,788	31,752,150
		<b>13,752,814,667</b>	<b>13,587,277,646</b>
<b><i>Current assets</i></b>			
Contract asset		37,791,668	40,457,514
Stores, spares and other consumables		1,253,056,121	1,057,502,349
Stock-in-trade		6,225,419,373	3,704,064,023
Trade debtors - considered good		3,092,649,218	2,240,195,500
Short term deposits and advances		511,820,541	596,739,680
Tax refund due from government		902,051,892	596,026,565
Short term investment		4,541,400	4,066,860
Other receivables		154,094,070	262,824,385
Cash and bank balances		138,912,873	725,982,640
		<b>12,320,337,156</b>	<b>9,227,859,516</b>
		<b>26,073,151,823</b>	<b>22,815,137,162</b>
<b>EQUITY AND LIABILITIES</b>			
<b><i>Share capital and reserves</i></b>			
Authorized share capital 750,000,000 (30 June 2019: 750,000,000) ordinary shares of Rs. 10 each		7,500,000,000	7,500,000,000
Issued, subscribed and paid up capital		5,415,426,660	5,415,426,660
<b><i>Reserves</i></b>			
Reserve created under scheme of amalgamation		365,464,087	365,464,087
Merger Reserve		427,419,290	427,419,290
Share premium		75,000,000	75,000,000
Exchange translation and other reserve		641,443,408	594,673,733
Unappropriated profit		8,968,258,068	8,698,225,916
<b>Total reserves</b>		<b>10,477,584,853</b>	<b>10,160,783,026</b>
<b>Shareholders' equity</b>		<b>15,893,011,513</b>	<b>15,576,209,686</b>
<b><i>Non-current liabilities</i></b>			
Deferred taxation		1,277,810,201	1,358,403,718
Liability against right of use asset		104,135,609	-
		<b>1,381,945,810</b>	<b>1,358,403,718</b>
<b><i>Current liabilities</i></b>			
Trade and other payables		7,429,754,648	5,515,118,331
Contract liability		193,831,391	125,994,585
Unpaid dividend		1,136,580,822	220,358,771
Unclaimed dividend		19,052,071	19,052,071
Liability against right of use asset		18,975,568	-
		<b>8,798,194,500</b>	<b>5,880,523,758</b>
<b>Contingencies and commitments</b>	8	-	-
		<b>26,073,151,823</b>	<b>22,815,137,162</b>

'The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.



Lahore

Chief Executive



Director




Chief Financial Officer

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

For the period ended 31 March 2020

	Note	Nine months ended		Quarter ended	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
-----Rupees-----					
Sales - net	9	14,158,609,357	12,381,301,595	5,075,028,100	4,685,786,649
Cost of sales		(11,708,227,420)	(9,467,951,850)	(4,152,690,935)	(3,791,384,361)
<b>Gross profit</b>		<b>2,450,381,937</b>	<b>2,913,349,745</b>	<b>922,337,165</b>	<b>894,402,288</b>
General and administrative expenses		(714,220,137)	(556,277,773)	(262,684,623)	(198,475,447)
Selling and distribution expenses		(381,755,916)	(337,194,244)	(88,004,751)	(114,364,181)
Other expenses		(98,873,522)	(150,121,232)	(39,628,188)	(45,764,358)
Other income		64,773,184	120,133,465	16,640,807	45,498,059
		(1,130,076,391)	(923,459,784)	(373,676,755)	(313,105,927)
<b>Operating profit</b>		<b>1,320,305,546</b>	<b>1,989,889,961</b>	<b>548,660,410</b>	<b>581,296,361</b>
Finance cost		(19,887,331)	(8,005,226)	(8,490,035)	(726,508)
Share of profit of associate	7	82,479,377	64,555,777	27,344,970	47,000,656
<b>Profit before taxation</b>		<b>1,382,897,592</b>	<b>2,046,440,512</b>	<b>567,515,345</b>	<b>627,570,509</b>
Taxation		75,310,045	356,256,315	964,100	58,800,939
<b>Profit after taxation</b>		<b>1,458,207,637</b>	<b>2,402,696,827</b>	<b>568,479,445</b>	<b>686,371,448</b>
Earnings per share - basic and diluted		<b>2.69</b>	<b>4.44</b>	<b>1.05</b>	<b>1.27</b>

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.

