

# Ghani

The Glass Experts

• Third Quarter Financial Statements 2016-17 •



Ghani Value Glass Limited

## **DIRECTORS' REPORT**

Dear shareholders

Assalam-u-Alaikum Wa Rehmatullah Wa BarakatoHu

The board of Directors of Ghani Value Glass Limited is pleased to present financial statements for the third quarter and nine months ended March 31, 2017.

<b>FINANCIAL INDICATORS</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	Rupees '000'	
Sales	645,062	621,234
Gross profit	57,588	76,612
Profit before Tax	20,443	23,173
Net profit	13,029	21,528
Earning per share (Rupees)	0.44	0.90

During the period under review, the Net Revenue of your Company has increased to Rupees 645 million as compared to Rupees 621 million for the same period of last year. The Company has registered Gross profit of Rupees 58 million. The Company has earned Net Profit of Rupees 13 million as compared to Rupees 21 million for the corresponding period of last year. Earning per share has been recorded as Rupees 0.44 against Rupees 0.90 for the same period of last year.

On behalf of the Directors, we are pleased to record our appreciation for our customers, employees, suppliers, shareholders and financial institutions for their trust in the management of the company.

We thank Allah Subhanatallah for blessing all of us and your company. We all should continue our endeavors to fully obey the commandments of Almighty Allah and Sunnah of our Prophet Muhammad" (Sallallahu-Alaihe-Wasallum).

On behalf of the Board of Directors

Lahore: April 20, 2017



**Anwaar Ahmad Khan**  
Chief Executive Officer

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

#### **Chairman**

Mr. Awais Ahmad

#### **Directors**

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

### **CHIEF EXECUTIVE OFFICER**

Mr. Anwaar Ahmad Khan

### **AUDIT COMMITTEE**

#### **Chairman**

Mr. Junaid Ghani

#### **Members**

Mr. Awais Ahmad  
Ms. Afifa Anwaar

### **HR & R COMMITTEE**

#### **Chairman**

Mr. Aftab Ahmad Khan

#### **Members**

Mr. Junaid Ghani  
Mr. Jubair Ghani

### **CHIEF FINANCIAL OFFICER**

Mr. Umer Farooq Khan

### **COMPANY SECRETARY**

Hafiz Mohammad Imran Sabir

### **AUDITORS**

EY Ford Rhodes  
Chartered Accountants

### **SHARE REGISTRAR**

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

### **BANKERS**

Habib Metropolitan Bank Limited (Islamic)  
MCB Bank Limited (Islamic)  
MCB Bank Limited (Conventional)  
Burj Bank Limited (Islamic)  
Bank Alfalah Limited (Islamic)  
Askari Bank Limited (Islamic)  
Bank Al Habib (Islamic)  
The Bank of Punjab (Islamic)

### **HEAD OFFICE & REGISTERED OFFICE**

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

### **PLANT**

Hussain Nagar  
District Sheikhpura  
Ph: (056) 3406171

# **Ghani Value Glass Limited**

## CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT 31 MARCH 2017

	Note	Mar 31, 2017 Rupees	June 30, 2016 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	402,230,444	372,379,375
Long term deposits		4,723,044	4,723,044
		<b>406,953,488</b>	<b>377,102,419</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		50,385,958	34,649,775
Stock in trade	6	116,639,912	175,423,491
Trade debts - unsecured, considered good		274,686,352	235,761,354
Loans and advances		61,366,453	37,157,175
Profit accrued		36,003	30,284
Taxes and duty refundable		94,584,231	84,964,452
Cash and bank balances		37,340,241	18,294,330
		<b>635,039,150</b>	<b>586,280,861</b>
		<b>1,041,992,638</b>	<b>963,383,280</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised Capital</b>			
30,000,000 (30 June 2016: 30,000,000) ordinary shares of Rs.10/- each (30 June 2016: Rs. 10/- each).		<b>300,000,000</b>	<b>300,000,000</b>
<b>Issued, subscribed and paid up capital</b>			
29,951,625 (30 June 2016: 29,951,625) ordinary shares of Rs.10/- each (30 June 2016: Rs. 10/- each).		<b>299,516,250</b>	<b>299,516,250</b>
<b>Revenue reserves</b>			
General reserve		3,680,000	3,680,000
Accumulated profits / (losses)		80,836,604	67,806,918
		<b>84,516,604</b>	<b>71,486,918</b>
<b>SURPLUS ON REVALUATION OF FIXED ASSETS</b>			
		<b>113,607,206</b>	<b>113,607,206</b>
		<b>497,640,060</b>	<b>484,610,374</b>
<b>NON CURRENT LIABILITIES</b>			
Deferred taxation		25,037,089	17,623,529
Long term deposits		483,699	359,320
		<b>25,520,788</b>	<b>17,982,849</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		518,831,790	460,556,140
Provision for taxation		-	233,917
		<b>518,831,790</b>	<b>460,790,057</b>
		<b>518,831,790</b>	<b>478,772,906</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
		<b>1,041,992,638</b>	<b>963,383,280</b>

