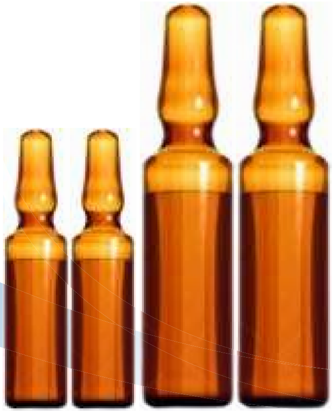
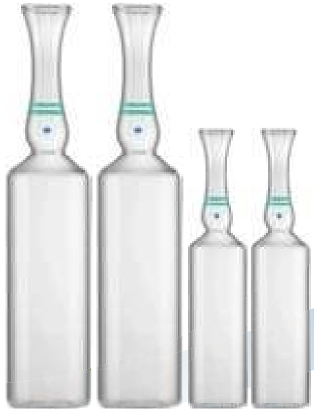
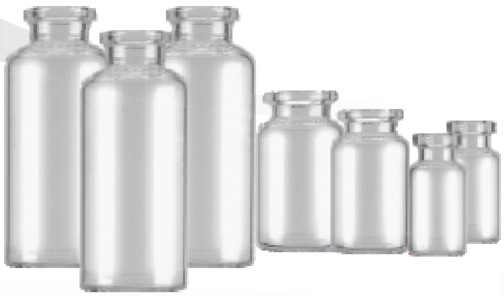
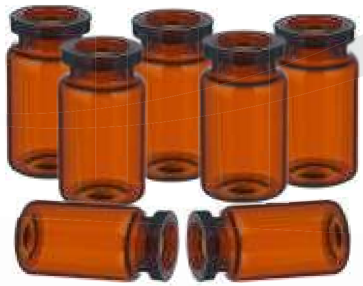
Ghani Global Group

1st Quarter
September 2020









Ghani Global Glass Limited

Faith.... Experience.... Innovation.... Growth

CORPORATE INFORMATION

BOARD OF DIRECTORS

Atique Ahmad Khan	Chairman
Masroor Ahmad Khan	Chief Executive Officer
Hafiz Farooq Ahmad	
Rabia Atique	
Saira Farooq	
Tahir Bashir Khan	
Mahmood Ahmad	
Farzand Ali	

AUDIT COMMITTEE
Mahmood Ahmad - Chairman
Atique Ahmad Khan
Hafiz Farooq Ahmad
Saira Farooq

HR & R COMMITTEE
Tahir Bashir Khan - Chairman
Atique Ahmad Khan
Hafiz Farooq Ahmad
Rabia Atique

PRESIDENT
M. Ashraf Bawany

COMPANY SECRETARY
Farzand Ali, FCS

CHIEF FINANCIAL OFFICER
Asim Mahmud, FCA

LEGAL ADVISOR
Barrister Ahmed Pervaiz, Ahmed & Pansota
Lahore

SHARE REGISTRAR
Vision Consulting Limited
1st Floor, 3-C, LDA Flats, Lawrence Road, Lahore
Tel: 042-36375531, 36375339, Fax: 042-36312550

BANKERS
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Al Falah Limited
Habib Metropoliton Bank Limited
MCB Bank Limited
National Bank of Pakistan Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab

REGIONAL MARKETING OFFICE
C-7/A, Block F, Gulshan-e-Jamal
Rashid Minhas Road, Karachi.
Ph: (021) 34572150
E-mail: hanif@ghaniglobal.com

GLASS PLANT
52-K.M. Lahore Multan Road
Phool Nagar, Distt. Kasur
Ph:(049) 4510349-549, Fax: (049) 4510749
E-mail: glassplant@ghaniglobal.com

REGISTERED/CORPORATE OFFICE
10-N, Model Town Ext, Lahore 54000, Pakistan
UAN: 111 GHANI 1 (442-641)
Fax: (092) 42 35160393
E-mail: info@ghaniglobalglass.com
Website: www.ghaniglobalglass.com
www.ghaniglobal.com

DIRECTORS' REPORT

Dear Members

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The Directors of your Company are pleased to present the unaudited condensed interim financial statements of the Company for the first quarter ended September 30, 2020, in compliance with the requirements of Companies Act, 2017.