  
Lahore Chief Executive

  
Director

  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the period ended 31 March 2020

	Nine months ended		Quarter ended	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	-----Rupees-----			
<b>Profit for the period</b>	<b>1,458,207,637</b>	2,402,696,827	<b>568,479,445</b>	686,371,448
<b><i>Items that may be subsequently reclassified to profit or loss</i></b>				
<i>Investment in associate:</i>				
- Exchange translation - net of tax	<b>(58,320,478)</b>	136,235,592	-	-
<b>Total comprehensive income for the period</b>	<b>1,399,887,159</b>	2,538,932,419	<b>568,479,445</b>	686,371,448

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.

Lahore



Chief Executive



Director



Chief Financial Officer

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

For the period ended 31 March 2020

	Share capital	Capital reserve			Share premium	Exchange translation and other	Revenue reserve		Total
		Subscription money against right issue	Reserve created under scheme of amalgamation	Merger reserve			Unappropriated profit		
Balance as at 01 July 2018	4,185,712,820	-	365,464,087	427,419,290	75,000,000	259,064,218	7,611,158,539	12,903,818,954	
Adjustment on initial application of IFRS 9	-	-	-	-	-	-	(10,971,095)	(10,971,095)	
Adjustment on initial application of IFRS 15	-	-	-	-	-	-	16,546,581	16,546,581	
Restated balance as on 01 July 2018	4,185,712,820	-	365,464,087	427,419,290	75,000,000	259,064,218	7,616,734,025	12,903,394,440	
<b>Total comprehensive income</b>									
Profit for the period	-	-	-	-	-	-	3,143,519,736	3,143,519,736	
Other comprehensive income	-	-	-	-	-	335,609,515	-	335,609,515	
<b>Transaction with owners of the Company, recognized directly in equity</b>									
Subscription money against right issue received	-	1,249,713,840	-	-	-	-	-	1,249,713,840	
First Interim dividend 2018 @ Rs.3.0 per share	-	-	-	-	-	-	(1,249,713,846)	(1,249,713,846)	
Second Interim dividend 2018 @ Rs.1.5 per share	-	-	-	-	-	-	(812,313,999)	(812,313,999)	
Subscription money against right issue received	1,249,713,840	(1,249,713,840)	-	-	-	-	-	-	
Balance as at 30 June 2019	5,415,426,660	-	365,464,087	427,419,290	75,000,000	594,673,733	8,698,225,916	15,576,209,686	
<b>Balance as at 01 July 2019</b>	<b>5,415,426,660</b>	<b>-</b>	<b>365,464,087</b>	<b>427,419,290</b>	<b>75,000,000</b>	<b>594,673,733</b>	<b>8,698,225,916</b>	<b>15,576,209,686</b>	
<b>Total comprehensive income</b>									
Profit for the period	-	-	-	-	-	-	1,458,207,637	1,458,207,637	
Other comprehensive income	-	-	-	-	-	(58,320,478)	-	(58,320,478)	
First Interim dividend 2020 @ Rs.2.0 per share	-	-	-	-	-	(58,320,478)	1,458,207,637	1,399,887,159	
Adjustment on account of legal reserve of an associate	-	-	-	-	-	105,090,153	(1,083,085,332)	(1,083,085,332)	
<b>Balance as at 31 March 2020 - Unaudited</b>	<b>5,415,426,660</b>	<b>-</b>	<b>365,464,087</b>	<b>427,419,290</b>	<b>75,000,000</b>	<b>641,443,408</b>	<b>8,968,258,066</b>	<b>15,893,011,513</b>	

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

For the period ended 31 March 2020

## Cash flows from operating activities

Profit before taxation

Adjustments for non cash and other items:

- Depreciation
- Amortization
- Finance cost
- Provision for doubtful debts
- Bad debts written off
- Gain on sale of fixed asset
- Share of profit of associate
- Unrealized (gain) / loss on re-measurement of investments
- Provision for workers' profit participation fund
- Provision for workers' welfare fund

## Operating profit before working capital changes

(Increase)/decrease in current assets:

