

Annual Report 2015



Ghani

Pakistan's No. 1 Glass Brand



Ghani Glass Limited

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

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Vision & Philosophy

Nothing in this earth or in the heavens
Is hidden from ALLAH
To indulge in honesty, integrity and self
Determination, to encourage
in performance and
most of all to put our trust in ALLAH,
so that we may, eventually through our
Efforts and belief,
become the leader amongst glass manufacturers
of South Asian Countries

Mission Statement

To be successful by
effectively & efficiently
Utilizing our Philosophies,
so that We achieve & Maintain
constantly the High Standards of
Product Quality
&
Customer Satisfaction

Board of Directors	Mr. Ayub Sadiq 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. Zaid Ghani Mr. Hamza Ghani Mrs. Musfira Jubair Mr. Shamim Ahmed Mr. Muhammad Ayub Khan (<i>Nominee EOBI</i>)	Chairman Chief Executive Officer Deputy Chief Executive Officer Deputy Chief Executive Officer
Audit Committee	Mr. Zaid Ghani Mrs. Reema Anwaar Mr. Hamza Ghani	Chairman Member Member
HR & R Committee	Mr. Anwaar Ahmad Khan Mrs. Ayesha Aftab Mr. Zaid Ghani	Chairman Member Member
Chief Financial Officer	Mr. Umer Farooq Khan	
Company Secretary	Hafiz Mohammad Imran Sabir	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants	
Legal Advisor	Ally Law Associates	Corporate Consultants • Ernst & Young Ford Rhodes Sidat Hyder 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	Albaraka Islamic Bank Bank Alfalah Limited, IBD Burj Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited, IBD Meezan Bank Limited MCB Bank Limited, IBD Standard Chartered Bank Limited, IBD Bank Islami Pakistan Limited Faysal Bank Limited, IBD United Bank Limited	



Head Office & Registered Office

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

Marketing Office

12 D/5,Chandni Chowk
KDA Scheme No. 7-8
Karachi - 74000
UAN : (021) 111 949 949
Fax : (021) 34926349
E-mail : marketing@ghaniglass.com

GGL Plant-1 & Regional Marketing Office-North

22 km Haripur Taxila Road, (From Haripur)
Thesil & District Haripur (KPK)
Phones :(0995) 639236-40 & (0995) 539063-65
Fax : (0995) 639067

GGL Plant-2

H-15, Landhi Industrial Area
Karachi-74000
Phone :(021) 35020761-63
Fax :(021) 35020280

GGL Plant-3

29-km Lahore Sheikhpura Road,
District Sheikhpura
Phones : (056) 3406810-11
Fax : (056) 3406795
Email : ghanifloat@ghaniglass.com

Ghani Glass Limited endeavors to add best-in-class value to all its stakeholders which include our consumers, customers, suppliers, employees and shareholders along with the communities we operate in. They are all important pieces of the whole and their successful integration means win-win situation for all.



Consumers

GGL is part of one's daily life. We are with our Consumers in joy, health and pain. Our float products beautify the homes and offices, be it the windows or furniture. Our food and beverage containers entertain everyone on daily basis. Vitamins in our glass bottles help maintain one's health while other medicinal products in our bottles provide relief and assistance in getting over the illnesses. Trust of our Consumers have made Ghani as Pakistan's No. 1 glass brand.



Customers

Our wide array of customers include all multinational pharmaceutical and food/beverage companies along with major local manufacturers in these business segments as well as with distributors and dealers in our Float Business. We also export our products to several countries around the globe. We strive to provide all customers with Quality Products at Competitive Prices with best Customer Service in the country and abroad. Our Customers' confidence and support have made GGL market leader in both segments of the business.

Ghani Shop

Pakistan's No.1 Glass Brand

Ghani... Leaders in Glass



Suppliers

We procure major quantities of our raw and packaging materials locally. We are one of the largest purchaser of minerals like silica, feldspar, dolomite, lime stone etc. thereby supporting economies of far flung areas having mines of these materials. We also actively support the conservation efforts through recycling used and broken glass (cullet) throughout the country.



Employees

Employees are GGL's biggest asset and we work as one big family. GGL strives to provide everyone with an enabling work environment where they can maximize their potential as well as fulfill their religious obligations. All workers (permanent or through contractor) are given free meals. The Company shares the business results with all employees through bonuses on both Eids as well as other performance based compensation.



Shareholders

Ghani Group has been showing best industry rating and constant profit growth for its shareholders. Alhamdulillah the graph of our industry rating and profit growth remains upward. This statistical fact shows company's strong base and financial strength.



GGL is a strong advocate of Corporate Social Responsibility and is actively involved in various community support programs. In education, we provide assistance to deserving students in Message Foundation School – Izmir Town, Chand Bagh School – Muridke and Al Ghani Trust School – Pasroor along with a special program for education of convicts in jails to make them better citizens upon their release. GGL also supports needy patients in Iftikhar Ghani Trust Dispensary. GGL also offering different social welfare & family support programs for the welfare of the labor in the float glass markets nationwide and needy people from all over the country getting benefits from these corporate social responsibility programs.



غنی شادی پیکج

غنی فرسٹ ایڈ اینڈ فائر سیفٹی پوائینٹ



غنی فنڈ برائے حادثات

غنی خدمت حفاظ پروگرام



PRODUCT PORTFOLIO

FLOAT GLASS

DIVISION



GHANI BLUE

GHANI GREY



GHANI CLEAR



GHANI BROWN



GHANI GREEN

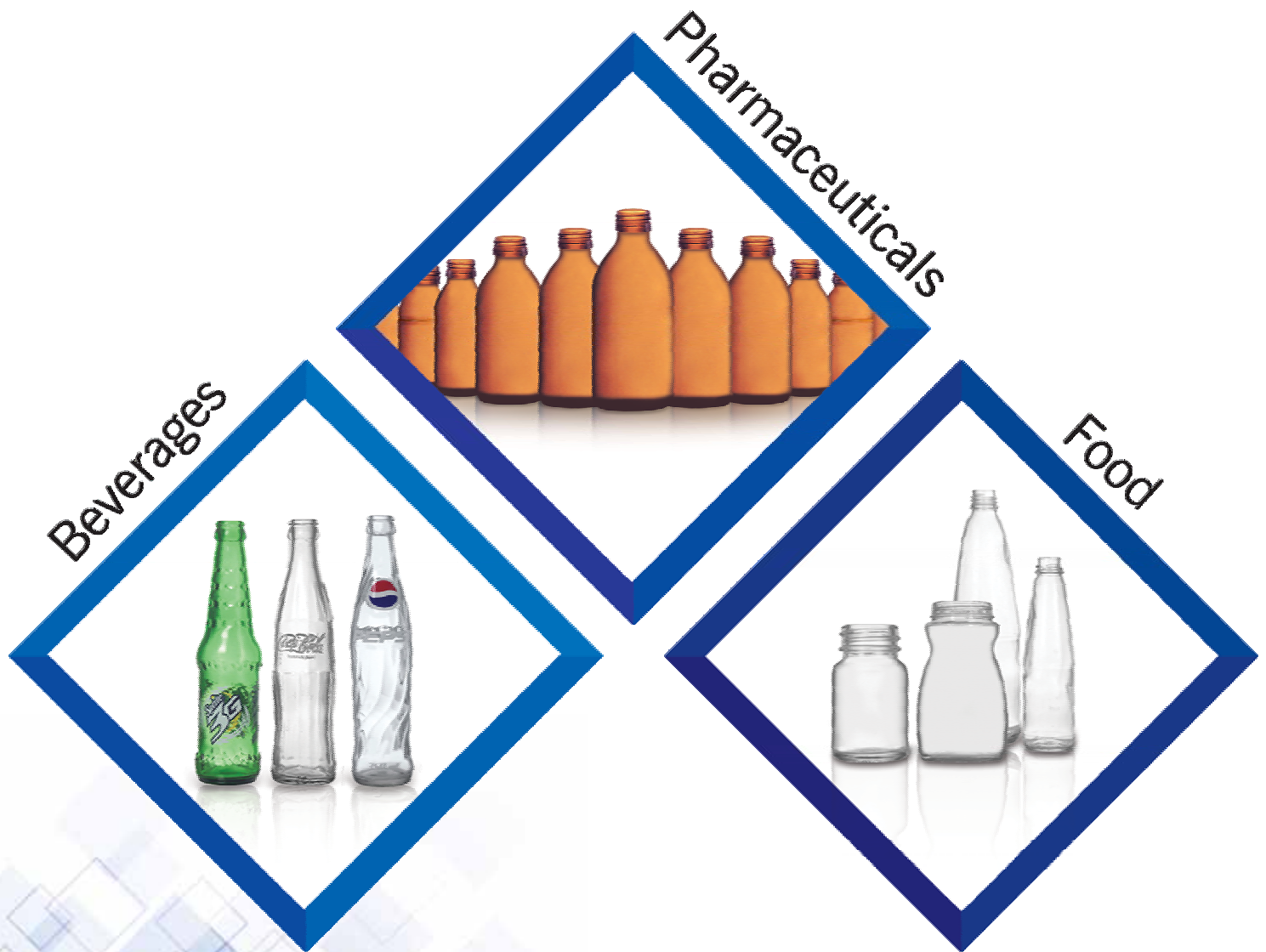


GHANI REFLECTIVE

PRODUCT PORTFOLIO

CONTAINER GLASS

DIVISION



Ceo's Message

Dear Shareholders,

I would like to start by expressing my gratitude to Almighty Allah who bestowed us continued growth during the year 2014-15.

The National Economy has witnessed a positive trend during the last financial year 2014-15. The macroeconomic situation of the economy has been on a positive route of improvement amid decreasing oil prices, growth in foreign exchange reserves and foreign remittances. The economy witnessed a growth of 4.24% which is the highest since 2008-09 (the Government has set a target of 5.5% for the year 2015-16). During the year under review, inflation hit its lowest level since 2003-04 and the policy rate recorded its lowest of last 42 years. During the year the Pakistan and Chinese governments signed a historic agreement to commence work on the China-Pakistan Economic Corridor (CPEC) whereby the Chinese government would finance Chinese companies to build \$45.6 billion worth of energy and infrastructure projects over the next six years. The Industrial sector being the major source of tax revenue has contributed 20.3% in GDP. The Government is committed in taking strong measures to address chronic socio-economic issues faced by the nation. We are hopeful that the year 2015-16 would bring more opportunities with it.

With the special blessings of almighty ALLAH, the financial performance of your Company has remained exceptional despite all political and socio-economic challenges. Net Revenue of the Company has increased to Rupees 11.3 Billion as compared to Rupees 10.2 Billion for the last year. Gross Profit has increased to Rupees 3.2 Billion as compared to Rupees 2.4 Billion for the last year showing an increase of 32%. Operating Profit has increased to Rupees 2.2 Billion reflecting a rise of 53% as compared to the last year. Profit before tax has increased to Rupees 2 Billion as compared to Rupees 1.3 Billion for the last year depicting an increase of 62%. Net profit also increased to Rupees 1.6 Billion as compared to Rupees 916 Million for the last year demonstrating an extraordinary increase of 73%. Earning per share also increased to Rupees 12.78 as compared to Rupees 7.44 for the last year.

I feel pleasure to mention here that with the help of ALLAH Subhanaho wa Taala, the management has achieved the financial targets and accomplished success in getting rid of the long term financing. As at June 30, 2015, the Financing has come down to Rupees 832 Million as compared to Rupees 2.9 Billion for the last year. Going forward to attain more diversification by following the Company's long term expansion strategy, Techno Glass Industries Limited has been merged with and into Ghani Glass Limited. The merger would bring more value addition to all stakeholders of the Company. I am also pleased to announce that the Directors of the company have recommended a final cash dividend @ 40% i.e. Rs.4/- per share in addition to interim cash dividend of 20% i.e. Rs.2 per share already paid for the year ended June 30, 2015. The Board is confident for the continuous success of the Company in years ahead.

Islamic Principles & Ethics are milestones for eternal light and real success in business. It is distinction of your Company that it always seeks guidance from Shariah in complex business models and strives to pursue the same in true letter and spirit. For this purpose, the Company has been sorting direction from Islamic Jurists to achieve maximum level of Shariah Compliance in overall business. As per policy, the Company has been doing riba free business with Islamic Banking. Utmost efforts are being made to create an encouraging environment for employees to adhere to the Shariah. May ALLAH subhana wa taala give us true ambition to look for HIS happiness in every aspects of our lives.

We acknowledge the importance of corporate social responsibility as a key factor for the Company's success and sustainability and are taking steps to participate actively in CSR activities to improve corporate social image of the Company. Alhamdulillah your Company has invested extensive amount towards economic development of the country by creating opportunities for the people, business community and uplifting the economic well-being of the nation. During the year under review, it has contributed Rupees 8.3 billion on account of various Government levies, taxes, custom duty, sales tax and reduction in import bill.

I would like to put on record the appreciation for the management team and all the employees for their continuous commitment and enthusiasm to achieve the outstanding results and adding value to the stakeholders.

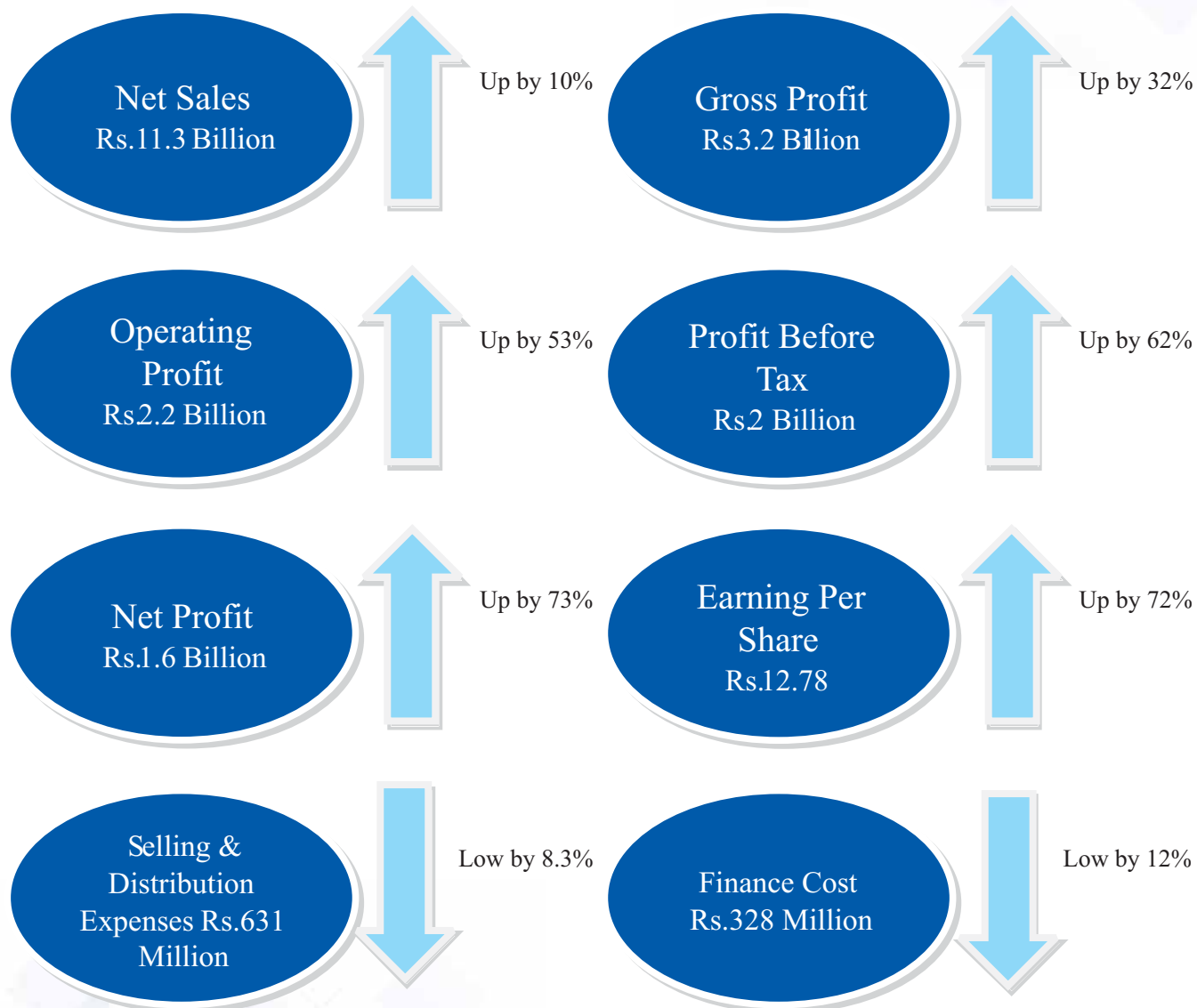
Lahore: October 29, 2015


Imtiaz Ahmed Khan
Chief Executive Officer

Directors' Report

The Directors of the company have the pleasure of presenting Annual Report of your Company along with Audited Financial Statements for the year ended June 30, 2015.