OVERVIEW OF THE ECONOMY

The economy seems to have recovered in the first quarter of this fiscal year—which began in July 2020—after GDP posted a slight contraction in FY 2020 (July 2019–June 2020) due to lockdown measures imposed at the tail-end of the year. In July–August, industrial production rebounded, predominately driven by upbeat manufacturing and construction activity, which was likely supported by the government's fiscal stimulus package. Moreover, average remittances growth surged in the quarter, which, coupled with easing containment measures, should have supported private consumption. Furthermore, despite monsoon rains hampering supply chains, exports declined at a softer pace in the July–September period relative to April–June. Consequently, the trade deficit narrowed slightly over the quarter, boding well for the current account and much-needed FX reserves.

FINANCIAL PERFORMANCE

Your Company's sales are improving day by day by acceptance of company products in the market. For the period ended September 2020, your company's sales have increased from amounting to Rs. 364 million from Rs. 305 million as compared with the same period of last year depicting increase of 19%. Gross profit of the company increased from amounting to Rs. 76 million to Rs. 97 million as compared to the same period of last year. Distribution cost and administrative cost incurred during period is Rs. 8.5 million and Rs. 22 million whereas for the last period it was Rs. 8.5 million and Rs. 16 million, respectively. Finance cost for the period incurred on the project finance and working capital lines amounts to Rs. 26 million and for the last period it was Rs. 36 million. Company's profit for the 1st Quarter Alhamdulillah, is amounting to Rs. 35 million after taxation as compared to profit for the last period was Rs. 15 million depicting 124% increase. EPS has improved from Rs. 0.15 to Rs. 0.35 per share.

A comparison of the key financial results of your Company for the period ended September 30, 2020 with the same period last year is as under:

Particulars	September 2020 Rupees	September 2019 Rupees
Sales		
- Local	327,925,978	305,315,498
- Export	35,662,302	-
	363,588,280	305,315,498
Net Sales	312,622,579	258,980,212
Gross Profit	97,431,485	76,312,963
Selling and distribution expenses	(8,478,115)	(8,489,233)
Administrative expenses	(21,803,894)	(15,919,837)
Other Income	851,164	305,724
Financial cost	(26,251,467)	(35,852,864)
Profit before taxation	37,335,251	15,418,265
Profit after taxation	34,569,494	15,418,265
Earning per share	0.35	0.15

FUTURE OUTLOOK?

The Company is considering modernization, balancing and replacement to enhance its capacity and to set-up another melting furnace for glass tubes. Market for glass tubes and other value added products such as ampoules and vials is robust. Capacity enhancement decision will tap the unmet (and increasing) market demand and to diversify into new products and markets (including Bangladesh, MENA Countries etc.). After finalization of internal workings and formal approvals from the bank(s), it is expected the Company will formally announce to set up another glass melting furnace for tubes shortly.

Local as well as export sales portfolio is growing and we are committed to improve this trend in the future to come. During last two quarters i.e. January -March 2020 and April – June 2020, Alhamdulillah Company's profitability is increasing. Reduction in SBP rate would also help to reduce cost of doing business and it is expected profits of your Company will further improve in the periods to come, Insha Allah.

ACKNOWLEDGEMENTS

The board of directors wishes to express their gratitude to valued shareholders, banks/financial Institutions, customers and suppliers for their continuous support, cooperation and patronage. We also wish to place on record the dedication, hard work and diligence of executives, staff and workers of the company. Needless to mention, all growth in the business of the company is not possible without will and blessings of ALMIGHTY ALLAH.

For and behalf of Board of Directors

Lahore
Dated: October 27, 2020

MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)

تفصیل	ستمبر 2020 روپے	ستمبر 2019 روپے
فروخت		
– لوکل	327,925,978	305,315,498
– ایکسپورٹ	35,662,302	-
	363,588,280	305,315,498
خالص فروخت	312,622,579	258,980,212
مجموعی طور پر	97,431,485	76,312,963
فروخت اور تقسیم کے اخراجات	(8,478,115)	(8,489,233)
انتظامی اخراجات	(21,803,894)	(15,919,837)
دوسری آمدنی	851,164	305,724
فنانس لاگت	(26,251,467)	(35,852,864)
ٹیکس لگانے سے پہلے منافع	37,335,251	15,418,265
ٹیکس لگانے کے بعد منافع	34,569,494	15,418,265
فی شیئر آمدنی	0.35	0.15