- Contract asset
- Stores and spares
- Stock in trade
- Trade debtors
- Other receivables
- Advances and deposits

Increase/(decrease) in current liabilities:

- Contract liability
- Trade and other payables

## Cash generated from operations

Finance cost paid

Taxes paid

Worker's welfare fund and Workers' profit participation fund paid

## Net cash generated from operating activities

## Cash flows from investing activities

Fixed capital expenditure

Intangibles

Proceeds from sale of fixed assets

Short term investments

Dividend received from associate

Long term deposits and prepayments

## Net cash used in investing activities

## Cash flows from financing activities

Payment of liability against right of use asset

Subscription money receipt against right issue

Dividend paid

## Net cash used in financing activities

## Net decrease in cash and cash equivalents during the period

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

Nine months ended	
31 March 2020	31 March 2019
Rupees	Rupees
1,382,897,592	2,046,440,512
851,589,199	611,665,123
4,256,693	3,688,867
19,887,331	8,005,226
-	3,025,125
-	3,147,117
(2,402,238)	(4,744,138)
(82,479,377)	(64,555,777)
-	(894,047)
74,088,556	109,828,087
24,784,966	40,293,145
889,725,130	709,458,728
2,272,622,722	2,755,899,240
2,665,846	-
(195,553,772)	(233,872,972)
(2,521,355,350)	(1,733,480,642)
(852,453,718)	(698,265,796)
119,595,730	363,820,733
84,919,139	(87,344,392)
67,836,806	-
2,003,277,521	1,198,624,487
(1,291,067,798)	(1,190,518,582)
981,554,924	1,565,380,658
(19,887,331)	(8,005,226)
(306,025,327)	(318,053,798)
(187,514,727)	(89,214,512)
(513,427,385)	(415,273,536)
468,127,539	1,150,107,122
(1,146,081,089)	(2,461,473,880)
-	(3,142,977)
4,508,247	15,270,603
(474,540)	149,752,153
136,111,818	37,769,920
(5,509,638)	136,118
(1,011,445,202)	(2,261,688,063)
123,111,177	-
-	1,249,713,840
(166,863,281)	(1,663,154,558)
(43,752,104)	(413,440,718)
(587,069,767)	(1,525,021,659)
725,982,640	2,026,060,054
138,912,873	501,038,395

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.



Lahore

Chief Executive



Director



Chief Financial Officer

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

For the period ended 31 March 2020

## 1 Status and nature of business

Ghani Glass Limited ("the Company") was incorporated in Pakistan in 1992 as a limited liability company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange. The Company is engaged in the business of manufacturing and sale of glass containers and float glass.

The geographical locations and addresses of the Company's business units, including production facilities are as under:

- Head office and Registered office: 40 - L Model Town Extension, Lahore;
- Marketing Office: 12 D/5 Chandani Chowk, KDA Scheme No. 7-8, Karachi;
- Plant 1 and Regional Marketing Office (North): 22 Km Haripur Taxila Road, District Haripur;
- Plant 2: H-15 Landhi Industrial Area, Karachi;
- Plant 3: 29 Km Lahore Sheikupura Road, District Sheikupura;
- Plant 4: 50 Km Lahore Gujranwala road, Tehsil Kamonke, District Gujrawala.

## 2 Basis of preparation

### 2.1 Statement of Compliance

These condensed interim financial statements comprises the condensed interim statement of financial position of the Company as at 31 March 2020 and the related condensed interim statement of profit or loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof.

2.1.1 These condensed interim financial statements of the Company 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 the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the 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.

2.1.2 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

2.1.3 These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended 30 June 2019. Comparative statement of financial position numbers are extracted from the annual audited financial statements of the Company for the year ended 30 June 2019, whereas comparatives of condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of cash flow and condensed interim statement of changes in equity are stated from unaudited condensed interim unconsolidated financial statements of the Company for the nine months period ended 31 March 2019.

### 2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pakistan Rupees which is also the Company's functional currency.