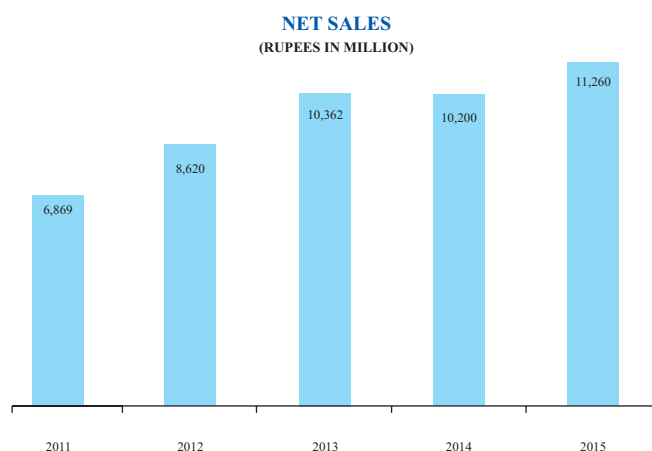
PERFORMANCE HIGHLIGHTS



The Company has outperformed during the year 2014-15. The highlights of the Operating and Financial results of the Company comparing with the previous year are as follow:

Financial Indicators	2015	2014	% Change
(Rupees in Million)			
Net Sales	11,260	10,200	10%
Gross Profit	3,236	2,442	32%
Operating Profit	2,240	1,466	53%
Finance Cost	328	374	-12%
Profit before Tax	2,022	1,250	62%
Profit after Tax	1,587	916	73%
Earning per Share (Rupees)	12.78	7.44	72%

Net Sales has increased to Rupees 11.3 Billion as compared to Rupees 10.2 Billion for the last year.



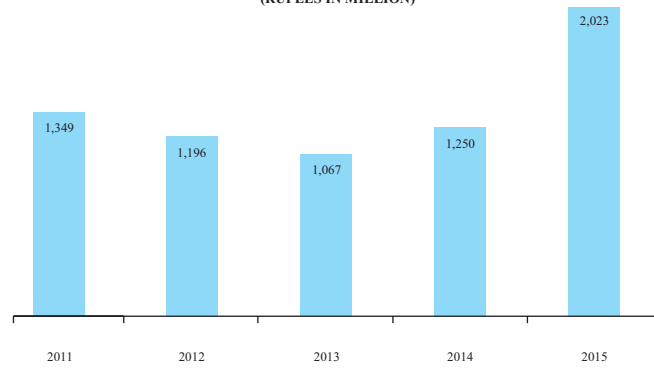
Gross Profit has increased by 32% as compared to the last year. Operating Profit has increased to Rupees 2.2 Billion as compared to Rupees 1.5 Billion showing a rise of 53%. Profit before tax has touched Rupees 2 Billion reflecting as increase of 62%. Net profit surpassed the last year's profit by 73%. Earning per share also increased to Rupees 12.78 as compared to Rupees 7.44 for the last year.



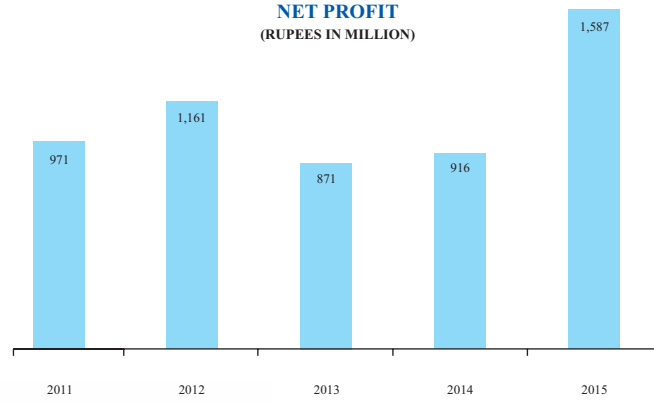
OPERATING PROFIT
(RUPEES IN MILLION)



PROFIT BEFORE TAX
(RUPEES IN MILLION)



NET PROFIT
(RUPEES IN MILLION)

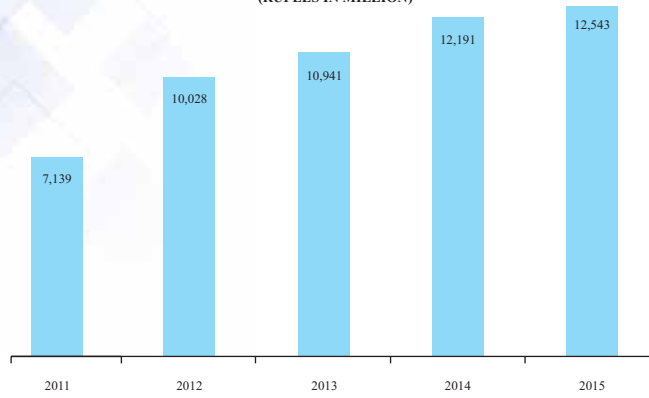


EARNING PER SHARE
(RUPEES)

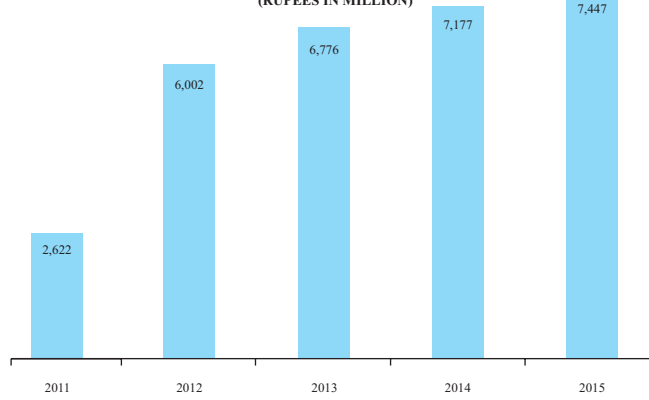


Assets base of the Company has increased to Rupees 12.5 Billion as compared to Rupees 12.2 Billion for the last year. Fixed Assets have increased to Rupees 7.4 Billion as compared to Rupees 7.2 Billion for the last year.

TOTAL ASSETS
(RUPEES IN MILLION)

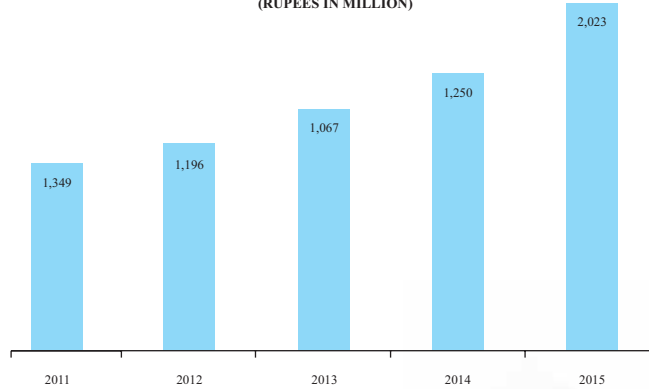


FIXED ASSETS
(RUPEES IN MILLION)

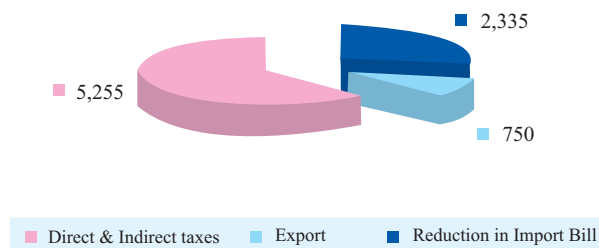


Equity base of the Company has increased to Rupees 8.9 Billion as compared to Rupees 7.2 Billion for the previous year.

TOTAL ASSETS
(RUPEES IN MILLION)



CONTRIBUTION TO NATIONAL EXCHEQUER
(RUPEES IN MILLION)



Your Company has sand washing plant of latest technology at float glass facility which has enabled it to produce the International Superior Quality Glass for national and International markets. Moreover, Ghani Glass Limited is the first Company in Pakistan having automatic pharma bottles packaging lines along with 100,000 Class Clean Room. This gives your Company a competitive edge in local market and opens new opportunities in International markets.

MERGER OF TECHNO GLASS INDUSTRIES LIMITED INTO GHANI GLASS LIMITED

Continuing the long term expansion strategy and achieving diversification, the management decided to merge Techno Glass Industries Limited (TGIL) into Ghani Glass Limited. The honorable High Court, Lahore vide its order dated October 15, 2015 has sanctioned the said merger. The merger would facilitate the Company to expand its operations and maximize its gains at a very low cost.

FUTURE OUTLOOK

i- NEW EXPANSIONS

Keeping in view the demands of different segments of glass products, the management has been exploring new avenues for business. The increasing demand for Pharma Glass by the national and international markets indicates an opportunity and a lot of potential for this Segment. For getting more strength through grabbing of new opportunities, the management is planning to install a new furnace for Pharma Segment in near future through raise of equity to enhance production capacity. The project would be in commercial operation by the end of current financial year.

ii- BALANCING, MODERNIZATION AND REPLACEMENT (BMR)

Pursuing its policy of the continuous BMR, the management has been scheduling necessary BMR at the existing float glass production facilities during the current financial year.

HUMAN RESOURCE MANAGEMENT & EMPLOYEE RELATIONSHIP

Human Resource management plays a vital role in hiring, promoting and retaining the best employees for every position. We put in place a targeted recruitment strategy for recruiting people with the core skills and traits. The management believes that in the modern era, the human resource management has become vital for any organization to successfully compete in the market place with increased output and productivity. Your company attaches great importance to having a dedicated and motivated team to meet these modern challenges.

Your Company has always encouraged to foster a culture of continuous development of the skills of its employees and to create an environment which supports sustainable high performance. We are committed to give our employees the opportunity to grow, evolve and contribute. With our enthusiastic team of high caliber professionals, we have full confidence that with Allah Tallah's blessing our business will be flourished more within the local as well as international markets.

Following are some other examples of our strong association with employees:

- The Company provides hygienic meals to its entire workforce at all sites including persons hired through contractors;
- Seven persons in each year are selected through random balloting and sent to perform Holy Hajj at the expense of the Company;
- Medical facilities for workers and first aid (for plant workers) are also provided to the employees;
- The Company encourages and promotes all employees to participate in sports and various extracurricular activities. In this regard, the Company arranges cricket tournaments for its employees
- There are masajids at each plant and head office for praying and to learn teachings of Religion.

The relationship with the workers and staff remained cordial and our employees' commitment, professionalism and focus on quality and customer care helped us achieving our growth targets during these challenging times.

We are proud of our employees for demonstrating commitment and delivering great performance during the year. Their consistent endeavors for achieving excellence in all operational spheres of the business reassures us for a more prosperous future with the help of Allah (SWT).

CORPORATE SOCIAL RESPONSIBILITY

We are determined to contribute to society by providing good employment, contributing to national exchequer, saving foreign exchange and working for the welfare of surrounding communities. We are committed to follow the highest social standards in how we conduct our business. The company took several initiatives to meet its Corporate Social Responsibility (CSR) and continued with reasonable financial support for the welfare of its employees, their families, the local community and society at large.

The Company contributes in Education and Health Sectors, the brief summary of which is given below:

- **Message Grammer School, Izmir Town, Lahore**

Over 1,250 students are getting highest quality education in this higher secondary school.

- **Chandbagh School and College, Muridke**

Full boarding school with over 1000 students.

- **Al Ghani Trust School, Pasroor**

Over 175 students have been providing Financial Support to get free education till Metric level.

- **Free Financial Assistance and Education for convicts in Jails**

Prisoners whose have completed their punishment but are not free because of being unable to pay off the financial penalty imposed by the court of law have been providing Financial Support;

Regular classes are arranged for prisoners (*Adult and children*) for hygiene awareness, basic religion teachings and Prayers and Quran teachings;

Training is providing to prisoners on how to become a useful member of the community once out of jail and Character building courses

- **Iftikhar Ghani Trust Dispensary**

Over 3000 non affording patients being treated and provided free medicine on monthly basis.

DIVIDEND

The Board of Directors has approved a final cash dividend of 40% i.e. Rs.4 per share in addition to interim cash dividend of 20% i.e. Rs.2 per share which has already been paid for the year ended June 30, 2015.

STATUTORY AUDITORS OF THE COMPANY

The present auditors M/s KPMG Taseer Hadi & Company, Chartered Accountants retire and offer themselves for re-appointment. As suggested by the Audit Committee, the Board of Directors has recommended their re-appointment as auditors of the company for the year ending June 30, 2016, at a mutually agreed fee.

STAFF RETIREMENT BENEFITS

The Company operates a funded contributory provident fund scheme for its employees and contributions, based on salaries of the employees, are made to the fund on monthly basis.

SHARE PRICE TREND

During the year under review minimum price of share of Rs.10 each fell up to Rs.49.70 and at one stage rose as high as Rs.92.50 and closed at Rs.86.81 as on June 30, 2015.

BOARD OF DIRECTORS

The Board of Directors, which consist of fourteen members, have responsibility to independently and transparently monitor the performance of the company and take strategic decisions to achieve sustainable growth in the company.

Written notices of the Board meetings along with working papers were sent to the members seven days before meetings. A total of five meetings of the Board of Directors, four meetings of the Audit Committee and one meeting of HR & R Committee were held during the period of one year, from July 01, 2014 to June 30, 2015. The attendance of the Board members was as follow:

Name of the Director	No. of Board of Directors' Meetings attended	No. of Audit Committee Meetings attended	No. of HR & R Committee Meetings attended
Mr. Ayub Sadiq**	2	-	-
Mr. Aitzaz Ahmad Khan*	1	-	-
Mr. Imtiaz Ahmad Khan	4	-	-
Mr. Anwaar Ahmad Khan	5	-	1
Mr. Aftab Ahmad Khan****	5	2	-
Mrs. Ayesha Aftab****	4	2	1
Hafiz Farooq Ahmad*	-	-	-
Mrs. Reema Anwaar**	2	2	-
Mr. Junaid Ghani	4	-	-
Mr. Jubair Ghani	5	-	-
Mr. Zaid Ghani****	5	4	1
Mr. Hamza Ghani****	2	2	-
Mr. Ali Jehangir Siddiqui*	-	-	-
Mr. Shamim Ahmed	4	-	-
Syed Hasan Akbar Kazmi (Alternate Director)***	4	-	-
Mr. Hasan Shahid***	3	-	-
Mr. Bilal Ahmed Memon (nominee EOBI)**	1	-	-

- * Mr. Aitzaz Ahmad Khan and Mr. Ali Jehangir Siddiqui were retired on December 13, 2014. Hafiz Farooq Ahmad resigned on November 6, 2014
- ** Mr. Ayub Sadiq, Mrs. Reema Anwaar, Mr. Hamza Ghani and Mr. Bilal Ahmed Memon (nominee EOBI) were elected as directors on December 13, 2014. Mr. Bilal Ahmed Memon were replaced by Mr. Muhammad Ayub Khan on October 29, 2015.
- *** Syed Hasan Akbar Kazmi attended two board meetings as alternate director of Mr. Ali Jehangir Siddiqui. He and Mr. Hasan Shahid were elected as directors in elections held on December 13, 2014 and subsequently resigned on July 6, 2015. Mrs. Rubina Imtiaz and Mrs. Musfira Jubair were coopted on October 3, 2015 in place of Syed Hasan Akbar Kazmi and Mr. Hasan Shahid.
- **** The Audit Committee has been reconstituted in BoD meeting held immediately after elections on December 13, 2014.

Leave of absence was granted to directors who could not attend some of the meetings.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The requirements of the Code of Corporate Governance set out by the Karachi, Lahore and Islamabad Stock Exchanges in their Listing Regulations, relevant for the year ended June 30, 2015 have been adopted by the company and have been duly complied with.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

The Statement of Compliance with the best practices of Code of Corporate Governance is annexed.

CODE OF CONDUCT

The board has adopted the Code of Conduct. All employees are informed of this Code and are required to observe these rules of conduct in relation to customers, suppliers and regulators.

SUBSEQUENT EVENTS (after June 30, 2015)

The Honorable High Court, Lahore vide its order dated October 15, 2015 has sanctioned the merger of Techno Glass Industries Limited into Ghani Glass Limited. There have been no other material changes since June 30, 2015 and the company has not entered into any commitment, which would materially affect its financial position at the date.