مستقبل کے امکانات

کمپنی اپنی صلاحیت کو بڑھانے اور گلاس ٹیوب کیلئے ایک اور فرنس لگانے پر غور کررہی ہے۔ گلاس ٹیوب اور دیگر ویلیو ایڈڈ مصنوعات جیسے امپیولز اور وائلز کی مارکیٹ مضبوط ہے۔ صلاحیت میں اضافے کے فیصلے سے مارکیٹ کی طلب میں اضافہ (اور بڑھتا ہوا) ہوگا اور نئی مصنوعات اور منڈیوں (جس میں بنگلہ دیش، MENA ممالک وغیرہ شامل ہیں) میں تنوع پیدا ہوگا۔ داخلی کاموں کو حتمی شکل دینے اور بنک سے باضابطہ منظوری کے بعد، توقع کی جارہی ہے کہ کمپنی جلد ہی ٹیوبوں کیلئے گلاس فرنس قائم کرنے کا باضابطہ اعلان کرے گی۔ مقامی اور برآمدی فروخت کا پورٹ فولیو بڑھ رہا ہے اور ہم آنے والے مستقبل میں اس رجحان کو بہتر بنانے کیلئے پرعزم ہیں۔ گزشتہ سہ ماہیوں یعنی جنوری سے مارچ 2020 اور اپریل تا جون 2020 کے دوران کمپنی منافع میں تبدیل ہوگئی۔ اسٹیٹ بنک ریٹ میں کمی سے کاروبار کرنے کی لاگت کو کم کرنے میں بھی مدد ملے گی اور توقع ہے کہ آئندہ ادوار میں آپکی کمپنی کے منافع میں بہت بہتری آئے گی۔

اعترافات

بورڈ آف ڈائریکٹر قابل قدر حصص یافتگان، بینکوں/ مالیاتی اداروں، صارفین اور سپلائرز کی ان کی مسلسل حمایت، تعاون اور سرپرستی کے لئے اظہار تشکر کرنا چاہتا ہے۔ ہم یہ بھی چاہتے ہیں کہ کمپنی کے عہدیداروں، عملے اور کارکنوں کی لگن، محنت اور مستعدی کو ریکارڈ کریں۔ یہ بتانے کی ضرورت نہیں، کمپنی کے کاروبار میں ہر طرح کی نشوونما اللہ سبحانہ وتعالیٰ کی مرضی اور برکت کے بغیر ممکن نہیں ہے۔

بورڈ آف ڈائریکٹرز کی طرف سے

مسرور احمد خان
چیف ایگزیکٹو آفیسر

حافظ فاروق احمد
ڈائریکٹر

لاہور
مورخہ 27 اکتوبر 2020ء

ڈائریکٹرز رپورٹ

پیارے شیئر ہولڈرز

اسلام وعلیکم ورحمتہ اللہ و برکات

آ پکی کمپنی غنی گلوبل گلاس لمیٹیڈ (کمپنی) کے ڈائریکٹران کمپنیز ایکٹ 2017 کی تعمیل میں کمپنی کے تخفیف شدہ آ ڈٹ کے بغیر پہلی سہ ماہی کے حسابات بابت 30 ستمبر 2020ء پیش کرنے میں خوشی محسوس کرتے ہیں۔

اکانومی کا جائزہ

لگتا ہے کہ مالی سال 2020 (جولائی 2019 تا جون 2020) میں مالی سال 2020 (جولائی 2019 تا جون 2020) میں تھوڑی مزاحمت کے بعد رواں مالی سال کی پہلی سہ ماہی میں معیشت کی بحالی ہوئی ہے، جس کے اختتام پر لگے لاک ڈاون اقدامات کے بعد معیشت میں بہتری آئی ہے۔ جولائی–اگست میں، صنعتی پیداوار میں تیزی آ گئی، جو بنیادی طور پر حوصلہ افزا مینوفیکچرنگ اور تعمیراتی سرگرمیوں کے ذریعہ کارفرما ہے، جسے حکومت کے مالی محرک پیکیج نے ممکنہ طور پر حمایت حاصل کی ہے۔ مزید یہ کہ، سہ ماہی میں ترسیل زر کی اوسط اوسط میں اضافہ ہوا، جس میں قابو پانے میں آسانی کے ساتھ، نجی استعمال میں مدد کی جانی چاہئے۔ مزید برآں، مون سون کی بارشوں سے رسد کی زنجیروں میں رکاوٹ پیدا ہونے کے باوجود، اپریل–جون کے مقابلہ جولائی تا ستمبر کے عرصے میں برآمدات میں نرمی آئی۔ اس کے نتیجے میں، تجارت کا خسارہ اس سہ ماہی کے دوران قدرے کم ہوگیا، جس سے موجودہ اکاؤنٹ اور انتہائی ضروری FX ذخائر کو بہتر بنایا جاسکتا ہے۔