### 3 Use of judgments and estimates

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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual financial statements of the Company for the year ended 30 June 2019 except for the following:

During the period, the Company has adopted IFRS 16 in which it applies judgment to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

### 4 Significant accounting policies

The accounting policies adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual audited financial statements for the year ended 30 June 2019 except for the following:

#### 4.1 Change in significant accounting policy

During the period, the Company has adopted IFRS 16 'Leases' from 01 July 2019. IFRS 16 replaces existing guidance on accounting for leases, including IAS 17, Leases, IFRIC 4, Determining whether an Arrangement contains a Lease, SIC-15, Operating Leases- Incentive, and SIC-27, Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces an on balance sheet lease accounting model for long term operating leases (short-term leases and leases where the underlying assets are of low value continue to be treated as off-balance sheet operating leases). A lessee recognizes a right-of-use asset representing its right of using the underlying asset and a corresponding lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as either finance or operating leases.

The Company has adopted IFRS 16 from July 1, 2019, and has not restated comparatives for the 2018 reporting period, using modified retrospective approach.

On adoption of IFRS 16, the Company has recognized liabilities in respect of leases which had previously been classified as operating leases under IAS 17. These liabilities are now measured as the present value of the remaining lease payments, discounted using the discount rate ranges from 10.9% to 11.64% as of July 1, 2019. The associated right-of use assets are measured at the amount equal to the liability against right of use asset, adjusted by the amount of prepaid lease payments.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. The right-of-use assets are depreciated on a straight line basis over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use assets are reduced by impairment losses, if any, and adjusted for certain remeasurements of liability against right of use asset.

Payments associated with short-term leases are recognized on a straight-line basis as an expense in profit or loss.

## 5 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

5.1 The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2020:

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future.. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform.
- IFRS 14 Regulatory Deferral Accounts - (effective for annual periods beginning on or after 1 July 2019) provides interim guidance on accounting for regulatory deferral accounts balances while IASB considers more comprehensive guidance on accounting for the effects of rate regulation. In order to apply the interim standard, an entity has to be rate regulated – i.e. the establishment of prices that can be charged to its customers for goods or services is subject to oversight and/or approved by an authorized body. The term 'regulatory deferral account balance' has been chosen as a neutral descriptor for expense (income) or variance account that is included or is expected to be included by the rate regulator in establishing the rate(s) that can be charged to customers and would not otherwise be recognized as an asset or liability under other IFRSs.

The above amendments are effective from annual period beginning on or after 01 January 2020 and are not likely to have an impact on the Company's condensed interim financial statements.

		<b>Un-audited 31 March 2020 Rupees</b>	<b>Audited 30 June 2019 Rupees</b>
<b>6 Property, plant and equipment</b>	<i>Note</i>		
Operating assets	6.1	11,939,909,182	10,998,531,887
Capital work in progress	6.2	572,835,181	1,221,826,595
		<u>12,512,744,363</u>	<u>12,220,358,482</u>
<b>6.1 Operating assets</b>			
Net book value at beginning of the period / year		10,998,531,887	7,631,524,859
Additions during the period / year		1,678,716,552	4,273,900,814
Right of use asset		144,644,689	-
Depreciation on right of use asset		(28,288,738)	-
Disposals during the period / year (at book value)		(2,106,009)	(10,526,465)
Depreciation charged during the period / year		(851,589,199)	(896,367,321)
		<u>11,939,909,182</u>	<u>10,998,531,887</u>
<b>6.2 Capital work in progress</b>			
Opening capital work in progress		1,221,826,595	2,294,047,473
Additions during the period / year		662,530,502	1,316,547,689
Transfer during the period / year		(1,311,521,916)	(2,388,768,567)
		<u>572,835,181</u>	<u>1,221,826,595</u>

## 7 Investment in associate

### **Rak Ghani Glass LLC**

RAK Ghani Glass LLC, a limited liability company registered with the Ras Al Khaimah Investment Authority in United Arab Emirates engaged in the business of container glass manufacturing.