AUDIT COMMITTEE

An audit committee of the Board has been in existence since the enforcement of the Code of Corporate Governance, which comprises of all three non-executive directors (*including its* Chairman). During the year four meetings of the Audit Committee were held. The Audit Committee has its terms of reference which were determined by the Board of Directors in accordance with the guidelines provided in the Listing Regulations.

RELATIONS WITH STAKEHOLDERS

We are committed to establish mutually beneficial relations with our suppliers, customers and business partners.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

In compliance with the Code of Corporate Governance, we give below statements on Corporate and Financial Reporting framework:

The financial statements together with the notes thereon have been drawn up by the management in conformity with the Companies Ordinance, 1984. These statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.

Proper books of account have been maintained by the company.

Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure there from has been adequately disclosed and explained.

The system of internal control is sound in design and has been effectively implemented and monitored.

There are no significant doubts upon the company's ability to continue as a going concern.

There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.

There has been no departure from the best practices of transfer pricing.

The key operating and financial data for the last six years is annexed.

Information about taxes and levies is given in the notes to the accounts.

The value of investments and bank balances in respect of staff retirement benefits:

Provident Fund **Rs.257 million**

The value of investment includes accrued profit.

TRADING OF SHARES BY THE CEO, DIRECTORS, CFO, COMPANY SECRETARY AND THEIR SPOUSES AND MINOR CHILDREN:

Name	No. of Shares purchased	No. of Shares sold
Mr. Anwaar Ahmad Khan	10,000	-
Mr. Moeez Ghani(Minor) Through Mr. Anwaar Ahmad Khan	1,615,000 as gift	-
Mr. Umair Ghani(Minor) Through Mr. Anwaar Ahmad Khan	1,615,000 as gift	-
Mr. Aftab Ahmad Khan	2,500	-
Mr. Shamim Ahmad	-	976,080 gifted

PATTERN OF SHARE HOLDINGS UNDER CLAUSE XIX (I) AND (J) OF CODE OF CORPORATE GOVERNANCE

A statement of the pattern of shareholding of certain class of shareholders as at June 30, 2015, whose disclosure is required under the reporting framework, is included in the annexed shareholder's information. The directors, CEO, CFO, Company Secretary and their spouses or minor children did not carry out any trade in shares of the company during the year, except as noted above.

ACKNOWLEDGMENT

On behalf of the Board, I would like to thank all the shareholders, dealers and other stakeholders for their valued support and I uphold the confidence they have showed in the management and I pray to Allah SWT for His guidance and beg for His endless mercy for all our endeavors, so that we shall be able to come up with dear rewards for all the stakeholders.

We put on record our doubtless faith in Allah SWT and pray to him for the very best of this company and for all the individuals directly or indirectly attached to it.

For and on behalf of the Board of Directors

Lahore: October 29, 2015



Imtiaz Ahmed Khan
Chief Executive Officer

Financial Performance

SIX YEARS AT GLANCE

	2015	2014	2013	2012	2011	2010
Operating Results	(Rupees in Million)					
Sale	11,260	10,200	10,362	8,620	6,869	6,534
Gross profit	3,236	2,442	2,330	1,999	2,001	1,889
Profit before tax	2,023	1,250	1,067	1,196	1,349	1,278
Financial data						
Fixed assets	7,176	7,168	6,063	6,002	2,622	2,504
Capital work-in-progress	271	9	713	-	1,155	204
Advances, and deposits	652	479	459	446	207	226
Long term investment/						
Current assets	4,444	4,538	3,713	3,581	3,155	2,791
Current liabilities	2,567	3,039	2,788	3,807	1,846	1,179
Assets employed	9,976	9,155	8,160	6,222	5,293	4,547
Financed by:						
Ordinary capital	1,232	1,232	1,174	1,067	1,067	970
Reserves	7,710	5,947	5,089	4,326	3,805	3,174
Shareholders equity	8,943	7,179	6,263	5,392	4,872	4,144
Finances and deposits	0	1,264	1,366	438	1	1
Deferred taxation	1,034	712	531	392	420	402
Funds invested	9,976	9,155	8,160	6,222	5,293	4,547
Earning per share	12.78	7.44	7.07	9.89	9.10	8.88
Break-up-value	72.57	58.26	53.37	50.55	45.66	42.72
Dividend %						
- cash	60	-	-	50	10	25
-Bonus shares	-	-	15	-	-	10
Total	-	-	15	50	10	35

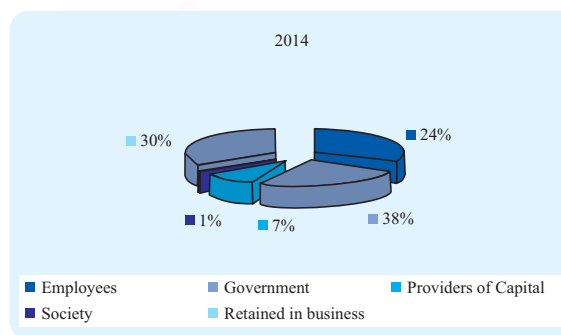
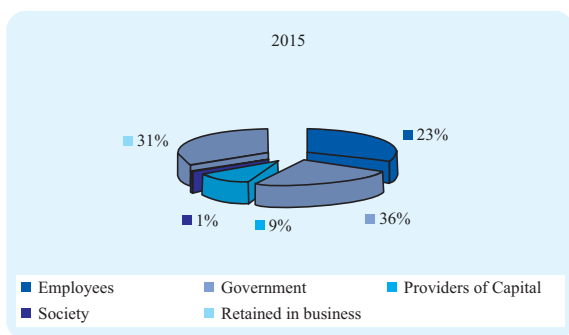
Financial Performance

SIX YEARS AT GLANCE

	2015	2014	2013	2012	2011	2010
Gross profit ratio (%)	29%	24%	22%	23%	29%	29%
Profit before tax ratio (%)	18%	12%	10%	14%	20%	20%
Inventory turnover ratio	6.52	6.17	7.96	6.73	6.22	7.36
Total assets turnover ratio	0.90	0.84	0.95	0.86	0.96	1.14
Fixed assets turnover ratio	1.39	1.33	1.43	1.34	1.72	2.23
Price earning ratio	6.79	7.26	8.85	5.25	5.77	5.83
Return on capital employed (%)	23.57%	17.74%	17.19%	19.22%	25.48%	28.11%
Market value per share (Rupees) <small>at the year end</small>	86.81	54	62.6	57.16	52.55	57
Debt Equity ratio	1:10.75	1:2.44	1:2.28	1:2.21	1:7.96	1:42.5
Current ratio	1:0.58	1:0.67	1:0.75	1:1.06	1:0.59	1:0.42
Interest cover ratio	7.16	4.34	4.18	15.64	35.20	22.51
Earning per share (Rupees)	12.78	7.44	7.07	9.89	9.10	8.88

Statement of Value Addition and its Distribution

	2015		2014	
Value Addition	(Rupees in Million)			
Sales (inclusive of sales tax)	13,156		11,829	
Material and services	(6,854)		(6,896)	
Other income	150		254	
	6,452		5,187	
Value Distribution				
Employees				
Salaries, wages and amenities	1,401		1,175	
Workers profit participation fund	105		66	
	1,506	23%	1,241	24%
Government	2,303	36%	1,976	38%
Providers of Capital				
Dividend	246		-	
Finance Cost	328		374	
	575	9%	374	7%
Society				
Donation	28		30	
	28	1%	30	1%
Retained in business				
Depreciation	699		650	
Retained profit	1,340		916	
	2,039	31%	1,566	30%
	6,452	100%	5,187	100%



Horizontal Analysis of Financial Statements

	2015	2014	2013	2012	2011	2010	% increase/(decrease) over preceding year					
	(Rupees in Million)						2015	2014	2013	2012	2011	2010
Balance Sheet												
Total Equity and minority interest	8,943	7,179	6,263	5,392	4,872	4,144	24.56	14.63	16.14	10.69	17.57	19.73
Total non-current liabilities	1,034	1,975	1,897	829	422	403	-53.49	4.13	128.79	96.73	4.54	-1.32
Total current liabilities	2,567	3,039	2,788	3,807	1,846	1,179	-8.08	9.02	-26.78	106.21	56.58	6.53
Total Equity and Liabilities	12,543	12,194	10,948	10,028	7,139	5,726	3	11	9	40	25	15
Total non-current assets	8,099	7,656	7,235	6,447	3,984	2,934	5.79	5.82	12.22	61.83	35.77	5.23
Total current assets	4,444	4,538	3,713	3,581	3,155	2,791	-2.07	22.22	3.67	13.50	13.04	27.59
Total Assets	12,543	12,194	10,948	10,028	7,139	5,726	3	11	9	40	25	15
Profit and Loss Account												
Net Sales	11,260	10,200	10,362	8,620	6,869	6,534	10.39	-1.56	20.21	25.48	5.14	25.85
Cost of Sales	-8,024	-7,758	-8,032	-6,621	-4,868	-4,645	3.43	-3.42	21.32	36.00	4.81	26.71
Gross Profit	3,236	2,442	2,330	1,999	2,001	1,889	32	5	17	(0)	6	24
General and Administration Expenses	-327	-304	-275	-300	-216	-187	7.34	10.56	-8.30	38.70	15.72	23.15
Selling and Distribution Expenses	-631	-688	-653	-400	-331	-292	-8.31	5.45	63.38	20.72	13.45	24.46
Other operating Expenses	-77	-79	-79	-89	-95	-79	-3.12	0.29	-10.76	-6.58	20.78	3.90
Other operating income	39	96	40	38	69	37	-59.63	141.00	4.92	-44.82	84.17	-52.73
	-996	-976	-967	-751	-574	-520	2	1	29	31	10	36
Operating Profit	2,240	1,466	1,362	1,248	1,428	1,369	53	8	9	(13)	4	20
Finance Cost	-328	-374	-336	-80	-41	-61	-12.14	11.32	320.75	96.80	-33.29	-34.69
Share of profit/loss of associate	111	158	41	27	-18	-30	-29.58	284.61	50.13	-253.90	-40.99	-46.87
	-217	-216	-295	-52	-79	-91	1	(27)	462	(33)	(13)	(39)
Profit before taxation	2,023	1,250	1,067	1,196	1,349	1,278	62	17	(11)	(11)	6	29
Taxation	-436	-334	-197	-35	-378	-331	30.62	69.70	458.67	-90.69	14.36	17.93
Profit after taxation	1,587	916	871	1,161	971	947	73	5	(25)	20	2	33

Vertical Analysis of Financial Statements

Rupees in Million

2015		2014		2013		2012		2011		2010	
(Rs.)	%	(Rs.)	%	(Rs.)	%	(Rs.)	%	(Rs.)	%	(Rs.)	%

Balance Sheet

Total Equity and minority interest	8,943	71.30	7,179	58.88	6,263	57.21	5,392	53.77	4,872	68.24	4,144	72.37
Total non-current liabilities	1,034	8.24	1,975	16.20	1,897	17.33	829	8.27	422	5.90	403	7.04
Total current liabilities	2,567	20.46	3,039	24.92	2,788	25.46	3,807	37.96	1,846	25.86	1,179	20.59
Total Equity and Liabilities	12,543	100.00	12,194	100.00	10,948	100.00	10,028	100.00	7,139	100.00	5,726	100.00
Total non-current assets	8,099	64.57	7,656	62.79	7,235	66.09	6,447	64.29	3,984	55.80	2,934	51.25
Total current assets	4,444	35.43	4,538	37.21	3,713	33.91	3,581	35.71	3,155	44.20	2,791	48.75
Total Assets	12,543	100.00	12,194	100.00	10,948	100.00	10,028	100.00	7,139	100.00	5,726	100.00

Profit and Loss Account

Net Sales	11,260	110.39	10,200	100.00	10,362	100.00	8,620	100.00	6,869	100.00	6,534	100.00
Cost of Sales	-8,024	(78.66)	-7,758	(76.06)	-8,032	(77.52)	-6,621	(76.81)	-4,868	(70.86)	-4,645	(71.09)
Gross Profit	3,236	28.74	2,442	23.94	2,330	22.48	1,999	23.19	2,001	29.14	1,889	28.91
General and Administration Expenses	-327	(3.20)	-304	(2.98)	-275	(3)	-300	(3.48)	-216	(3.15)	-187	(2.86)
Selling and Distribution Expenses	-631	(6.19)	-688	(6.75)	-653	(6)	-400	(4.64)	-331	(4.82)	-292	(4.47)
Other operating Expenses	-77	(0.75)	-79	(0.78)	-79	(1)	-89	(1.03)	-95	(1.38)	-79	(1.20)
Other operating income	39	0.38	96	0.94	40	0	38	0.44	69	1.00	37	0.57
	-996	(9.76)	-976	(9.57)	-967	(9.34)	-751	(8.71)	-574	(8.35)	-520	(7.96)
Operating Profit	2,240	21.96	1,466	14.37	1,362	13.14	1,248	14.48	1,428	20.78	1,369	20.95
Finance Cost	-328	(3.22)	-374	(3.67)	-336	(3.24)	-80	(0.93)	-41	(0.59)	-61	(0.93)
Share of Profit/Loss of associate	111	1.09	158	1.55	41	0.40	27	0.32	-18	(0.26)	-30	(0.46)
	-217	(2.13)	-216	(2.12)	-295	(2.84)	-52	(0.61)	-79	(1.15)	-91	(1.39)
Profit before taxation	2,023	19.83	1,250	12.26	1,067	10.30	1,196	13.88	1,349	19.64	1,278	19.56
Taxation	-436	(4.27)	-334	(3.27)	-197	(1.90)	-35	(0.41)	-378	(5.51)	-331	(5.06)
Profit after taxation	1,587	15.56	916	8.98	871	8.40	1,161	13.47	971	14.13	947	14.50

Statement of Compliance

with the Code of Corporate Governance for the Year Ended June 30, 2015

This statement is being presented to comply with the Code of Corporate Governance contained in clause 5.19 of Rule Book of Karachi Stock Exchange and regulation No.35 of listing regulations of Lahore and Islamabad stock exchanges for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and the directors representing minority interests on its Board of Directors. At present the Board includes:

Independent Directors	Mr. Ayub Sadiq
Executive Directors	Mr. Imtiaz Ahmad Khan
	Mr. Anwaar Ahmad Khan
	Mr. Aftab Ahmad Khan
	Mr. Junaid Ghani
	Mr. Jubair Ghani
Non - Executive Directors	Mrs. Ayesha Aftab
	Mrs. Reema Anwaar
	Mr. Zaid Ghani
	Mr. Shamim Ahmed
	Syed Hasan Akbar Kazmi
	Mr. Hassan Shahid
	Mr. Bilal Ahmed Memon (<i>nominee EOBI</i>)
Mr. Hamza Ghani	

The independent directors meet the criteria of independence under clause i (b) of the CCG.

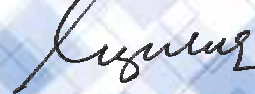
2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. Hafiz Farooq Ahmad resigned on November 6, 2014. During the year, election of directors were held on December 13, 2014. Mr. Aitzaz Ahmad Khan and Mr. Ali Jehangir Siddiqui retired on December 13, 2014. Mr. Ayub Sadiq, Mrs. Reema Anwaar, Mr. Hamza Ghani and Mr. Bilal Ahmed Memon (*nominee of EOBI*) were elected as directors on December 13, 2014. Syed Hasan Akbar Kazmi and Mr. Hassan Shahid were also elected as directors in said elections and subsequently resigned on July 6, 2015. Mrs. Rubina Imtiaz and Mrs. Musfira Jubair were coopted on October 3, 2015 in place of Syed Hasan Akbar Kazmi and Mr. Hassan Shahid. Mr. Bilal Ahmed Memon was replaced by Mr. Muhammad Ayub Khan on October 29, 2015.
5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive directors have been taken by the Board.

8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. As per criteria specified in clause xi of CCG, majority of the directors of the Company are exempted from the requirement of Directors' training program. Due to pressing business engagements, no director could participate the directors' training program this year.
10. No new appointment of CFO, Company Secretary and Head of Internal Audit was made during the year ended June 30, 2015.
11. The Directors' report for this year has been prepared in compliance with the requirements of the Code of Corporate Governance and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the Code of Corporate Governance.
15. The Board has formed an audit committee. It comprises of three members, all of whom are non-executive directors. The requirement of one member of the audit committee being the independent director would be fulfilled at the earliest.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has formed an HR and Remuneration (HR & R) Committee. It comprises of three members majority of them are non-executive directors.
18. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that all other material principles contained in the Code of Corporate Governance have been complied with.