مالیاتی کارکردگی

مارکیٹ میں کمپنی کی مصنوعات کو قبول کر کے آپ کی کمپنی کی فروخت دن بدن بہتر ہو رہی ہے۔ ستمبر 2020 کو ختم ہونے والی مدت میں، آپ کی کمپنی کی فروخت 304 ملین روپے سے بڑھ کر 364 ملین روپے ہوگئی ہے جو کہ گذشتہ سال کے اسی عرصے کے دوران اس میں 19 فیصد اضافہ ریکارڈ ہوا۔ پچھلے سال کی اسی مدت کے مقابلے میں کمپنی کا مجموعی منافع 76 ملین روپے سے بڑھ کر 97 ملین روپے ہوگیا ہے۔ اس دوران تقسیم لاگت اور انتظامی لاگت 8.5 ملین روپے اور 22 ملین روپے ہے جبکہ پچھلی مدت میں یہ بالترتیب 8.5 ملین اور 16 ملین روپے تھی۔ پروجیکٹ فنانس اور ورکنگ کیپٹل لائنوں پر فنانس لاگت 26 ملین روپے رہی جبکہ پچھلی مدت میں یہ رقم 36 ملین روپے تھی۔

الحمداللہ، پہلی سہ ماہی کے لئے کمپنی کا منافع ٹیکس لگانے کے بعد 35 ملین روپے ہے جبکہ پچھلی مدت میں یہ منافع 15 ملین روپے تھا جس سے 124 فیصد اضافہ ریکارڈ ہوا۔ ای پی ایس 0.15 روپے سے بہتر ہو کر 0.35 روپے فی شیئر ہوگئی ہے۔

گذشتہ سال اسی مدت کے ساتھ 30 ستمبر 2020 کو ختم ہونے والی مدت کے لئے آپ کی کمپنی کے اہم مالیاتی نتائج کا موازنہ درج ذیل ہے

GHANI GLOBAL GLASS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

	Note	Un audited September 30, 2020	Audited June 30, 2020
		(Rupees)	
ASSETS			
Non-current assets			
Property, plant and equipment	5	**1,481,800,951**	1,494,231,182
Intangible assets - goodwill		**19,794,072**	19,794,072
Long term deposits		**5,020,900**	5,020,900
		1,506,615,923	1,519,046,154
Current assets			
Stores, spares and loose tools		**77,050,396**	73,309,245
Stock in trade		**309,645,824**	277,070,763
Trade debts		**214,595,576**	254,543,768
Loans and advances		**33,125,345**	22,732,812
Trade deposits and prepayments		**14,020,466**	20,434,942
Other receivables		**3,665,301**	21,829,391
Tax refunds due from government		**100,184,697**	92,835,413
Advance income tax - net		**93,447,962**	88,581,745
Cash and bank balances		**4,168,757**	64,426,670
		849,904,324	915,764,749
TOTAL ASSETS		**2,356,520,247**	2,434,810,903
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
300,000,000 (2020: 200,000,000) ordinary shares of Rupees 10 each		**3,000,000,000**	2,000,000,000
Issued, subscribed and paid up share capital	6	**1,000,000,000**	1,000,000,000
Accumulated losses		**(374,724,683)**	(409,294,177)
Loan from sponsors		**661,160,638**	781,660,638
Total equity		**1,286,435,955**	1,372,366,461
Non-current liabilities			
Long term financing	7	**244,533,069**	286,575,093
Long term security deposits		**400,000**	400,000
Deferred income		**1,784,647**	1,022,185
		246,717,716	287,997,278
Current liabilities			
Trade and other payables		**136,656,149**	107,476,591
Payable to Related Parties		**16,095,856**	89,800
Accrued profit on financing		**15,132,625**	34,695,288
Short term borrowings		**467,267,002**	521,174,236
Current portion of long term financing		**185,449,187**	111,011,249
Provision for taxation		**2,765,757**	-
		823,366,576	774,447,164
Total liabilities		**1,070,084,292**	1,062,444,442
TOTAL EQUITY AND LIABILITIES		**2,356,520,247**	2,434,810,903
CONTINGENCIES AND COMMITMENTS	8		