		<b>Un-audited 31 March 2020 Rupees</b>	<b>Audited 30 June 2019 Rupees</b>
21,971 (30 June 2019:21,971) fully paid ordinary shares of AED 1,000 each	<i>Note</i>		
	7.1	<u>1,180,767,468</u>	<u>1,308,869,274</u>
<b>7.1 Movement in equity instruments of associated company is as follows:</b>			
Cost of investment		664,050,766	664,050,766
Company's share of profit - post acquisition As at 01 July		644,818,508	301,010,036
<i>Share of total comprehensive income:</i>			
- Profit for the period / year		82,479,377	104,797,791
- 'Exchange translation		(63,603,950)	394,834,723
		18,875,427	499,632,514
Dividend for the period / year		(146,977,233)	(155,824,042)
		516,716,702	644,818,508
Balance at end of the period / year		<u>1,180,767,468</u>	<u>1,308,869,274</u>

## Contingencies and commitments

### 8 Contingencies

- 8.1 There has been no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June 2019.
- 8.2 Aggregate amount of bank guarantees issued by banks on behalf of the Company outstanding as at 31 March 2020 amounts to Rs. 1,221.85 million (30 June 2019: Rs. 1,170.15 million).
- 8.3 Letters of credit for import of materials and stores outstanding as at 31 March 2020 amounts to Rs. 1,305.01 million (30 June 2019: Rs. 1,445.91 million).

	Nine months ended - unaudited		Quarter ended - unaudited	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>9 Sales - net</b>	<b>----- Rupees -----</b>			
Local sales	<b>15,276,820,491</b>	14,656,850,726	<b>5,177,282,215</b>	5,366,696,892
Export sales	<b>1,495,767,300</b>	796,487,705	<b>541,438,662</b>	476,513,394
	<b>16,772,587,791</b>	15,453,338,431	<b>5,718,720,877</b>	5,843,210,286
Less: Sales tax	<b>(2,278,068,235)</b>	(2,240,657,505)	<b>(716,449,489)</b>	(823,509,602)
Discounts	<b>(335,910,199)</b>	(831,379,331)	<b>72,756,712</b>	(333,914,035)
	<b>(2,613,978,434)</b>	(3,072,036,836)	<b>(643,692,777)</b>	(1,157,423,637)
	<b>14,158,609,357</b>	12,381,301,595	<b>5,075,028,100</b>	4,685,786,649

## 10 Transactions with related parties

The related parties comprise of associated Company. Other related party comprises of staff retirement fund, directors and key management personnel and their associates. Balances with related parties are disclosed elsewhere in these condensed interim financial statements and transactions with related parties have been given below:

Related party	Nature of transactions	Nine months ended - unaudited	
		31 March 2020	31 March 2019
		Rupees	Rupees
Ghani Value Glass Limited	Sales gross	<b>800,901,528</b>	560,076,612
	Purchases	<b>7,302,096</b>	43,981,350
	Others expenses-net	<b>6,018,421</b>	377,647
RAK Ghani Glass LLC	Dividend received during the period	<b>136,111,818</b>	37,769,920
	Purchases	-	-
	Others expenses-net	<b>25,038,336</b>	935,218
Health Tek (Private) Limited	Sales	<b>9,105,735</b>	6,857,839
Sami Pharmaceutical (Private) Limited	Sales	<b>191,729,090</b>	141,730,694
Provident fund	Payment to provident fund	<b>142,161,774</b>	135,692,300
Ghani Foundation Trust	Donations	<b>222,170,000</b>	170,200,000
<b><i>Key Management Personnel</i></b>			
Directors	Loan received from directors	<b>116,800,494</b>	-
Directors	Loan repaid to directors	<b>478,000,000</b>	-
Key management personnel	Salary and Other Benefits	<b>495,231,102</b>	412,050,727

'Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of their management team, including Chief Executive Officer and Directors to be its key management personnel.

## 11 Date of authorization

These unaudited condensed interim financial information for the period ended 31 March 2020 was authorized for issue by the Board of Directors on April 29,2020.