Aftab Ahmad Khan
Director

For and Behalf of the Board of Directors



Imtiaz Ahmad Khan
Chief Executive Officer

to the Members on Statement of Compliance with Best Practices of Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Ghani Glass Limited (“the Company”) for the year ended 30 June 2015 to comply with the Listing Regulation no. 35 of Karachi and Lahore Stock Exchanges, where the company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 30 June 2015.

Further, we highlight below instance of non-compliance with the requirements of the Code as reflected in the following notes where these are stated in the Statement of Compliance:

	Reference of statement of compliance	Description
I	Note 9	As per the requirement of clause xi (b) of the Code, at minimum one director on the board of the Company is required to obtain certification under directors training program every year.
II	Note 15	As per the requirement of clause xxiv of the Code, the Audit Committee shall have at least one independent director.

The above requirements have not been complied with as at 30 June 2015.

Lahore: October 29, 2015

KPMG Taseer Hadi & Co
Chartered Accountants
(Bilal Ali)

Auditors' Report

to the Members

We have audited the annexed balance sheet of **Ghani Glass Limited** (“the Company”) as at 30 June 2015 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - i. the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii. the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company.
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2015 and of the profit, its comprehensive income, its cash flows and changes in equity for the year then ended; and
- d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980) was deducted by the company and deposited in the central Zakat fund established under section 7 of that ordinance.

Lahore: October 29, 2015

KPMG Taseer Hadi & Co
Chartered Accountants
(Bilal Ali)

Balance Sheet

As at 30 June 2015

	2015	2014		2015	2014
	Rupees	Rupees	Note	Rupees	Rupees
EQUITY AND LIABILITIES					
Capital and reserves					
Authorised share capital					
182,500,000 (2014: 142,500,000) ordinary shares of Rs. 10 each	1,825,000,000	1,425,000,000			
Issued, subscribed and paid up capital	1,232,190,060	1,232,190,060	5		
Shares to be issued under scheme of amalgamation	57,504,310	-			
Reserves	7,652,889,034	5,947,104,681	6		
	8,942,583,404	7,179,294,741			
Non-Current liabilities					
Long term finances	-	1,263,775,740	7		
Deferred taxation	1,033,715,991	711,681,817	8		
	1,033,715,991	1,975,457,557			
Current liabilities					
Current portion of non current liabilities	411,970	387,199,259	9		
Short term finances	831,263,746	1,294,066,604	10		
Trade and other payables	1,719,689,810	1,329,070,403	11		
Markup accrued	15,172,118	28,670,198			
	2,566,537,644	3,039,006,464			
Contingencies and commitments					
			12		
	12,542,837,039	12,193,758,762			
ASSETS					
Non-Current assets					
Property, plant and equipment	7,447,388,482	7,176,867,037	13		
Investment in associate	627,434,954	451,142,851	14		
Long term deposits and prepayments	24,250,017	27,947,590	15		
	8,099,073,453	7,655,957,478			
Current assets					
Stores, spares and other consumables	701,452,630	765,005,655	16		
Stock in trade	1,727,803,506	1,652,571,761	17		
Trade debtors	1,011,753,107	1,168,805,622	18		
Advances	219,124,299	312,694,735	19		
Income tax recoverable	209,746,570	241,892,502			
Other receivables	213,944,838	159,453,273	20		
Cash and bank balances	359,938,636	237,377,736	21		
	4,443,763,586	4,537,801,284			
	12,542,837,039	12,193,758,762			

The annexed notes 1 to 42 form an integral part of these financial statements.

Lahore



Chief Executive



Director

Profit and Loss Account

For the year ended 30 June 2015

	Note	2015 Rupees	2014 Rupees
Sales - net	22	11,260,189,883	10,200,398,815
Cost of sales	23	(8,024,067,984)	(7,757,966,908)
Gross profit		3,236,121,899	2,442,431,907
General and administrative expenses	24	(326,780,992)	(304,434,348)
Selling and distribution expenses	25	(631,108,164)	(688,324,349)
Other operating expenses	26	(76,852,525)	(79,326,047)
Other income	27	38,679,867	95,805,867
		(996,061,814)	(976,278,877)
Operating profit		2,240,060,085	1,466,153,030
Finance cost	28	(328,472,801)	(373,853,448)
Share of profit of associate- net	14	111,169,585	157,860,135
Profit before taxation		2,022,756,869	1,250,159,717
Taxation	29	(435,998,591)	(333,782,038)
Profit after taxation		1,586,758,278	916,377,679
Earnings per share - basic and diluted	39	12.78	7.44

The annexed notes 1 to 42 form an integral part of these financial statements.

Lahore



Chief Executive



Director

Statement of Comprehensive Income

For the year ended 30 June 2015

	2015	2014
	Rupees	Rupees
Profit for the year	1,586,758,278	916,377,679
Other comprehensive income	-	-
Total comprehensive income for the year	1,586,758,278	916,377,679

The annexed notes 1 to 42 form an integral part of these financial statements.

Lahore



Chief Executive



Director

Statement of Changes in Equity

For the year ended 30 June 2015

Share capital	Shares to be issued under scheme of amalgamation (Note-4)	Reserve created under scheme of amalgamation (Note-4)	Capital reserve		Revenue reserve		Total
			Merger reserve	Share premium	Unappropriated profit		
----- Rupees -----							
Balance as at 30 June 2013	1,173,514,350	-	-	427,419,290	75,000,000	4,586,983,422	6,262,917,062
Total comprehensive income for the year	-	-	-	-	-	916,377,679	916,377,679
<i>Transaction with owners</i>							
Interim bonus shares issued @ 5%	58,675,710	-	-	-	-	(58,675,710)	-
Balance as at 30 June 2014	1,232,190,060	-	-	427,419,290	75,000,000	5,444,685,391	7,179,294,741
Total comprehensive income for the year	-	-	-	-	-	1,586,758,278	1,586,758,278
<i>Transaction with owners</i>							
Amalgamation of former Techno Glass Industries Limited (Note - 4)	-	57,504,310	365,464,087	-	-	-	422,968,397
Interim Dividend @ 20% (Rs. 2 per share)	-	-	-	-	-	(246,438,012)	(246,438,012)
Balance as at 30 June 2015	1,232,190,060	57,504,310	365,464,087	427,419,290	75,000,000	6,785,005,657	8,942,583,404

The annexed notes 1 to 42 form an integral part of these financial statements.

Lahore



Chief Executive



Director

Cash Flow Statement

For the year ended 30 June 2015

	2015	2014
Note	Rupees	Rupees

Cash flows from operating activities

Cash generated from operations	30	3,630,886,932	1,143,296,338
Finance cost paid		(341,970,881)	(363,705,043)
WWF and WPPF paid		(81,754,673)	(57,804,861)
Income taxes paid		(81,818,485)	(95,545,740)
		(505,544,039)	(517,055,644)
Net cash generated from operating activities		3,125,342,893	626,240,694

Cash flows from investing activities

Fixed capital expenditure		(592,459,753)	(1,054,420,541)
Proceeds from sale of fixed assets		10,089,450	9,376,193
Equity investment in associate		(234,130,282)	-
Dividend income from associate		169,007,764	100,495,033
Long term deposits and pre-payments		3,697,573	37,639,000
Net cash used in investing activities		(643,795,248)	(906,910,315)

Cash flow from financing activities

Short term finances - net		(462,802,858)	(96,623)
Diminishing musharaka- net		(521,647,905)	440,299,750
Certificates of leasing- net		(1,128,915,124)	(242,898,060)
Dividend paid		(245,620,858)	(63,266)
Net cash (generated from)/ used in financing activities		(2,358,986,745)	197,241,801
Net increase / (Decrease) in cash and cash equivalents		122,560,900	(83,427,820)
Cash and cash equivalents at the beginning of the year		237,377,736	320,805,556
Cash and cash equivalents at the end of the year	21	359,938,636	237,377,736

The annexed notes 1 to 42 form an integral part of these financial statements.

Lahore



Chief Executive



Director

Notes to the Financial Statements

For the year ended 30 June 2015

1 Legal 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 and is listed on Karachi and Lahore Stock Exchanges. The registered office of the Company is located at 40 - L, Model Town Extension, Lahore. The Company is engaged in the business of manufacturing of sale of glass containers, float glass and neutral glass tubing of different types.

2 Statement of compliance

2.1 These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of Companies Ordinance, 1984. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the provisions of the Companies Ordinance, 1984. Wherever, the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of Companies Ordinance, 1984 or the requirements of the said directives shall prevail.

2.2 Standards, Interpretations and Amendments not yet effective

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 July 2015:

- Amendments to IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment (effective for annual periods beginning on or after 1 January 2016) introduce severe restrictions on the use of revenue-based amortization for intangible assets and explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The rebuttable presumption that the use of revenue-based amortization methods for intangible assets is inappropriate can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are 'highly correlated', or when the intangible asset is expressed as a measure of revenue.
- IFRS 10 'Consolidated Financial Statements' – (effective for annual periods beginning on or after 1 January 2015) replaces the part of IAS 27 'Consolidated and Separate Financial Statements'. IFRS 10 introduces a new approach to determining which investees should be consolidated. The single model to be applied in the control analysis requires that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 has made consequential changes to IAS 27 which is now called 'Separate Financial Statements' and will deal with only separate financial statements. Certain further amendments have been made to IFRS 10, IFRS 12 and IAS 28 clarifying the requirements relating to accounting for investment entities and would be effective for annual periods beginning on or after 1 January 2016.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) [effective for annual periods beginning on or after 1 January 2016]. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.
- IFRS 11 'Joint Arrangements' (effective for annual periods beginning on or after 1 January 2015) replaces IAS 31 'Interests in Joint Ventures'. Firstly, it carves out, from IAS 31 jointly controlled entities, those cases in which although there is a separate vehicle, that separation is ineffective in certain ways. These arrangements are treated similarly to jointly controlled assets/operations under IAS 31 and are now called joint operations. Secondly, the remainder of IAS 31 jointly controlled entities, now called joint ventures, are stripped of the free choice of using the equity method or proportionate consolidation; they must now always use the equity method. IFRS 11 has also made consequential changes in IAS 28 which has now been named 'Investment in Associates and Joint Ventures'. The amendments requiring business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business are effective for annual periods beginning on or after 1 January 2016.

- IFRS 12 'Disclosure of Interest in Other Entities' (effective for annual periods beginning on or after 1 January 2015) combines the disclosure requirements for entities that have interests in subsidiaries, joint arrangements (i.e. joint operations or joint ventures), associates and/or unconsolidated structured entities, into one place.
- IFRS 13 'Fair Value Measurement' effective for annual periods beginning on or after 1 January 2015) defines fair value, establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements. IFRS 13 explains how to measure fair value when it is required by other IFRSs. It does not introduce new fair value measurements, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards.
- Amendment to IAS 27 'Separate Financial Statement' (effective for annual periods beginning on or after 1 January 2016). The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.
- Agriculture: Bearer Plants [Amendment to IAS 16 and IAS 41] (effective for annual periods beginning on or after 1 January 2016). Bearer plants are now in the scope of IAS 16 Property, Plant and Equipment for measurement and disclosure purposes. Therefore, a company can elect to measure bearer plants at cost. However, the produce growing on bearer plants will continue to be measured at fair value less costs to sell under IAS 41 Agriculture. A bearer plant is a plant that: is used in the supply of agricultural produce; is expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce. Before maturity, bearer plants are accounted for in the same way as self-constructed items of property, plant and equipment during construction.

Annual Improvements 2012-2014 cycles (amendments are effective for annual periods beginning on or after 1 January 2016). The new cycle of improvements contain amendments to the following standards:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. IFRS 5 is amended to clarify that if an entity changes the method of disposal of an asset (or disposal group) i.e. reclassifies an asset from held for distribution to owners to held for sale or vice versa without any time lag, then such change in classification is considered as continuation of the original plan of disposal and if an entity determines that an asset (or disposal group) no longer meets the criteria to be classified as held for distribution, then it ceases held for distribution accounting in the same way as it would cease held for sale accounting.
- IFRS 7 'Financial Instruments- Disclosures'. IFRS 7 is amended to clarify when servicing arrangements are in the scope of its disclosure requirements on continuing involvement in transferred financial assets in cases when they are derecognized in their entirety. IFRS 7 is also amended to clarify that additional disclosures required by 'Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS7)' are not specifically required for inclusion in condensed interim financial statements for all interim periods.
- IAS 19 'Employee Benefits'. IAS 19 is amended to clarify that high quality corporate bonds or government bonds used in determining the discount rate should be issued in the same currency in which the benefits are to be paid.
- IAS 34 'Interim Financial Reporting'. IAS 34 is amended to clarify that certain disclosures, if they are not included in the notes to interim financial statements and disclosed elsewhere should be cross referred.

The above amendments, improvements does not have any significant impact on these financial statements.

3 Significant accounting policies

These financial statements have been prepared under the historical cost convention except foreign currency translations.

The preparation of financial statement in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are:

	<i>Note</i>
- Residual values and useful lives of depreciable assets	3.1
- Impairment	3.13
- Provision for taxation	3.15
- Provisions and contingencies	3.19

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Property, plant and equipment

Property, plant and equipment except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss.

Depreciation on all property, plant and equipment is charged to income using "reducing balance method", except for furnace on which depreciation is charged on straight line basis, so as to write off the historical cost of an asset over its estimated useful life at the rates mentioned in note 13.1.

Depreciation methods, residual values and the useful lives of the assets are reviewed at least at each financial year end and adjusted if impact on depreciation is significant.

Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed off.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

Profit or loss on disposal of operating fixed assets represented by the difference between the sale proceeds and the carrying amount of the asset is recognized in income or expense.

3.2 Capital work in progress

Capital work in progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during the construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

3.3 Operating leases

Rentals payable under operating leases are charged to profit and loss account on a straight line basis over the term of the relevant lease.

3.4 Ijarah finances

Ijarah finances are classified as an operating lease according to the guidelines provided in International Financial Accounting Standard (IFAS) 2. Leases where a significant proportion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Payments made under the operating lease (net of any incentives received from the lessor) are charged to profit on a straight line basis over the lease term.

3.5 Investments

Management determines the classification of its investments at the time of purchase depending on the purpose for which the investments are acquired and re-evaluates this classification at the end of each financial year. Investments intended to be held for less than twelve months from the balance sheet date or to be sold to raise operating capital are included in current assets, all other investments are classified as non-current.

Investments are either classified as financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale investments or investment in subsidiary and associated companies, as appropriate. When investments are recognized initially, they are measured at fair value, plus, in case of investments not at fair value through profit or loss, directly attributable transaction cost.

Investment in associate

Associates are all entities over which the Company has significant influence but not control. Investment in associate is accounted for using the equity method of accounting and are initially recognized at cost. The Company's share of its associates' post acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealized gains/losses on transactions between the Company and its associate are eliminated to the extent of the Company's interest in the associate.

3.6 Business combinations

The Company accounts for business combinations using the acquisition method when control is transferred to the Company. The consideration transferred is measured generally at fair value, as are the identifiable net assets acquired. Any goodwill that arise is tested annually for impairment. Any gain on a bargain purchase is recognized in the profit or loss immediately. Transaction costs are expensed as incurred except if related to the issue of debt or equity instrument.

3.7 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit and loss account over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

3.8 Stores, spares and other consumables

These are valued at lower of cost and net realizable value. Cost is determined at weighted average except items in transit which are valued at cost comprising invoice value plus other charges paid thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred to make the sale. Provision is made in the financial statements for obsolete and slow moving items of stores and spares based on management estimates, if any. Items considered obsolete are carried at nil value.

3.9 Stock-in-trade

These are valued at the lower of cost and net realizable value except for stock in transit, which are valued at cost comprising invoice value plus other charges paid.

Cost is determined as follows:

Raw and packing materials	At weighted average cost
Work-in-process	At weighted average cost and related manufacturing expenses
Finished goods	At weighted average cost and related manufacturing expenses

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred to make the sale. Provision is made in the financial statements for obsolete and slow moving items of stock-in-trade based on management estimates, if any.

3.10 Financial instruments

Financial assets

Significant financial assets include trade debts, advances and receivables, long term deposits and cash and bank balances. Finances and receivables from clients are stated at their nominal value as reduced by provision for doubtful finances and receivable, while other financial assets are stated at cost.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities include short term musharika and morabaha finances, salam finances, accrued markup, trade and other payables and dividends payable. Markup based financial liabilities are recorded at gross proceeds received. Other liabilities are stated at their nominal value.