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

MASROOR AHMAD KHAN
(Chief Executive Officer)

ASIM MAHMUD
(Chief Financial Officer)

HAFIZ FAROOQ AHMAD
(Director)

GHANI GLOBAL GLASS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Note	**September 30, 2020**	September 30, 2019
		………...(Rupees)………….	
Gross sales			
Local		**327,925,978**	305,315,498
Export		**35,662,302**	-
		363,588,280	305,315,498
Less: Sales tax		**49,512,572**	46,335,286
Trade discounts		**1,453,129**	-
		50,965,701	46,335,286
Sales - net		**312,622,579**	258,980,212
Cost of sales		**(215,191,094)**	(182,667,249)
Gross profit		**97,431,485**	76,312,963
Administrative expenses		**(21,803,894)**	(15,919,837)
Selling and distribution expenses		**(8,478,115)**	(8,489,233)
Other operating expenses		**(4,413,922)**	(938,488)
		(34,695,931)	(25,347,558)
Other income		**851,164**	305,724
Profit from operations		**63,586,718**	51,271,129
Finance cost		**(26,251,467)**	(35,852,864)
Profit before taxation		**37,335,251**	15,418,265
Taxation		**(2,765,757)**	-
Profit after taxation		**34,569,494**	15,418,265
Earnings per share - basic and diluted (Rupees)	9	**0.35**	0.15

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

MASROOR AHMAD KHAN	**ASIM MAHMUD**	**HAFIZ FAROOQ AHMAD**
(Chief Executive Officer)	**(Chief Financial Officer)**	**(Director)**

GHANI GLOBAL GLASS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
	(Rupees)	
Profit for the period	**34,569,494**	15,418,265
Other comprehensive income	**-**	-
Total comprehensive income for the period	**34,569,494**	15,418,265

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

MASROOR AHMAD KHAN	**ASIM MAHMUD**	**HAFIZ FAROOQ AHMAD**
(Chief Executive Officer)	**(Chief Financial Officer)**	**(Director)**

GHANI GLOBAL GLASS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Note	September 30, 2020	September 30, 2019
		(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operating activities	10	141,712,304	(10,730,558)
Finance cost paid		(45,814,130)	(22,569,293)
Income tax paid		(4,866,217)	(11,272,162)
		(50,680,347)	(33,841,455)
Net cash generated from / (used in) operating activities		91,031,957	(44,572,013)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in operating fixed assets		(9,278,550)	(3,637,288)
Proceeds from disposal of operating fixed assets		-	12,476
Long term deposits		-	(1,680,530)
Net cash used in investing activities		(9,278,550)	(5,305,342)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from sponsors - net		(120,500,000)	14,000,000
Long term financing - net		32,395,914	(32,887,179)
Short term borrowings - net		(53,907,234)	31,106,207
Net cash (used in) / generated from financing activities		(142,011,320)	12,219,028
Net decrease in cash and cash equivalents		(60,257,913)	(37,658,327)
Cash and cash equivalents at the beginning of the year		64,426,670	60,349,591
Cash and cash equivalents at the end of the year		4,168,757	22,691,264

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

MASROOR AHMAD KHAN	**ASIM MAHMUD**	**HAFIZ FAROOQ AHMAD**
(Chief Executive Officer)	**(Chief Financial Officer)**	**(Director)**