## 12 General

12.1 Figures have been rounded off to nearest rupee.

Lahore



Chief Executive



Director



Chief Financial Officer

## ڈائریکٹران کی جائزہ رپورٹ

معزز حصص داران

اسلام علیکم ورحمۃ اللہ وبرکاتہ

ڈائریکٹران 31 مارچ 2020 کو مکمل ہونے والی تیسری سہ ماہی اور نومبہینوں کیلئے نئی گلاس لیپڈ کے مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔

31 مارچ 2020 کو ختم ہونے والے نومبہینوں کے دوران کمپنی کی آمدنی 14.2 ارب روپے ریکارڈ کی گئی (12.4 ارب: 2019)۔ تیسری سہ ماہی کے دوران فارما کی ایک بھٹھی کو ٹیکنیکل اپ گریڈیشن مقاصد کیلئے بند کیا گیا۔ مزید برآں کر دنا وائرس (کووڈ-19) کی روک تھام کے حکومتی احکامات کے تحت کمپنی کو جزوی طور پر آپریشنز بند کرنا پڑے۔

پچھلے سال سے موازنہ کریں تو مہنگی آرائیل این جی (RLNG) جو کے گلاس بنانے میں پیداواری لاگت کا سب سے بڑا جزو ہے کے استعمال سے منافع پر منفی اثرات مرتب ہوئے ہیں۔ مزید برآں حکام کی جانب سے ایکسل قانون کے نفاذ میں کمی کی وجہ سے خام اور تیار مال کی مال برداری لاگت میں خاطر خواہ اضافہ ہوا ہے۔

کمپنی نے پچھلے سال اسی عرصہ کے دوران 2.4 ارب روپے کے مقابلے میں 1.5 ارب روپے کا خالص نفع کمایا۔ فی حصص نفع بھی پچھلے سال اسی عرصہ کے دوران 4.44 روپے کے مقابلے میں 2.69 روپے تک گر گیا۔


31 مارچ 2020	31 مارچ 2019	مالیاتی برعیاں
(روپے "000" میں)		
14,159	12,381	خالص آمدنی
2,450	2,913	خام منافع
1,383	2,046	قبل از ٹیکس منافع
1,458	2,403	بعد از ٹیکس منافع
2.69	4.44	فی حصص منافع (روپے)


مستقبل پر نظر:

ملک کرونا وائرس (کووڈ-19) کی عالمی وبا کی وجہ سے تاریخی بد حالی کے دور سے گزر رہا ہے اور حکومت نے احتیاطی تدابیر کے طور پر مکمل لاک ڈاؤن کا اعلان کیا ہے۔ پرچون منڈیوں کے بند ہونے کی وجہ سے فلوٹ گلاس اور کنٹینر گلاس کی فروخت کو بہت نقصان ہوا ہے۔ مزید برآں پاکستان اور درآمد کنندگان ملکوں کی بندرگاہوں پر پابندیوں کی وجہ سے برآمدات تقریباً ختم ہو گئی ہیں۔ اس صورت حال سے نہ صرف تیار مال جمع ہو گیا ہے بلکہ فکس لاگت اور وصولیوں میں مشکلات کو بھی بڑھا دیا ہے۔ تاہم کمپنی موجودہ حالات سے نمٹنے اور کمپنی کے مفاد میں مشکل فیصلے کرنے کے حوالے سے مکمل آگاہی رکھتی ہے۔ توانائی کی لاگت میں خاطر خواہ کمی ایک مثبت قدم ہے۔ جس کے اثرات آئندہ مہینوں میں نظر آئیں گے۔ توانائی کی لاگت گلاس انڈسٹری کی لاگت میں سب سے بڑا جزو ہے۔

اظہار تشکر

بورڈ اور انتظامیہ فارماسیوٹیکل، فوڈ اور مشروبات کی صنعتوں کی طرف سے ہماری مصنوعات کے معیار پر اعتماد اور مسلسل تعاون پر ان کے سینئیر ایگزیکٹو کا شکریہ ادا کرتے ہیں، ہم فلوٹ گلاس کے ڈیلروں اور گاہکوں کا بھی ہماری مصنوعات پر کیے گئے اعتماد پر شکریہ ادا کرتے ہیں۔ بورڈ اپنے سپلائرز، کنٹریکٹرز اور بینکروں کا بھی مشکور ہے۔ بورڈ اپنے تمام ملازمین کا ان کی محنت، عہد اور دیانتداری پر ان کا تہہ دل سے مشکور ہے۔

  
آفتاب احمد خان  
ڈائریکٹر

  
امتیاز احمد خان  
چیف ایگزیکٹو آفیسر

لاہور: 29 اپریل، 2020

# Ghani

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