Recognition and de-recognition

All the financial assets and financial liabilities are recognized at the time when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to income currently.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the Company has legal enforceable right to set off the recognized amount and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

3.11 Trade debts

Trade debts are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

3.12 Cash and cash equivalents

Cash and cash equivalents are carried at cost in the balance sheet. For the purpose of cash flow statement cash and cash equivalents comprise cash in hand and with banks.

3.13 Impairment

Financial assets (including receivables)

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired may include default or delinquency by a debtor indications that a debtor or issuer will enter bankruptcy. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit and loss and reflected in an allowance account against receivables.

Non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax asset, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit, or CGU").

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit and loss account.

Impairment loss recognized in prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.14 Trade and other payables

Liabilities for creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received, whether or not billed to the Company.

3.15 Taxation

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to profit for the year if enacted after taking into account tax credits, rebates and exceptions, if any. The charge for the current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are calculated at the rates that are expected to apply to the period when the asset is realized or liability is settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statements except in the case of items credited or charged to equity in which case it is included in equity.

3.16 Revenue recognition

Revenue represents the fair value of the consideration received or receivable for goods sold, net of discounts and sales tax. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue, and the associated cost incurred, or to be incurred, can be measured reliably.

Profit on receivables is recognized on time proportionate basis when the right to receive is established.

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

Dividend income is recognized when right to receive such dividend is established.

3.17 Foreign currency transactions

All monetary assets and liabilities in foreign currencies are translated into rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into rupees at exchange rates prevailing at the date when fair values are determined. Exchange gains and losses are included in the income currently.

3.18 Employees retirement benefit

Defined contribution plan

The Company operates funded contributory provident fund scheme for all its permanent and eligible employees. For the purpose of scheme, a separate Trust has been established. Equal monthly contributions are made both by the Company and the employees at the rate of 8.33 percent of the gross salary.

3.19 Provisions and contingencies

Provisions are recognized in the balance sheet when the Company has a legal or constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate. Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

3.20 Borrowing costs

Mark-up, interest and other charges on borrowings are capitalized up to the date of commissioning of the related property, plant and equipment acquired out of the proceeds of such borrowings. All other mark-up, interest and other charges are charged to profit in which they are incurred.

3.21 Dividend

Dividend distribution to the Company's shareholders is recognized as a liability in the period in which the dividends are approved.

3.22 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the company that makes strategic decisions.

4 Amalgamation of Techno Glass Industries Limited (TGIL) with the Company

TGIL was incorporated as a private limited company on 13 July 1991 under the provisions of Companies Ordinance, 1984, and subsequently converted into public unlisted company. The principal activity of the company is to manufacture and sell neutral glass tubing.

Under a scheme of arrangement for amalgamation of TGIL with the Company, sanctioned by the Honorable High Court of Lahore (the scheme) on 15 October 2015, effective from 01 May 2015. All assets and liabilities of TGIL shall be vested in GGL against issue of 5.75 million ordinary shares of Rs. 10 each to former shareholders of TGIL, i.e., 1 ordinary share of the Company for every 4.3475 shares of TGIL, according to the share swap ratio approved under the scheme.

4.1 The fair values of assets and liabilities at the acquisition date were as follows:

		Rupees
Non Current Assets		
Property plant and equipment		382,000,000
Long term deposits and prepayments		3,191,485
		<u>385,191,485</u>
Current Assets		
Stores and spares		896,391
Stock in trade		1,076,245
Loans and advances		6,349,000
Tax refunds due from the government		1,542,411
Other receivables		3,957,245
Cash and bank balances		83,444,858
		<u>97,266,150</u>
Total Assets	A	<u><u>482,457,635</u></u>
Non - Current Liabilities		
Long term financing		45,369,072
Deferred liabilities		13,500,000
		<u>58,869,072</u>
Current Liabilities		
Trade and other payables		620,166
		<u>620,166</u>
Total Liabilities	B	<u><u>59,489,238</u></u>
Net assets acquired by the Company	A - B	<u><u>422,968,397</u></u>

4.2 Subsequent to the amalgamation, the Company intends to resume commercial production of neutral glass tubing by incurring necessary capital expenditure. Management is confident about the revival of plant based on its expertise in glass manufacturing technology.

	Note	2015 Rupees	2014 Rupees
5 Issued, subscribed and paid up capital			
14,950,000 (2014: 14,950,000) Ordinary shares of Rs.10 each fully paid in cash		149,500,000	149,500,000
72,026,871 (2014: 72,026,871) Ordinary shares of Rs.10 each issued as fully paid bonus shares		720,268,710	720,268,710
36,242,135 (2014: 36,242,135) Ordinary shares of Rs.10 each issued under the scheme of amalgamation	5.1	362,421,350	362,421,350
		1,232,190,060	1,232,190,060

5.1 In accordance with the scheme of amalgamation, the Company has issued 3,984,064 ordinary shares of Rs. 10 each to the shareholders of former Ka'as ul Musaffa (Private) Limited and 32,258,071 ordinary shares of Rs. 10 each to the shareholders of the former Ghani Float Glass Limited in accordance with the scheme of amalgamation.

	Number of shares	
	2015	2014
5.2 Reconciliation of ordinary shares		
Opening balance of ordinary shares of Rs. 10 each	123,219,006	117,351,435
Bonus shares issued during the year	-	5,867,571
Closing balance of ordinary shares of Rs. 10 each	123,219,006	123,219,006

5.3 NIL (2014: 8,924,908) ordinary shares of the Company are held by JS Bank Limited, 12,412 (2014: 11,821) ordinary shares of the Company are held by Ghani Mines (Private) Limited and 127,968 (2014: 121,875) ordinary shares of the Company are held by Jamia Tul Ghani Ul Islam, associated undertakings.

	Note	2015 Rupees	2014 Rupees
6 Reserves			
<i>Capital</i>			
Merger reserves	6.1	427,419,290	427,419,290
Reserve created under scheme of amalgamation	4	365,464,087	
Share premium	6.2	75,000,000	75,000,000
		867,883,377	502,419,290
<i>Revenue</i>			
Unappropriated profit		6,785,005,657	5,444,685,391
		7,652,889,034	5,947,104,681

6.1 This represents amount arising under the scheme of amalgamation of Ghani Float Glass Limited with the company.

6.2 This reserve can be utilised by the Company only for the purposes specified in section 83(2) of the Companies Ordinance, 1984.

7 Long term finances

Diminishing musharika:

	Note	2015 Rupees	2014 Rupees
First Habib Modaraba	7.1	411,970	2,059,875
United Bank Limited	7.2	-	520,000,000
		411,970	522,059,875
Certificates of leasing	7.3	-	1,132,769,264
Less: Unamortized transaction cost	7.4	-	(3,854,140)
		-	1,128,915,124
		411,970	1,650,974,999
Less: Current portion shown under current liabilities			
<i>Diminishing musharika</i>			
First Habib Modaraba	9	411,970	1,647,905
United Bank Limited		-	104,999,995
		411,970	106,647,900
Certificates of leasing	9	-	280,551,359
		-	1,263,775,740

- 7.1** This represents diminishing musharika facility availed from First Habib Modaraba for purchase of vehicles. The term of the agreement is 3 years. The balance is repayable in single installment on 6 August 2015. It carries markup at the rate of 6 months KIBOR plus 0.9%. It is secured against hypothecation charge over assets acquired by the Company. Under the agreement, the Company holds certain assets amounting to Rs. 6.24 million in joint ownership with the bank.
- 7.2** This represents diminishing musharika facilities availed from UBL Ameen amounting to Rs. 520 million. Out of the total facility, Rs. 320 million has been used for setting up container glass line at Karachi and remaining facility of Rs. 170 million has been used for purchase of machinery at Sheikhpura plant. The facilities have been availed in three tranches of Rs. 350 million, Rs. 90 million and Rs. 80 million and were repayable upto July 2018, November 2018 and November 2018 respectively in 48 equal monthly installments with one year grace period. These facilities carry markup at the rate of 6 months KIBOR plus 1.25% and is secured against first pari passu charge over plant and machinery of container glass line upto Rs. 650 million and first pari passu charge of Rs. 334 million on Sheikhpura plant of the Company. During the current year, the Company repaid outstanding amount by making early repayments amounting to Rs. 415 million.
- 7.3** This represents a financing arrangement with Meezan Bank Limited (acting as lead arranger) to issue Certificates of Leasing amounting to Rs. 1,500 million by executing a Declaration of Trust in compliance with the requirements of section 120 of the Companies Ordinance, 1984 (Issuance of securities and redeemable capital not based on interest). Under the arrangement the underlying assets were surrendered to Meezan Bank Limited and through a lease agreement signed between the Company and Meezan Bank Limited, the Company retained the right to use the assets. Additionally, an asset purchase agreement had also been signed between the parties which obligated the Company to purchase the assets and, also, the Bank to sell the assets to the Company upon maturity of certificates. Being a structured finance transaction it had been accounted for as long term finance (repayable in quarterly installments), ending on 27 December 2017. These carried mark up at the rate of 3 months KIBOR plus 1.75% and were secured against first pari passu charge on present and future fixed assets of the Company's Sheikhpura Plant. The Company settled this facility by making early repayments of the entire outstanding amount.

	2015 Rupees	2014 Rupees
7.4 Balance as at 01 July	3,854,140	12,290,043
Amortized during the year	(3,854,140)	(8,435,903)
Balance as at 30 June	-	3,854,140

8 Deferred taxation

Deferred tax liability comprises of the following:

Deferred tax liability arising in respect of accelerated tax depreciation		2015	2014
		Rupees	Rupees
		1,293,212,453	1,196,028,862
Deferred tax asset arising on provisions		(32,702,398)	(2,867,475)
Deferred tax assets arising on unabsorbed tax credits and minimum taxation		(222,885,267)	(483,427,783)
Others		(3,908,797)	1,948,213
		1,033,715,991	711,681,817

8.1 Deferred tax on minimum taxation paid under section 113 of the Income tax Ordinance, 2001 is recognized based upon the probability of future tax profits for absorption of these benefits. Minimum tax amounting to Rs. 222.88 million under section 113 will expire from 30 June 2017 to 30 June 2019 if not utilised against future tax liability.

9 Current portion of non current liabilities

	<i>Note</i>	2015	2014
		Rupees	Rupees
<i>Diminishing musharika</i>			
First Habib Modaraba	7	411,970	1,647,905
United Bank Limited	7	-	104,999,995
Certificates of leasing	7	-	280,551,359
		411,970	387,199,259

10 Short term finances

Morabaha finances - secured	10.1	10,965,588	86,736,540
Salam finances - secured	10.2	474,929,086	1,207,330,064
Running Musharika - secured	10.3	300,000,000	-
		785,894,674	1,294,066,604
Loan from Ex-Directors and associate of TGIL - unsecured (Note -4)	10.4	45,369,072	-
		831,263,746	1,294,066,604

10.1 Morabaha finances - secured

	Profit rate	2015	2014
		Rupees	Rupees
Bank Islami	Respective KIBOR plus 0.70%	-	42,316,627
Habib Metropolitan Bank Limited	Respective KIBOR plus 1 %	10,965,588	44,419,913
		10,965,588	86,736,540

10.2 Salam finances - secured

Bank Islami	Respective KIBOR plus 0.70%	354,435,000	465,272,400
Soneri Bank	Respective KIBOR plus 0.75%	-	66,752,000
Bank Alfalah	Respective KIBOR plus 0.75%	-	216,000,000
Meezan Bank Limited	Respective KIBOR plus 0.75%-0.8%	-	384,410,004
Habib Bank Limited	Respective KIBOR plus 0.75%	120,494,086	74,895,660
		474,929,086	1,207,330,064

10.3 Running musharika - secured

Dubai Islamic Bank Limited	Respective KIBOR plus 0.65%	300,000,000	-
		300,000,000	-

	Note	2015 Rupees	2014 Rupees
10.4	Loan from Ex-Directors and Associate of Techno Glass		
	Shamim Ahmad (Ex-Director)	22,815,556	-
	Techno Ideas (Private) Limited	22,553,516	-
	4.1	45,369,072	-

10.4.1 These represents unsecured, interest free loans acquired under business combination as disclosed in Note 4 and are repayable at the option of the Company.

10.5 Total short term credit facilities available amount to Rs.4,600 (2014: 3,700) million. Short term finances availed from various banks are secured against first pari passu / joint pari passu and running charge over all present and future current assets, stocks, book debts and fixed assets of the Company amounting to Rs. 7,897 (2014: 6,583) million.

	Note	2015 Rupees	2014 Rupees
11	Trade and other payables		
	Creditors	557,144,747	410,730,083
	Bills payable	48,779,823	83,235,380
	Advances from customers	164,358,510	104,605,502
	Security deposits	270,380,415	247,430,806
	Accrued expenses	497,237,137	297,199,854
	Income tax deducted at source	41,417,570	43,269,057
	Retention money	5,740,486	5,740,486
	Workers' profit participation fund	107,372,443	69,038,610
	Workers' welfare fund	18,444,499	59,040,230
	Unclaimed dividend	3,683,505	2,866,351
	Provident fund payable	5,130,675	5,914,044
		1,719,689,810	1,329,070,403

11.1 This includes an amount of Rs. Nil (2014: Rs. 3.41) million payable to Ghani Value Glass Limited - a related party.

11.2 This includes amounts of Rs. Nil (2014: Rs.0.99) million , Rs. 4.27 (2014: 2.86) million, and Rs. Nil (2014: Rs. 2.89) million from Health Tek (Private) Limited, Sami Pharmaceutical (Private) Limited and Ghani Value Glass Limited- related parties respectively.

11.3 Security deposits

	Security deposits from transporters	11.3.1	3,247,500	3,247,500
	Security deposits from customers	11.3.2	266,532,415	243,682,806
	Security deposits from other contractors	11.3.3	600,500	500,500
			270,380,415	247,430,806

11.3.1 These are interest free security deposits obtained from transport contractors and are being utilized in accordance with the terms of agreement. These deposits are adjustable with the outstanding balance of the contractor and in case of termination of contract a prior notice of six months is required to be filed by the contractor.

11.3.2 These are interest free security deposits obtained from dealers of float glass and are adjustable/repayable on cancellation/withdrawal of the dealership or on cessation of business with the Company. As per the terms of the agreement, the Company can use these funds for the purpose of Company's operations. These have been classified as current liability for better presentation.

11.3.3 These are the interest free security deposits obtained from various contractors and are being utilized in accordance with the terms of agreements. These deposits are adjustable on termination of contract.

11.4 Workers' profit participation fund

	2015 Rupees	2014 Rupees
Balance as at 01 July	69,038,610	60,369,183
Provision for the year	104,980,470	66,474,288
Interest for the year	2,640,250	2,812,599
Less: Payments made during the year	(69,286,887)	(60,617,460)
	38,333,833	8,669,427
Balance as at 30 June	107,372,443	69,038,610

11.5 Workers' welfare fund

Opening balance for the year	59,040,230	46,188,471
Provision for the year	18,444,499	12,851,759
Reversal of provision - prior years (note 12.3)	(46,572,444)	-
Less: Payments made during the year	(12,467,786)	-
	(40,595,731)	12,851,759
Closing balance for the year	18,444,499	59,040,230

12 Contingencies and commitments

- 12.1** The tax department had opened reassessment proceedings regarding tax year 2010 and a demand of Rs. 137.63 million had been raised by Additional Commissioner Inland Revenue (ACIR) u/s 122(5A) of the Income Tax Ordinance, 2001 which was subsequently reduced to Rs. 35.33 million through rectification orders under section 221 of the Ordinance. The Company filed appeal before the Commissioner Inland Revenue (Appeals) (CIR(A)), who after making certain adjustments has upheld the decision of the ACIR. Being aggrieved with the treatment meted out by CIR (A), the Company preferred second appeal before the Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication.
- 12.2** The Company, in tax return filed for tax year 2012 claimed refunds of Rs. 299.58 million. Deputy Commissioner Inland Revenue (DCIR) in its order dated 15 April 2013 restricted amount of tax refund to Rs.295.760 million on account of non verification of certain advance tax payments under section 170(4) of the Income Tax Ordinance 2001. The Company has appealed against the order of DCIR before CIR(A) which was set aside by the Commissioner Inland Revenue (Appeals) vide his order dated 3 March 2015.
- 12.3** The Sindh High Court through its order dated 01 March 2013 declared the amendments made in the WWF Ordinance, 1971 through Finance Act 2006 and Finance Act 2008 constitutional. The amendments made through aforementioned Finance Acts required that WWF is applicable on accounting profits rather than on the taxable income computed after incorporating the effect of brought forward losses. In light of the above order, the provision for the period based on accounting profit comes to Rs. 75.53 (2014: Rs. 46.57) million. However, these financial statements does not include any adjustment to this effect since the Company is of the opinion that it does not come under the purview of the order of the Sindh High Court and that the Lahore High Court had already declared the above amendments unconstitutional via the case reported as 2011 PLD 2643. Based on the decision of Lahore High court the Company has charged WWF provision based on taxable income in the current year.