GHANI GLOBAL GLASS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Share Capital	Accumulated losses	Loan from sponsors	Total
	(Rupees)			
Balance as at July 01, 2019(audited)	1,000,000,000	(449,771,147)	768,960,638	1,319,189,491
Profit after taxation	-	15,418,265	-	15,418,265
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	15,418,265	-	15,418,265
Loan received during the year - net	-	-	14,000,000	14,000,000
Balance as at September 30, 2019 (un-audited)	**1,000,000,000**	**(434,352,882)**	**782,960,638**	**1,348,607,756**
Balance as at July 01, 2020 (audited)	**1,000,000,000**	**(409,294,177)**	**781,660,638**	**1,372,366,461**
Profit after taxation	**-**	**34,569,494**	**-**	**34,569,494**
Other comprehensive income	**-**	**-**	**-**	**-**
Total comprehensive income for the period	**-**	**34,569,494**	**-**	**34,569,494**
Transactions with sponsors				
Loan (paid) / received during the period	**-**	**-**	**(120,500,000)**	**(120,500,000)**
Balance as at September 30, 2020	**1,000,000,000**	**(374,724,683)**	**661,160,638**	**1,286,435,955**

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

MASROOR AHMAD KHAN
(Chief Executive Officer)

ASIM MAHMUD
(Chief Financial Officer)

HAFIZ FAROOQ AHMAD
(Director)

1 LEGAL STATUS AND OPERATIONS

Ghani Global Glass Limited ("the Company") was incorporated in Pakistan under the Companies Act, 2017 (then the Companies Ordinance, 1984) as a private limited company on October 04, 2007 as Ghani Tableware (Private) Limited. Its status was changed to public unlisted company, consequently its name was changed to Ghani Tableware Limited as on July 24, 2008. Name of the Company was further changed to Ghani Global Glass Limited on January 14, 2009. The Company became listed on Pakistan Stock Exchange on December 12, 2014 upon merger of Libas Textiles Limited with and into the Company. The Company is principally engaged in manufacturing and sale of glass tubes, glass-ware, vials and ampules and chemicals. The Company commenced its commercial operations with effect from April 01, 2016. The Company's registered office is situated at 10-N, Model Town Extension, Lahore and its manufacturing units are situated on 52-K.M. Lahore Multan Road, Phool Nagar District Kasur.

The Company is subsidiary of Ghani Global Holdings Limited (Holding Company) which holds 50,098,200 (2020: 50,098,200) ordinary shares of Rupees 10 each representing 50.10% (2020: 50.10%) of total share issued as at reporting date.

2 STATEMENT OF COMPLIANCE

2.1 This condensed interim financial information of the Company for the three months period ended September 30, 2020 is un-audited and has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information is being submitted to the shareholders as required by the Listing Regulations of Pakistan Stock Exchange and section 237 of the Companies Act, 2017.

2.2 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency for the Company.

3 BASIS OF PREPARATION

3.1 This condensed interim financial information does not include the information reported for annual financial statements and should be read in conjunction with the audited annual published financial statements for the year ended June 30, 2020.

3.2 The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended June 30, 2020.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this interim condensed financial information in conformity with the approved accounting standards require the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this interim condensed financial information, the significant judgments made by the management in applying the Company’s accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended June 30, 2020.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	**Un audited September 30, 2020**	Audited June 30, 2020
		Rupees	
Operating fixed assets	**5.1**	**1,438,987,980**	1,450,381,451
Capital work in progress - at cost	**5.2**	**33,841,731**	31,241,731
Advance against purchase of vehicles		**8,971,240**	12,608,000
		1,481,800,951	1,494,231,182

		Note	Un-audited September 30, 2020	Audited June 30, 2020
			(Rupees)	
5.1	**Movement of operating fixed assets- tangible**			
	Opening book value		**1,450,381,451**	1,499,776,438
	Add: addition during the period	**5.1.1**	**10,315,310**	38,690,911
	Less: book value of the disposals	**5.1.2**	**-**	7,301
			1,460,696,761	1,538,460,048
	Less: depreciation charged during the period		**21,708,781**	88,078,597
	Closing book value		**1,438,987,980**	1,450,381,451
5.1.1	**Addition during the period / year**			
	Building		**-**	63,210
	Plant & Machinery		**1,509,987**	15,568,677
	Furnace		**-**	18,628,759
	Furniture and fixtures		**206,800**	1,794,935
	Office equipments		**-**	2,360,430
	Computers		**-**	274,900
	Vehicles		**8,598,523**	-
			10,315,310	38,690,911
5.1.2	**Deletion during the period / year**			
	Vehicles		**-**	7,301
5.2	**CAPITAL WORK IN PROGRESS**			
	Opening balance		**31,241,731**	31,241,731
	Additions during the period		**2,600,000**	-
			33,841,731	31,241,731
	Transfer during the year		**-**	-
	Closing balance		**33,841,731**	31,241,731