Based on the opinion of the Company's legal counsel the management is confident of favourable outcome in all aforesaid matters, hence no provision is being recognised in respect of these in the financial statements.

- 12.4** Aggregate amount of bank guarantees issued by banks outstanding as at balance sheet date amount to Rs. 840.75 (2014: Rs.843) million.
- 12.5** Letters of credit for import of materials and stores outstanding as at balance sheet date amount to Rs. 345.2 (2014: Rs. 616) million.
- 12.6** Commitments in respect of Ijarah lease rentals agreement:

Particulars:

Not later than 1 year

2015 Rupees	2014 Rupees
-	9,671,979

13 Property, plant and equipment

Operating assets

Capital work in progress

	2015 Rupees	2014 Rupees
13.1	7,176,114,524	7,167,701,772
13.6	271,273,958	9,165,265
	<u>7,447,388,482</u>	<u>7,176,867,037</u>

13.1 Operating assets

	Cost		Disposals during the year	Depreciation		Net book value as at 30 June 2015	
	As at 1 July 2014	Acquisition through business combination (Note - 4)		As at 30 June 2015	Rate		For the year
	Rupees						%
Owned							
Freehold land	233,124,822	72,000,000	-	346,232,822	-	-	346,232,822
Building on freehold land	641,339,038	45,000,000	-	740,997,549	10	-	307,322,287
Plant and machinery	5,785,526,931	310,112,304	-	6,103,719,567	5 - 10	-	2,330,606,122
Furnace	3,489,323,864	74,745,939	-	3,564,069,803	5 - 33.33	-	1,135,815,872
Tools and office equipment	16,724,087	2,056,920	-	18,781,007	10	-	9,998,832
Electrical equipment	23,383,622	7,948,348	-	31,331,970	10	-	22,215,612
Furniture and fixtures	14,021,897	1,231,347	-	15,253,244	10	-	8,655,642
Vehicles	179,628,441	83,650,730	(20,958,054)	242,321,117	20	(16,096,608)	96,836,071
2015	10,383,072,702	128,368,599	(20,958,054)	11,074,465,708		(16,096,608)	3,898,351,184

13.2 Plant and machinery and furnace include capital stores with value of Rs. 312.4 (2014: Rs. 332.75) million.

13.3 Land amounting to Rs. 10.6 million and building amounting to Rs. 3.6 million in the possession of the Company are not held in Company's name as transfer of ownership is in process in Government revenue records as at the year end.

Operating assets

	Cost		Disposals during the year	Depreciation		Net book value as at 30 June 2014	
	As at 1 July 2013	Acquisition through business combination		As at 30 June 2014	Rate		For the year
	Rupees						%
Owned							
Freehold land	132,584,822	100,540,000	-	233,124,822	-	-	233,124,822
Building on freehold land	541,542,888	99,796,150	-	641,339,038	10	-	376,059,485
Plant and machinery	4,994,991,350	790,535,581	-	5,785,526,931	10	-	1,943,350,971
Furnace	2,775,023,395	714,300,469	-	3,489,323,864	5 - 33.33	-	892,788,960
Tools and office equipment	16,710,952	13,135	-	16,724,087	10	-	9,213,490
Electrical equipment	14,232,692	9,150,930	-	23,383,622	10	-	16,483,243
Furniture and fixtures	12,590,589	1,431,308	-	14,021,897	10	-	6,765,163
Vehicles	151,828,797	41,998,644	(14,199,000)	179,628,441	20	(10,951,541)	89,047,598
2014	8,639,505,485	1,757,766,217	(14,199,000)	10,383,072,702		(10,951,541)	7,167,701,772

13.4 Depreciation charge for the year has been allocated as follows:

	2015 Rupees	2014 Rupees
Cost of sales	692,698,186	645,215,823
General and administrative expenses	5,698,776	4,089,399
Selling and distribution expenses	679,900	584,200
	699,076,862	649,889,422

Note

23	
24	
25	

13.5 Disposal of property, plant and equipment

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Profit	Mode of disposal	Particulars of buyer
Rupees							
Vehicles							
Mercedes LEH-07-49	6,790,020	5,966,965	823,055	3,400,000	2,576,945	Negotiation	Mr. Mian Shafique
Suzuki Cultus LED-10-5772	883,000	611,441	271,559	361,920	90,361	Company Policy	Mr. Hafiz M. Imran Sabir - Employee
Suzuki Mehran AUN-149	544,000	350,887	193,113	222,720	29,607	Company Policy	Mr. Omer Khan - Employee
Suzuki Cultus LE-10-6549	868,000	577,648	290,352	359,629	69,277	Company Policy	Mr. Shahzad Naseer Qureshi - Employee
Suzuki Cultus LED-10-3549	883,000	621,689	261,311	361,677	100,366	Company Policy	Mr. Rana Abdul Waheed - Employee
Corolla GLI SG-449	1,426,000	970,897	455,103	591,053	135,950	Company Policy	Mr. Aman Ullah Khan - Employee
Corolla GLI SG-328	1,426,000	386,167	1,039,833	600,064	(439,769)	Company Policy	Mr. Abdul Rehman - Employee
Suzuki Mehran AUN-049	544,000	334,795	209,205	222,720	13,515	Company Policy	Mr. Mujahid Sherwani - Employee
Honda Civic AUB-220	1,757,000	1,108,050	648,950	719,667	70,717	Company Policy	Mr. Ch. Sardar Muhammad - Employee
Mercedes AHW-745	5,837,034	5,168,069	668,965	3,250,000	2,581,035	Negotiation	Mr. Aamir Mahmood
2015	20,958,054	16,096,608	4,861,446	10,089,450	5,228,004		

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Profit	Mode of disposal	Particulars of buyer
Vehicles							
LXG 1742 - Suzuki Khyber	399,000	325,424	73,576	255,000	181,424	Negotiation	Mr. Khalid Mehmood
LRR 549 - Toyota Corolla	939,000	865,014	73,986	818,000	744,014	Negotiation	Mr. Sarfraz Ahmad
LRR49 - Toyota Corolla	939,000	839,580	99,420	693,000	593,580	Negotiation	Mr. Akbar Zaidi
LEC 949 - Honda Civic	1,557,000	1,209,104	347,896	1,135,000	787,104	Negotiation	Mr. Irshad
LEC 3482 - Toyota Corolla	965,000	779,591	185,409	418,000	232,591	Negotiation	Ms. Qurat ul Ain
LRU 49 - Honda City	978,000	900,481	77,519	685,000	607,481	Negotiation	Mr. Amir Meraj
ADQ 849 - Honda City	978,000	898,456	79,544	386,000	306,456	Negotiation	Mr. Naseer Ahmad - Employee
LED-6583 - Suzuki Liana	1,081,000	638,375	442,625	442,625	-	Company Policy	Mr. Aziz Naveed - Employee
LED-149 - Honda City	905,000	662,915	242,085	1,009,000	766,915	Negotiation	Mr. Asif Javed
LE-9049 - Suzuki Mehran	534,000	277,373	256,627	400,000	143,373	Negotiation	Mr. Naeem Mehmood
LEB-6521 - Suzuki Cultus	595,000	477,765	117,235	485,000	367,765	Negotiation	Mr. Farhan Zeb
LRQ-149 - Toyota Corolla	939,000	848,814	90,186	795,000	704,814	Negotiation	Mr. Maqsood Ahmad
LEC-2959 - Suzuki Mehran	589,000	287,432	301,568	301,568	-	Company Policy	Mr. Naseer Ahmad - Employee
LEA-649 - Honda Civic	1,803,000	1,055,000	748,000	748,000	-	Company Policy	Mr. Umer Farooq - Employee
LRY-549 - Honda City	998,000	886,217	111,783	805,000	693,217	Negotiation	Mr. Mirza Irfan
2014	14,199,000	10,951,541	3,247,459	9,376,193	6,128,734		

2015	2014
Rupees	Rupees
1,257,417	9,153,765
13,373,640	-
11,500	11,500
3,000,000	-
253,631,401	-
271,273,958	9,165,265

Note

13.6.1

13.6 Capital work in progress

Plant and machinery	
Intangible assets in progress	
Civil works	
Advances to suppliers	
Acquisition through business combination	

13.6.1 This represents the fair value of plant and machinery in progress acquired in acquisition of Techno Glass Industries Limited.

14 Investment in associate

Rak Ghani Glass LLC

21,971 (2014: 16,456) fully paid ordinary shares
of AED 1,000 each

Note

2015
Rupees

2014
Rupees

14.1

627,434,954

451,142,851

14.1 Movement in equity instruments of associated company is as follows:

Balance as at 01 July- cost

Add: Purchase of equity investment

Add: cumulative share of post acquisition
profit brought forward

Less: dividend received / declared during the year

Add: Share of profit for the year

Balance as at 30 June

14.2

429,920,484

429,920,484

234,130,282

-

664,050,766

429,920,484

21,222,367

(36,142,735)

(169,007,764)

(100,495,033)

111,169,585

157,860,135

(36,615,812)

21,222,367

627,434,954

451,142,851

The Company's share of the result of its associated company, which is unlisted and incorporated in UAE, and its share of the assets, liabilities and revenue is as follows:

	Percentage interest held	Assets	Liabilities	Revenue	Profit
----- Rupees -----					
2015	49.93%	1,622,987,142	713,832,576	922,295,238	111,169,585
2014	37.4%	1,161,115,039	504,602,043	1,005,152,351	157,860,135

14.2 During the current year, the Company purchased 5,515 equity shares of associate, RAK Ghani Glass LLC @ 1,494 AED per share offered for sale by SJC RAK Ghani - Cayman Islands to all shareholders in proportion to their existing shareholding. The investment was approved by the shareholders of the Company in EOGM held on 18 March 2014 whereas approval from State Bank of Pakistan for further investment has been obtained on 18 March 2015.

15 Long term deposits

Ijarah deposits

Long term deposits

Note

2015
Rupees

2014
Rupees

15.1

-

190,000

15.2

24,250,017

27,757,590

24,250,017

27,947,590

15.1 These represents security deposits against Ijarah finance facilities adjusted at the expiry of respective ijarah facilities during the year.

15.2 These are interest free security deposits mainly with utility companies.

16 Stores, spares and other consumables

Stores and spares [in transit Rs.45.302 million
(2014: Rs 79.35 million)]

Less: Provision for obsolete stores

Fuel and lubricants

16.1

639,093,288

654,867,292

(896,391)

-

638,196,897

654,867,292

63,255,733

110,138,363

701,452,630

765,005,655

16.1 Provisions for obsolete stores

Balance as at 01 July

Add: provision for the year

Balance as at 30 June

-

-

(896,391)

-

(896,391)

-

	Note	2015 Rupees	2014 Rupees
17 Stock in trade			
Raw material [in transit Rs. 51.99 (2014: 93.15 million)]		452,570,976	533,019,449
Stock written off		(1,076,245)	-
		451,494,731	533,019,449
Packing materials		71,186,704	58,704,183
Work in process		78,163,153	89,147,914
Finished goods		1,126,958,918	971,700,215
		1,727,803,506	1,652,571,761
18 Trade debtors			
Local			
Secured- considered good		208,350,011	181,500,402
Unsecured			
Considered good	18.1	738,822,348	865,834,467
Considered doubtful		11,291,051	8,924,602
Less: Provision for doubtful debts	18.2	(11,291,051)	(8,924,602)
		947,172,359	1,047,334,869
Foreign - secured, considered good		64,580,748	121,470,753
		1,011,753,107	1,168,805,622
18.1	Trade debts includes due from Ghani Value Glass (related party) amounting to Rs. 12.7 (2014: Nil) million. Amount receivable from Ghani Value Glass falls in the age brackets of 0-30 days.		
18.2	Provisions for doubtful debts movement summary		
Balance as at 01 July		8,924,602	7,748,811
Add: provision for the year		7,935,589	2,621,161
Less: written off during the year		(5,569,140)	(1,445,370)
Balance as at 30 June		11,291,051	8,924,602
19 Advances			
Advances			
Employees - unsecured - considered good		60,989,884	83,063,191
Suppliers of goods - unsecured		158,134,415	229,631,544
		219,124,299	312,694,735
20 Other receivables			
Receivable from RAK Ghani Glass LLC	20.1	12,796,163	17,953,277
Dividend receivable from RAK Ghani Glass LLC	20.2	41,460,000	-
Due from related parties	20.3	11,701,930	11,581,294
Sales tax refundable		147,986,745	129,918,702
		213,944,838	159,453,273
20.1	This represents expenses incurred by the Company on behalf of RAK Ghani Glass LLC, UAE - a related party. These are unsecured and carry no interest. These amounts are receivable for more than 360 days.		
20.2	This represents interim dividend receivable from RAK Ghani Glass LLC for the year ended 31 December, 2014.		
20.3	Due from related parties		
Ghani Automobile Industries Limited		1,064,070	943,434
Rak Ghani Glass LLC		10,637,860	10,637,860
		11,701,930	11,581,294
20.3.1	Amount receivable from Ghani Automobile Industries is less than 60 days old whereas amount receivable from Rak Ghani Glass LLC is more than 360 days older. These amounts are in the normal course of business and are interest free.		
21 Cash and bank balances			
Cash in hand		1,793,340	18,240,282
Cash at bank			
- Current accounts		265,948,657	195,766,319
- Saving account	21.1	92,196,639	23,371,135
		358,145,296	219,137,454
		359,938,636	237,377,736
21.1	The balances in saving accounts bear 5% to 9 % mark-up (2014: 7.27% to 9.30%).		

	Note	2015 Rupees	2014 Rupees
22 Sales - net			
Local sales		12,951,183,451	11,336,651,721
Less: Trade discount		(24,085,770)	(44,135,620)
Sales return and rejections		(132,110,696)	(198,584,317)
Sales tax		(1,895,560,394)	(1,628,944,453)
Commission on sales		(388,848,743)	(215,968,975)
		(2,440,605,603)	(2,087,633,365)
Local sales- net		10,510,577,848	9,249,018,356
Export sales		749,612,035	951,380,459
		11,260,189,883	10,200,398,815
23 Cost of sales			
Raw material consumed		3,067,699,452	2,823,008,984
Fuel, gas and electricity		2,243,591,134	2,499,889,900
Packing expenses		640,618,049	636,905,538
Stores and spares consumed		329,121,856	390,358,788
Salaries, allowances and other benefits	23.1	1,039,800,845	847,198,280
Depreciation	13.4	692,698,186	645,215,823
Rent, rates and taxes		23,097,260	28,832,796
Lease rental-ijarah finances		9,637,143	43,461,135
Repair and maintenance		20,495,936	27,706,645
Travelling and motor running expenses		49,356,402	24,933,561
Communication and stationery		5,057,399	4,482,856
Other manufacturing expenses		47,168,264	32,830,794
		8,168,341,926	8,004,825,100
Work in process			
Opening balance		89,147,914	87,678,269
Closing balance		(78,163,153)	(89,147,914)
		10,984,761	(1,469,645)
		8,179,326,687	8,003,355,455
Finished goods			
Opening balance		971,700,215	726,311,668
Closing balance		(1,126,958,918)	(971,700,215)
		(155,258,703)	(245,388,547)
		8,024,067,984	7,757,966,908
23.1	Salaries, allowances and other benefits include Rs. 35.09 million (2014: Rs. 30.05 million) in respect of retirement benefits.		
24 General and administrative expenses			
Salaries, allowances and other benefits	24.1	213,319,931	187,386,462
Communication, stationery and supplies		11,692,513	12,732,430
Utilities		6,885,144	8,370,056
Rent, rates and taxes		13,962,789	12,272,713
Travelling and conveyance		19,174,629	29,999,661
Auditors' remuneration	24.2	2,245,000	1,460,625
Depreciation	13.4	5,698,776	4,089,399
Legal and professional expenses		15,765,662	10,071,645
Charity and donation	24.3	28,373,047	30,317,264
Other expenses		9,663,501	7,734,093
		326,780,992	304,434,348
24.1	Salaries, allowances and other benefits include Rs. 5.88 million (2014: Rs. 5.37 million) in respect of retirement benefits.		
24.2 Auditors' remuneration			
Statutory audit		1,200,000	1,200,000
Ten months special audit		700,000	-
Half yearly review		200,000	200,000
Out of pocket expenses		145,000	60,625
		2,245,000	1,460,625
24.3	None of the directors and their spouses had any interest in any of the donees during the year.		

		2015	2014
		Rupees	Rupees
25 Selling and distribution expenses	<i>Note</i>		
Salaries, allowances and other benefits	25.1	147,430,110	140,229,785
Communication, stationery and supplies		4,482,880	2,670,346
Utilities		610,297	813,102
Rent, rates and taxes		1,788,646	3,023,908
Traveling and conveyance		22,728,319	15,256,009
Sales promotion		201,566,088	285,605,209
Depreciation	13.4	679,900	584,200
Provision for bad debts	18.2	7,935,589	2,621,161
Bad debts written off		1,462,058	1,906,863
Advance to employee written off		16,641,304	-
Transportation and handling:			
- Local		139,721,904	157,426,679
- Export		82,877,469	73,745,805
Other expenses		3,183,600	4,441,282
		631,108,164	688,324,349
25.1	Salaries, allowances and other benefits include Rs 6.38 million (2014: Rs. 5.65 million) in respect of retirement benefits.		
26 Other operating expenses			
Workers' profit participation fund	11.4	104,980,470	66,474,288
Workers' welfare fund		18,444,499	12,851,759
WWF - Prior year adjustment		(46,572,444)	-
	11.5	(28,127,945)	12,851,759
		76,852,525	79,326,047
27 Other income			
<i>Income from financial assets</i>			
Profit on savings account		3,809,444	2,124,573
Other Income		805,817	-
Exchange gain- net		1,865,696	7,237,783
<i>Income from non-financial assets</i>		6,480,957	9,362,356
Gain on sale of fixed assets		5,228,004	6,128,734
Breakage recovery from contractor		899,574	17,442,668
Corporate guarantee fee	27.1	-	2,095,745
Scrap sales		25,021,916	57,939,185
Miscellaneous		1,049,416	2,837,179
		32,198,910	86,443,511
		38,679,867	95,805,867
27.1	This related to commission of 0.10% per quarter from RAK Ghani Glass LLC on corporate guarantee.		
28 Finance cost			
Profit on diminishing musharika		53,575,352	33,070,652
Profit on leasing certificates		101,915,041	147,358,404
Profit on short term finances		142,934,298	170,594,646
Amortization of transaction cost of long term finance		3,854,140	8,435,903
Interest on workers' profit participation fund	11.4	2,640,250	2,812,599
Bank charges		23,553,720	11,581,244
		328,472,801	373,853,448
29 Taxation			
<i>Income tax</i>			
Current year		113,964,417	152,912,794
Deferred tax		322,034,174	180,869,244
		435,998,591	333,782,038
29.1 Tax charge reconciliation			
Accounting Profit		2,022,756,869	1,250,159,717
Tax expense at the rate of 33% (2014: 34%)		667,509,767	425,054,304
<i>Tax effect of:</i>			
- Income under Final Tax Regime		(87,156,624)	(70,449,076)
- tax rate and proration rate adjustment		(134,491,966)	-
- tax credits		(38,485,824)	(31,434,232)
- super tax adjustment		34,629,039	-
- permanent differences		(6,005,801)	10,611,042
		435,998,591	333,782,038

29.2 The Finance Act, 2015 introduced a new tax under section 5A of the Income Tax Ordinance, 2001 on every public company other than a scheduled bank or modaraba, that drives profit for tax year and does not distribute cash dividend within six months of the end of said tax year or distribute dividends to such an extent that its reserves, after such distribution, are in excess of 100% of its paid up capital. However, this tax on undistributed reserves is not applicable to a public company which distributes profit equal to either 40% of its after tax profits or 50% of its paid up capital, whichever is less within six months of the end of the tax year.

As explained in note 41 to the financial statements, the Board of Directors in their meeting held on October 29, 2015 has recommended a final dividend of Rs. 4 per ordinary share for the year ended 30 June 2015 in addition to interim dividend of Rs. 2 per ordinary share which complies with the above stated requirements. Accordingly, no provision for tax on undistributed reserves has been made in these financial statements.

30 Cash generated from operations

Profit before taxation

Adjustments for non cash and other items:

Depreciation

Finance cost

Provision for doubtful trade debts

Provision for obsolete stores

Stock written off

Exchange gain

Provision for workers' profit participation fund

Provision for workers' welfare fund

Share of profit of associate

Gain on sale of property, plant and equipment

Operating profit before working capital changes

(Increase)/decrease in operating activities:

Store, spares loose tools and other consumable

Stock in trade

Trade debtors

Advances

Other receivables

Trade and other payables

Cash generated from operations

	2015 Rupees	2014 Rupees
Profit before taxation	2,022,756,869	1,250,159,717
<i>Adjustments for non cash and other items:</i>		
Depreciation	699,076,862	649,889,422
Finance cost	328,472,801	373,853,448
Provision for doubtful trade debts	7,935,589	2,621,161
Provision for obsolete stores	896,391	-
Stock written off	1,076,245	-
Exchange gain	(1,865,696)	(7,237,783)
Provision for workers' profit participation fund	107,620,720	66,474,288
Provision for workers' welfare fund	(28,127,945)	12,851,759
Share of profit of associate	(111,169,585)	(157,860,135)
Gain on sale of property, plant and equipment	(5,228,004)	(6,128,734)
	998,687,378	934,463,426
Operating profit before working capital changes	3,021,444,247	2,184,623,143
<i>(Increase)/decrease in operating activities:</i>		
Store, spares loose tools and other consumable	62,656,634	85,408,516
Stock in trade	(77,384,235)	(350,959,516)
Trade debtors	150,982,622	(485,982,072)
Advances	93,570,436	(198,567,962)
Other receivables	(54,491,565)	1,160,172
Trade and other payables	434,108,793	(92,385,943)
	609,442,685	(1,041,326,805)
Cash generated from operations	3,630,886,932	1,143,296,338

31 Provident fund related disclosures

The Company operates funded contributory provident fund scheme for all its eligible employees. The following information is based on the unaudited financial statements of the provident fund for the year ended 30 June 2015:

	2015 Rupees	2014 Rupees
Size of the fund - total assets	262,501,129	298,637,130
Cost of investments made	187,364,133	274,780,436
Percentage of investments made	71%	92%
Fair value of investments	195,385,517	283,128,233

31.1 The break-up of fair value of investments is:

	2015		2014	
	Rupees	%	Rupees	%
Shares in listed companies	27,364,133	14%	44,780,235	16%
Term deposit receipts	57,813,522	30%	207,218,058	73%
Mutual funds	90,149,472	46%	10,279,322	4%
Sukuks	20,058,390	10%	20,850,618	7%
	195,385,517	100%	283,128,233	100%

The investments out of provident fund have been made in accordance with the provisions of Section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

32 Remuneration of Directors, Chief Executive and Executives

The aggregate amounts charged in the financial statements for the year for remuneration, including all benefits to the chief executive, directors and executives of the Company are as follows:

	Chief Executive		Executive Directors		Non-Executive Directors		Executives	
	2015 Rupees	2014 Rupees	2015 Rupees	2014 Rupees	2015 Rupees	2014 Rupees	2015 Rupees	2014 Rupees
Managerial remuneration	37,429,440	26,859,092	99,481,296	68,068,024	-	-	127,557,931	97,099,169
Bonus	17,155,162	17,155,160	45,595,600	36,089,628	-	-	28,343,813	25,024,252
Medical expenses	52,581	58,564	914,289	161,772	-	-	5,829,893	1,429,877
Retirement benefits	3,119,108	2,238,249	8,290,074	5,672,284	-	-	10,625,576	7,313,514
House rent	2,304,000	2,034,000	4,608,000	4,608,000	-	-	-	-
	60,060,291	48,345,065	158,889,259	114,599,708	-	-	172,357,213	130,866,812
Number of persons	1	1	4	5	8	6	104	44

32.1 The chief executive, certain directors and executives are provided with free use of the Company maintained cars and mobile phones for official use as well as medical facility.

32.2 The aggregate amount charged in the financial statements in respect of remuneration to key management personnel is Rs. 391.31 million (2014: Rs. 293.81 million) out of which Rs. 22.03 million (2014: Rs 15.22 million) relates to retirement benefits.

33 Transactions with related parties

The related parties comprise of associated undertakings, staff retirement funds, directors and key management personnel. Amounts pertaining to related parties are disclosed in note 11 and 20 and remuneration to key management personnel are disclosed in note 32.

Related party	Relationship	Basis of relationship	Nature of transactions	2015 Rupees	2014 Rupees
Ghani Automobile Industries Limited	Associated Undertaking	Common directorship	Reimbursement of utility expenses	1,064,070	20,000
Ghani Value Glass Limited	-do-	Common directorship	Sales	391,257,272	312,817,653
			Purchases	5,875,945	5,442,465
			Others - Net	4,385,764	5,976,821
Ghani Gases Limited	-do-	Common directorship	Sales	-	544,078
RAK Ghani Glass LLC	Associate	Equity investment and common directorship	Expenses incurred on behalf of Ghani Glass by RAK Glass	15,457,051	5,073,143
			Expenses incurred on behalf of RAK Ghani by Ghani Glass	117,615	2,384,721
			Dividend Income	169,007,764	100,495,033
			Investment in equity shares	234,130,282	-
Sami Pharmaceutical (Private) Limited	-do-	Common directorship	Sales	142,911,762	86,290,246
Health Tek (Private) Limited	-do-	Common directorship	Sales	6,221,430	4,706,730
Provident Fund	-do-	Associated Undertaking	Payment to provident fund	95,350,123	82,340,663

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

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.

34.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties fail completely to perform as contracted and arises principally from trade and other receivables, deposits and balances with banks. Out of the total financial assets of Rs. 1,522.88 (2014: 1,546.73) million, the financial assets which are subject to credit risk amounted to Rs. 1,521.09 (2014: 1,528.49) million.

To manage exposure to credit risk in respect of trade receivables, management reviews credit worthiness, references, establish purchase limits taking into account the customer's financial position, past experience and other factors. The management has set a maximum credit period of 30 to 60 days to reduce the credit risk. Limits are reviewed periodically and the customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date is:

	2015 Rupees	2014 Rupees
Long term deposits	24,250,017	27,947,590
Trade debts - net	1,011,753,107	1,168,805,622
Advances	60,989,884	94,644,485
Other receivables	65,958,093	17,953,277
Bank balances	358,145,296	219,137,454
	1,521,096,397	1,528,488,428
The trade debts as at the balance sheet date are classified as follows:		
Foreign	64,580,748	121,470,753
Domestic	958,463,410	1,056,259,471
Less: Provision for doubtful debts	(11,291,051)	(8,924,602)
	1,011,753,107	1,168,805,622

The aging of trade receivables at the reporting date is:

	2015		2014	
	Gross	Impaired	Gross	Impaired
Not past due	729,654,204	-	937,891,557	-
Past due 30 days	53,069,532	-	207,226,904	-
Past due 60 days	58,635,856	-	7,278,020	-
Past due 90 days	63,718,317	-	7,907,137	-
Past due 180 days	95,070,240	-	7,482,437	-
Past due above one year	22,896,009	11,291,051	9,944,169	8,924,602
	1,023,044,158	11,291,051	1,177,730,224	8,924,602

Based on past experience the management believes that no impairment allowance is necessary except for the allowance provided in respect of trade receivables past due as some receivables have been recovered subsequent to the year end and for other receivables there are reasonable grounds to believe that the amounts will be recovered in short course of time.

The credit quality of cash and bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

	Rating		Rating
	Short term	Long term	Agency
Allied Bank Limited	A1+	AA+	PACRA
Askari Bank Limited	A1+	AA	PACRA
Al-Baraka Bank (Pakistan) Limited	A1	A	PACRA
Bank Alfalah Limited	A1+	AA	PACRA
Bank Islami Pakistan Limited	A1	A+	PACRA
Barclays Bank Pakistan	A-1	A	Standard & Poor's
Burj Bank Limited	A-1	A	JCR-VIS
Dubai Islamic Bank (Pakistan) Limited	A-1	A+	JCR-VIS
Faysal Bank Limited	A1+	AA	PACRA
Habib Bank Limited	A-1+	AAA	JCR-VIS
MCB Bank Limited	A1+	AAA	PACRA
Meezan Bank Limited	A-1+	AA	JCR-VIS
Soneri Bank Limited	A1+	AA -	PACRA
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA
United Bank Limited	A-1+	AA+	JCR-VIS

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

34.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. For this purpose the Company has sufficient running finance facilities available from various commercial banks to meet its liquidity requirements. Further liquidity position of the Company is closely monitored through budgets, cash flow projections and comparison with actual results by the Board.

Following is the maturity analysis of financial liabilities:

	Carrying amount	Contractual cash flows	Less than 6 months	Between 6 to 12 months	Between 1 to 5 years
----- Rupees -----					
Short term finances	831,263,746	831,263,746	831,263,746	-	-
Diminishing musharika	411,970	411,970	411,970	-	-
Trade and other payables	1,058,094,163	1,058,094,163	787,713,748	270,380,415	-
Markup accrued	15,172,118	15,172,118	15,172,118	-	-
2015	1,904,941,997	1,904,941,997	1,634,561,582	270,380,415	-
----- Rupees -----					
	Carrying amount	Contractual cash flows	Less than 6 months	Between 6 to 12 months	Between 1 to 5 years
----- Rupees -----					
Short term finances	1,294,066,604	1,313,708,452	1,313,708,452	-	-
Diminishing musharika	522,059,875	654,649,006	69,852,933	91,570,463	493,225,610
Certificates of leasing	1,132,769,264	1,401,235,220	201,968,231	201,370,038	997,896,951
Trade and other payables	927,265,047	927,265,047	679,834,241	247,430,806	-
Markup accrued	28,670,198	28,670,198	28,670,198	-	-
2014	3,904,830,988	4,325,527,923	2,294,034,055	540,371,307	1,491,122,561

34.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

34.3.1 Currency risk

The Company is exposed to currency risk on foreign trade debts, advances from customers and outstanding letter of credits that are denominated in a currency other than the functional currency primarily U.S. Dollars (USD). The Company believes that it is not exposed to material currency risks.

	2015 Rupees	2014 Rupees
Foreign debtors	64,580,748	121,470,753
Foreign advances from customers	(12,684,345)	(23,400,286)
Outstanding letter of credits	(345,221,162)	(616,394,233)
	(293,324,759)	(518,323,766)

The following significant exchange rates have been applied:

	Average rate		Reporting date rate	
	2015	2014	2015	2014
USD to PKR	101.16	102.7	101.5	98.55

Sensitivity analysis:

At reporting date, if the PKR had strengthened by 10% against the foreign currencies with all other variables held constant, post-tax profit for the year would have been higher by the amount shown below, mainly as a result of net foreign exchange gain on translation of foreign debtors, foreign advances from customers and outstanding letter of credits.

	2015 Rupees	2014 Rupees
Effect on profit and loss		
US Dollar	29,332,476	51,832,377

The weakening of the PKR against foreign currencies would have had an equal but opposite impact on the post tax profit.

34.3.2 Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	2015	2014	2015	2014
	Effective rate (in Percentage)		Carrying amount (Rupees)	
Short term morabaha finances	7.99 to 11.16	9.36 to 11.18	831,263,746	1,294,066,604
Diminishing musharika	8.37 to 11.42	10.00 to 13.00	411,970	522,059,875
Certificates of leasing	9.69 to 11.93	10.83 to 11.93	-	1,128,915,124

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rates at the reporting date would not affect profit and loss account.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2014.

	100 bps	
	Increase	Decrease
Effect on profit - 30 June 2015	8,316,757	(8,316,757)
Effect on profit - 30 June 2014	29,450,416	(29,450,416)

The sensitivity analysis prepared is not necessarily indicative of the effects on loss for the year and assets / liabilities of the Company.

34.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Company is not exposed to any material price risk.

34.4 Fair value of financial instruments

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

35 Capital management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

- (i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, arrange new lines of credit or sell assets to reduce debt.

The Company monitors capital on the basis of the debt-to-equity ratio - calculated as a ratio of total debt to equity.

The debt-to-equity ratios as at 30 June 2015 and at 30 June 2014 were as follows:

	2015 Rupees	2014 Rupees
Total debt	831,675,716	2,945,041,603
Total equity and debt	9,774,259,120	10,124,336,344
Debt-to-equity ratio %age	9%	29%

Neither there were any changes in the Company's approach to capital management during the year nor the Company is subject to externally imposed capital requirements.

36 Operating segments

The financial information has been prepared on the basis of a single reportable segment.