6 SHARE CAPITAL

		Un-audited September 30, 2020	Audited June 30, 2020
6.1	**Authorized share capital**		
	300,000,000 (2020: 200,000,000) ordinary shares of Rupees 10 each	**3,000,000,000**	2,000,000,000
6.2	**Issued, subscribed and paid up capital**		
	98,000,000 (2020: 98,000,000) Ordinary shares of Rupees 10 each fully paid in cash	**980,000,000**	980,000,000
	2,000,000 (2020: 2,000,000) Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement for amalgamation.	**20,000,000**	20,000,000
		1,000,000,000	1,000,000,000

6.3 The process for amalgamation of Libaas Textile Limited with and into the Company as on December 12, 2014 resulted in issuance of shares for consideration other than cash.

6.4 Movement in issued, subscribed and paid up capital of the company is as follows:

Un-audited September 30, 2020	Audited June 30, 2020		Un-audited September 30, 2020	Audited June 30, 2020
(Number of Shares)			(Rupees)	
100,000,000	100,000,000	Opening balance	**1,000,000,000**	1,000,000,000
-	-	Shares issued during the year	**-**	-
100,000,000	100,000,000	Closing balance	**1,000,000,000**	1,000,000,000

		Note	Un-audited September 30, 2020	Audited June 30, 2020
			(Rupees)	
7	**LONG TERM FINANCING**			
	From banking companies - secured:			
	Diminishing musharakah from banking company - secured		**280,818,081**	248,422,167
	Syndicate financing from banking companies - secured		**149,164,175**	149,164,175
			429,982,256	397,586,342
	Current portion taken as current liability		**(185,449,187)**	(111,011,249)
			244,533,069	286,575,093

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

8.1.1 Guarantees issued by banks in the ordinary course of business of Rupees 56.41 million (2020: Rupees 56.41 million) against gas connection in favor of Sui Northern Gas Pipelines Limited.

8.1.2 There is no change in status of the contingencies as disclosed in note 26.1.2 and 26.1.3 of the audited annual financial statements of the Company for the year ended 30 June 2020.

8.2 Commitments

8.2.1 Commitments in respect of letter of credit for machinery, raw materials, stores and spares outstanding as at reporting date is of Rupees 55.358 million (June 30, 2020: Rupees 40.770 million).

8.2.2 Commitments for capital expenditure related to building amounted to Rupees 6.50 million (June 30, 2020: Rupees 5 million).

9 EARNINGS PER SHARE

		September 30, 2020	September 30, 2019
Profit attributable to ordinary shareholders	*(Rupees)*	**34,569,494**	15,418,265
Weighted average number of ordinary shares outstanding during the year	*(Number)*	**100,000,000**	100,000,000
Earnings per share	*(Rupees)*	**0.35**	0.15

9.1 Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at reporting date which would have any effect on the earnings per share if the option to convert is exercised.

10 CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES

	Note	**September 30, 2020**	September 30, 2019
		(Rupees)	
Profit before taxation		**37,335,251**	15,418,265
Adjustments to reconcile loss to net cash provided by operating activities			
Depreciation		**21,708,781**	21,832,922
Finance costs		**26,251,467**	35,852,864
Gain on disposal of operating fixed assets		**-**	(5,175)
Cash flows from operating activities before working capital changes		**85,295,499**	73,098,876
Cash flows from working capital changes			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		**(3,741,151)**	(7,193,560)
Stock in trade		**(32,575,061)**	(122,793,389)
Trade debts		**39,948,192**	(6,556,630)
Loans and advances		**(10,392,533)**	54,981,584
Trade deposits and prepayments		**6,414,476**	(1,591,012)
Other receivables		**18,164,090**	(10,208)
Tax refunds due from government		**(7,349,284)**	(6,745,173)
Increase / (decrease) in current liabilities:			
Trade and other payables		**29,179,558**	15,175,001
Payable to related party		**16,006,056**	(9,096,047)
Increase/(decrease) in:			
Long term security deposit - Payable		**762,462**	-
Net cash generated from / (used in) working capital changes		**56,416,805**	(83,829,434)
Cash generated from / (used in) operating activities		**141,712,304**	(10,730,558)

11 SEGMENT REPORTING

11.1 The Company has following two strategic divisions which are its reportable segments. Following summary describes the operations of each reportable segments:

Glass tubes and glass ware

This segment covers sales of all glass tubes and other glass wares.