36.1 Sales from float glass, food and beverages products and pharmaceutical products represent 49.44%, 18.37% and 32.19% (2014: 51.99%, 27.78% and 20.23%) of total revenue of the Company respectively.

36.2 The sales percentage by geographic region is as follows:

	2015 %	2014 %
Pakistan	93.34	90.44
Afghanistan	1.49	1.68
India	4.07	4.09
Kenya	0.18	-
Mozambique	0.15	0.48
Turkey	0.27	-
Zambia	0.41	1.34
Others	0.09	1.97
	100.00	100.00

36.3 All non-current assets of the Company as at 30 June 2015 are located in Pakistan.

37 Number of employees

The total average number of employees during the year and as at 30 June 2015 and as at 30 June 2014 are as follows:

	No of employees	
	2015	2014
Average number of employees during the year	1,927	1,949
Number of employees as at 30 June	1,968	1,908

38 Plant capacity and annual production

The difference in production capacity during the year is due to the general enhancement of hollow glass plant under normal course of business.

	Production capacity (Tons)		Actual production (Tons)	
	2015	2014	2015	2014
Float glass	200,750	200,750	150,623	152,848
Hollow glass	186,700	186,428	129,396	132,044
	387,450	387,178	280,019	284,892

38.1 The difference in production capacity and actual capacity is normal business course.

39 Earnings per share - basic and diluted

Basic

		2015	2014
Profit after taxation	<i>Rupees</i>	1,586,758,278	916,377,679
Weighted average number of ordinary shares	<i>Number of shares</i>	124,177,411	123,219,006
Earnings per share	<i>Rupees</i>	12.78	7.44

Diluted

There is no dilution in earnings per share as the Company has no such commitments.

40 Date of authorization for issue

The financial statements were approved and authorized for issue on October 29, 2015 by the board of directors of the Company.

41 Subsequent event

The Board of Directors has proposed a final dividend of Rs. 4 per share (in addition to interim dividend of Rs. 2 per share) for the year ended 30 June 2015 at their meeting held on October 29, 2015 for approval of the members at the Annual General Meeting to be held on November 23, 2015. These financial statements do not reflect these appropriations.

42 General

42.1 Figures have been rounded off to nearest rupee.

42.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purposes of comparison and to reflect the substance of the transactions. No significant rearrangements or reclassifications were made in these financial statements except transfer of customers' security deposits from long term to short term.

Lahore



Chief Executive



Director

Pattern of Shareholding

of Shares Held by the Shareholders of Ghani Glass Limited as at June 30, 2015

Shareholding			
No. of Shareholders	From	To	Total Shares Held
341	1	100	7,503
245	101	500	83,621
177	501	1,000	150,321
333	1,001	5,000	763,021
65	5,001	10,000	476,626
34	10,001	15,000	426,498
12	15,001	20,000	211,180
14	20,001	25,000	330,323
10	25,001	30,000	284,700
4	30,001	35,000	129,484
3	35,001	40,000	112,969
4	40,001	45,000	169,046
10	45,001	50,000	495,257
3	50,001	55,000	156,097
1	55,001	60,000	60,000
1	70,001	75,000	72,000
2	75,001	80,000	158,500
3	80,001	85,000	251,000
2	90,001	95,000	186,250
1	95,001	100,000	95,287
2	100,001	105,000	206,500
2	110,001	115,000	225,004
1	115,001	120,000	115,500
1	120,001	125,000	124,000
1	125,001	130,000	127,968
1	135,001	140,000	140,000
1	150,001	155,000	154,000
1	155,001	160,000	155,068
1	185,001	190,000	189,500
1	215,001	220,000	218,000
1	240,001	245,000	244,020
1	245,001	250,000	250,000
1	260,001	265,000	264,000
1	345,001	350,000	346,376
1	380,001	385,000	383,571
1	450,001	455,000	451,500
1	535,001	540,000	538,514
2	695,001	700,000	1,400,000
1	895,001	900,000	900,000
1	940,001	945,000	941,850
1	965,001	970,000	966,662
1	1,000,001	1,005,000	1,001,725
1	1,115,001	1,120,000	1,116,549
2	1,255,001	1,260,000	2,516,638
1	1,275,001	1,280,000	1,277,629
1	1,325,001	1,330,000	1,325,023
1	1,340,001	1,345,000	1,340,918
1	1,455,001	1,460,000	1,455,300
1	1,525,001	1,530,000	1,525,952
2	1,610,001	1,615,000	3,230,000
1	1,750,001	1,755,000	1,754,130
1	1,790,001	1,795,000	1,791,300
1	1,845,001	1,850,000	1,845,046
2	1,910,001	1,915,000	3,822,000
1	2,005,001	2,010,000	2,006,153
1	2,540,001	2,545,000	2,544,525
1	2,705,001	2,710,000	2,705,167
1	3,040,001	3,045,000	3,044,002
1	3,060,001	3,065,000	3,061,309
1	3,185,001	3,190,000	3,185,967
1	3,675,001	3,680,000	3,675,360
2	4,105,001	4,110,000	8,214,598
1	4,655,001	4,660,000	4,656,900
1	4,730,001	4,735,000	4,730,923
1	5,745,001	5,750,000	5,748,766
1	9,080,001	9,085,000	9,084,743
1	9,875,001	9,880,000	9,879,712
1	10,635,001	10,640,000	10,635,053
1	13,080,001	13,085,000	13,081,902
1,321			123,219,006

Categories of shareholders	Share held	Percentage
Directors, Chief Executive Officers, and their spouse and minor children	63,354,115	51.4159%
Associated Companies, undertakings and related parties.	140,380	0.1139%
NIT and ICP	949	0.0008%
Banks Development Financial Institutions, Non Banking Financial Institutions.	333	0.0003%
Insurance Companies	23,340	0.0189%
Modarabas and Mutual Funds	4,234,087	3.4362%
Shareholders holding 10% or more	28,710,380	23.3003%
General Public	35,720,881	28.9897%
Others (to be specified)		
Joint Stock Companies	6,035,425	4.8981%
Pension Funds	263,597	0.2139%
Other Companies	13,445,899	10.9122%

Information Under Clause XVI (J)

of the Code of Corporate Governance as on June 30, 2015

ASSOCIATED COMPANIES, UNDERTAKINGS & RELATED PARTIES:	SHARES HELD
JAMIA-TUL-GHANI	127,968
GHANI MINES (PVT) LIMITED - (CDC)	12,412
MUTUAL FUNDS:	
CDC - TRUSTEE AKD INDEX TRACKER FUND (CDC)	10,500
CDC -TRUSTEE APF-EQUITY SUB FUND (CDC)	43,000
CDC - TRUSTEE APIF - EQUITY SUB FUND (CDC)	140,000
CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND (CDC)	700,000
CDC - TRUSTEE ATLAS STOCK MARKET FUND (CDC)	700,000
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND (CDC)	451,500
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST (CDC)	1,257,587
CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND (CDC)	105,000
CDC - TRUSTEE PAKISTAN SARMAVA MEHFOOZ FUND (CDC)	94,500
CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND (CDC)	264,000
CDC-TRUSTEE AL-AMEEN ISLAMIC RET. SAV. FUND-EQUITY SUB FUND (CDC)	218,000
CDC-TRUSTEE PAK. INT. ELEMENT ISLAMIC ASSET ALLOCATION FUND (CDC)	250,000
DIRECTORS AND THEIR SPOUSE(S) & MINOR CHILDREN:	
MR. IMTIAZ AHMAD KHAN	11,629,410
MR. JUNAID GHANI	1,480,091
MR. ANWAAR AHMAD KHAN - (CDC)	11,975,971
Mr. MOEEZ GHANI (MINOR) THROUGH ANWAAR AHMAD KHAN (GUARDIAN)	1,615,000
Mr. UMAIR GHANI (MINOR) THROUGH ANWAAR AHMAD KHAN (GUARDIAN)	1,615,000
MRS. REEMA ANWAAR W/O ANWAAR AHMAD KHAN	3,407,685
MR. AFTAB AHMAD KHAN	15,628,478
MRS. AYESHA AFTAB	4,730,923
MR. ZAID GHANI (CDC)	4,107,299
MR JUBAIR GHANI	5,073,961
MR. SHAMIM AHMAD - (CDC)	244,020
MR. HAMZA GHANI	731
MR. AYUB SADIQ	500
MR. BILAL AHMED MEMON (EOBI Nominee)	-
MRS. RUBINA IMTIAZ W/O IMTIAZ AHMAD KHAN	1,845,046
EXECUTIVES:	-
MR. MUHAMMAD SALEEM LAKHANI	50,000
PUBLIC SECTOR COMPANIES AND CORPORATIONS:	-
BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS:	287,270
SHAREHOLDERS HOLDING 5% OR MORES VOTING INTEREST IN THE LISTED COMPANY:	
MR. AFTAB AHMAD KHAN	15,628,478
EMPLOYEES OLD AGE BENEFITS INSTITUTION (CDC)	13,081,902
MR. IMTIAZ AHMAD KHAN	11,975,971
MR. ANWAAR AHMAD KHAN	11,629,410

Notice of Annual General Meeting

Notice is hereby given that 23rd Annual General Meeting of the members of **GHANI GLASS LIMITED** will be held on Monday November 23, 2015 at 11:30 a.m., at Hotel Sunfort, 72-D/1, Commercial Zone, Liberty Market, Gulberg-III, Lahore to transact the following business:

Ordinary Business

1. To confirm the minutes of Extraordinary General Meeting held on August 5, 2015.
2. To receive, consider and adopt the audited annual accounts of **GHANI GLASS LIMITED** for the year ended June 30, 2015 together with the Directors' and Auditors' reports thereon.
3. To approve the payment of Final Cash Dividend @ 40% (i.e. Rs.4 per share) as recommended by the directors in addition to interim Cash Dividend @ 20% i.e. Rs.2 per share already paid for the year ended June 30, 2015.
4. To appoint auditors for 2016 and fix their remuneration.

The retiring auditors namely M/s. KPMG Taseer Hadi & Co., Chartered Accountants, being eligible, have offered themselves for re-appointment.

Special Business

5. To consider and if deemed fit pass the following special resolutions:

“RESOLVED that the Authorized Share Capital of the Company be and is hereby increased from Rs.1,825,000,000 (Rupees one billion eight hundred and twenty five million only) divided into 182,500,000 ordinary shares of Rs.10 each to Rs.3,000,000,000 (Rupees three billion only) divided into 300,000,000 ordinary shares of Rs.10/- each.”

“FURTHER RESOLVED that existing clause V of Memorandum of Association and clause 4 of Article of Association of the Company be and is hereby amended accordingly.”

Memorandum of Association

- V. The Authorized Capital of the Company is Rs.3,000,000,000 (Rupees three billion only) divided into 300,000,000 ordinary shares of Rs.10/- each with powers to increase, reduce, subdivide, consolidate or reorganize its Capital and to divide the shares in the Capital for the time being into several classes in accordance with the provisions of the Companies Ordinance, 1984.

Articles of Association

4. The Authorized Capital of the Company is Rs.3,000,000,000 (Rupees three billion only) divided into 300,000,000 ordinary shares of Rs.10/- each with powers to increase, reduce, subdivide, consolidate or reorganize its Capital and to divide the shares in the Capital for the time being into several classes in accordance with the provisions of the Companies Ordinance, 1984.

“FURTHER RESOLVED That the Chief Executive Officer and/or Company Secretary be and are hereby authorized to comply with the legal formalities and to file the requisite documents in the office of the SECP Lahore as required under the statutory provisions of Companies Ordinance 1984.”

6. To transact any other business with the permission of the Chair.

By order of the Board

Lahore: October 29, 2015

Hafiz Mohammad Imran Sabir
Company Secretary

Notes:

- The share transfer books of the Company will remain closed from November 17, 2015 to November 23, 2015 (both days inclusive) for entitlement of final cash dividend and attending the Annual General Meeting. Members whose names appear on the register of members as at the close of business on November 16, 2015 will be entitled to the above entitlements.
- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member as a proxy to attend and vote on his/her behalf. A corporation being a member may appoint as its proxy any of its official or any other person whether a member of the Company or not.
- The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarized certified copy of the power of attorney or authority in order to be effective must be deposited at the Share Registrar of the Company not less than 48 hours before the time for holding the meeting, and must be duly stamped, signed and witnessed.

- Members are requested to promptly notify Company's Shares Registrar M/s. Corplink (Pvt.) Ltd., Wings Arcade, 1-K Commercial, Model Town, Lahore, Ph: 042-35916714, 35916719 Fax: 042-35869037 of any change in their addresses to ensure delivery of mail.
- CDC Accountholders will further have to follow the under mentioned guidelines as laid down by Circular No. 1, dated January 26, 2000, issued by Securities and Exchange Commission of Pakistan ("SECP").

For Attending of Meeting:

- In case of individuals, the Accountholder and/or Sub-Accountholder whose registration details are uploaded as per the CDC regulations, shall authenticate his/her identity by showing his/her original CNIC or original passport at the time of attending the meeting.
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

For Appointing of Proxies:

- In case of individuals, the Accountholder and/or Sub-Accountholder whose registration details are uploaded as per the CDC regulations, shall submit the proxy form as per above requirements.
- The proxy form shall be witnessed by the two persons whose name, addresses and CNIC numbers shall be mentioned on the form.
- Attested copy of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce his/her original CNIC or passport at the time of the meeting.
- In case of entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form of the Company.

Submission of copies of CNIC (Mandatory)

The shareholders having physical shares are once again requested to immediately send a copy of their valid computerized national identity card (CNIC) to our share registrar's office, M/s. Corplink (Pvt) Ltd, Wings arcade, 1-k, commercial, model town, Lahore for printing/insertion on dividend warrants in future.

Revision of withholding tax on dividend income u/s 150 of Finance Act 2014

It is further informed that pursuant to the provisions of Finance Act 2014, effective from July 1, 2014 a new criteria for withholding of tax on dividend income has been introduced by the FBR, as per this criteria, 'Filer' and 'Non-Filer' shareholder shall pay tax on dividend @ 12.5% and 17.5% respectively.

Payment of Cash Dividend Electronically (Optional)

The shareholders are also entitled to receive their cash dividend directly in their bank accounts instead of receiving it through dividend warrants. Shareholders wishing to exercise this option may submit their application to the Company's Share Registrar, giving particulars relating to their name, folio number, bank account number, title of account and complete mailing address of the bank, CDC account holders should submit their request directly to their broker (participant)/CDC.

Transmission of Annual Financial Statements through e-mail

In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide SRO 787(I)/2014 dated September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through e-mail instead of receiving the same by Post are advised to give their formal consent along with their e-mail address duly signed by the shareholder along with copy of his CNIC to our share registrar's office, M/s. Corplink (Pvt) Ltd, Wings arcade, 1-k, commercial, Model Town, Lahore. Please note that giving e-mail address for receiving of Annual Financial Statements instead of the same by Post is optional, in case you do not wish to avail this facility, please ignore this notice, Financial Statement will be sent to you at your registered address.

Statement u/s 160(1)(b) of the Companies Ordinance, 1984

Item No.5

Increase in Authorized Capital

The Board of Directors in their meeting held on October 29, 2015 has recommended to increase Authorized Capital of the Company from Rs.1,825,000,000 (Rupees one billion eight hundred and twenty five million only) divided into 182,500,000 ordinary shares of Rs.10 each to Rs.3,000,000,000 (Rupees three billion only) divided into 300,000,000 ordinary shares of Rs.10/- each for raising equity in future. None of the Directors has personal interest in it except to the extent of ordinary shares held by him.

GHANI GLASS LIMITED

40-L, Model Town, Lahore

Form of Proxy

Folio No. _____

No. of Shares _____

I/WE _____

of _____

Being a member of GHANI GLASS LIMITED _____

Hereby appoint Mr. _____

of _____

failing him Mr. _____ of _____

(Being a member of the company) as my/our proxy to attend, act and vote for me/us on my/our behalf at 23rd ANNUAL GENERAL MEETING of the members of the Company to be held on Monday November 23, 2015 at 11:30 a.mat Hotel Sunfort, 72-D/1, Commercial Zone, Liberty Market, Gulberg-III, and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2015

Witness's Signature

Signature _____

Name: _____

Address: _____

Signature and
Revenue Stamp

NOTES:









Proxies, in order to be effective, by the company not later than 48 hours before the meeting and must be duly stamped, signed and witnessed.









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Ghani
GHANI GLASS LIMITED

Head Office:
40-L, Model Town, Lahore, Pakistan
UAN: +92-42-111-949-949
Fax: +92-42-35172263
www.ghaniglass.com