Chemicals

This segment covers revenue of ethylene ripener and refrigerant gases earned during the year.

11.2 Segment results are as follows:

	YEAR ENDED (AUDITED)					
	September 30, 2020			September 30, 2019		
	Glass tubes and Glass ware	Chemicals	Total	Glass tubes and Glass ware	Chemicals	Total
		(Rupees)			(Rupees)	
Net sales	269,189,519	43,433,060	312,622,579	206,923,551	62,056,661	268,980,212
Cost of sales	(170,948,188)	(44,242,906)	(215,191,094)	(167,936,778)	(14,730,471)	(182,667,249)
Gross profit	98,241,331	(809,846)	97,431,485	38,986,773	47,326,190	86,312,963
Administrative expenses	(20,713,699)	(1,090,195)	(21,803,894)	(16,123,845)	(795,992)	(16,919,837)
Distributions expenses	(7,842,256)	(635,859)	(8,478,115)	(7,852,541)	(636,692)	(8,489,233)
	(28,555,955)	(1,726,054)	(30,282,009)	(23,976,386)	(1,432,684)	(24,409,070)
Segment Profit / (loss) Carried forward	69,685,376	(2,535,900)	67,149,476	16,010,387	45,893,506	61,903,893
Segment Profit / (loss) Brought forward	69,685,376	(2,535,900)	67,149,476	16,010,387	45,893,506	61,903,893
Unallocated expenses						
Other operating expenses			(4,413,922)			(938,488)
Other income			851,164			805,724
			63,586,718			61,271,129
Finance costs			(26,251,467)			(45,852,864)
Profit before taxation			37,335,251			15,418,265
Taxation			(2,765,757)			-
Profit after taxation			34,569,494			15,418,265

12 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary and associated companies, directors of the Company, companies in which directors also hold directorship, related companies, key management personnel and staff retirement benefit funds. The Company in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

12.1 Name and nature of relationship

Name of related parties	**Basis of relationship**
Masroor Ahmad Khan	Director / Shareholder
Atique Ahmad Khan	Director / Shareholder
Hafiz Farooq Ahmad	Director / Shareholder
Ghani Chemical Industries Limited	Associate
Ghani Global Holdings Limited	Parent company
Provident Fund Trust	Employees retirement fund

12.2 Transactions with related parties

Relationship with related party	**Nature of Transaction**	**September 30, 2020**	September 30, 2019
		(Rupees)	
Parent Company	Guarantee Commission	744,900	650,000
	Balance receivable	4,600,000	
	Balance payable	934,700	
Associates			
	Purchases	13,715,550	9,745,828
	Return on advances given	749,460	-
	Return on advances received	839,560	-
	Balance payable	16,095,856	
			-
Key management personnel			
Sponsors	Loan (paid) / received - net	(120,500,000)	14,000,000
Others			
Employees Provident Fund Trust	Contribution	3,474,386	2,839,556

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

13 DATE OF AUTHORIZATION

13.1 This condensed interim financial information was approved by the Board of Directors of the Company and authorized for issue on **27 October , 2020.**

14 GENERAL

14.1 Corresponding figures have been re-arranged / re-classified wherever necessary to facilitate comparison. However, no significant reclassification has been made during the year.

14.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the annual audited financial statements of the Company for the year ended June 30, 2020 and the corresponding figures in the condensed interim statement of profit or loss, condensed interim statement of cash flows, condensed interim statement of other comprehensive income and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial information of the Company for the period ended September 30, 2019.

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

MASROOR AHMAD KHAN **(Chief Executive Officer)**	**ASIM MAHMUD** **(Chief Financial Officer)**	**HAFIZ FAROOQ AHMAD** **(Director)**

Ghani Global Group

Corporate Office:
10-N, Model Town Ext., Lahore 54000, Pakistan. UAN: 111 GHANI 1 (442-641)
Tel: 042 35161424-5, Fax: +92 42 35160393
www.ghaniglobalglass.com