The annexed notes from 1 to 11 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR


# Ghani Value Glass Limited

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE PERIOD ENDED 31 MARCH 2017

	Three Months Period Ended		Nine Months Period Ende	
	2017 Rupees	2016 Rupees	2017 Rupees	2016 Rupees
Sales-net	260,380,316	252,101,548	645,061,522	621,234,076
Cost of sales	244,986,507	204,690,496	587,473,968	544,622,009
<b>Gross profit / (loss)</b>	<b>15,393,809</b>	47,411,052	<b>57,587,554</b>	76,612,067
Administrative expenses	7,740,321	13,644,392	32,653,108	42,008,801
Distribution cost	3,496,694	8,409,589	10,407,690	19,396,839
	11,237,015	22,053,980	43,060,798	61,405,639
<b>Operating Profit/(loss)</b>	<b>4,156,793</b>	25,357,072	<b>14,526,756</b>	15,206,428
Other operating expenses	460,054	1,634,143	1,732,279	1,717,438
Finance cost	187,526	500	243,404	68,390
Other operating income	(2,452,214)	(3,416,177)	(7,892,172)	(9,752,359)
	(1,804,634)	(14,151,529)	(5,916,489)	(7,966,532)
<b>Profit before tax</b>	<b>5,961,428</b>	27,138,607	<b>20,443,245</b>	23,172,960
Taxation	(270,070)	11,273,633	7,413,559	1,644,501
<b>Profit after tax</b>	<b>5,691,358</b>	15,864,973	<b>13,029,686</b>	21,528,458
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive Profit for the period</b>	<b>5,691,358</b>	15,864,973	<b>13,029,686</b>	21,528,458
<b>Earnings per share - basic and diluted</b>	<b>0.19</b>	0.66	<b>0.44</b>	0.90

The annexed notes from 1 to 11 form an integral part of these financial statements.

  
CHIEF EXECUTIVE

  
DIRECTOR

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

FOR THE PERIOD ENDED 31 MARCH 2017

	Mar , 2017 Rupees	Mar , 2016 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	20,443,246	23,172,960
Adjustments for non-cash charges and other items:		
Depreciation	13,954,082	15,965,887
Provision for WPPF	1,108,776	1,244,520
Provision for WWF	421,335	472,918
Profit on savings account	(291,079)	(325,417)
	35,636,360	40,530,868
<b>Working capital adjustments</b>		
<b>(Increase) / decrease in current assets:</b>		
Stores, spares and loose tools	(15,736,183)	(7,508,523)
Stock-in-trade	58,783,579	(59,107,661)
Trade debts	(38,924,998)	(61,648,896)
Loans and advances	(24,209,278)	(16,411,032)
Prepayments	-	-
Taxes and duty refundable	(9,619,779)	(11,329,645)
<b>Increase / (decrease) in current liabilities:</b>		
Trade and other payables	62,500,889	120,496,681
Short term loans - net	-	(55,000,000)
Long term deposits payable	124,380	-
	32,918,610	(90,509,076)
<b>CASH GENERATED FROM/(USED IN) OPERATIONS</b>	68,554,970	(49,701,742)
Taxes paid	(5,561,693)	(30,756,582)
WPPF paid	(189,889)	221,850
Finance Cost Paid	(243,404)	-
Finance Income received	291,079	325,417
<b>NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES</b>	62,851,063	(30,209,315)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure incurred	(43,805,152)	(41,141,703)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(43,805,152)	(41,141,703)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	-	111,141,250
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	-	111,141,250
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	19,045,911	39,790,232
<b>CASH AND CASH EQUIVALENTS - At the beginning of the period</b>	18,294,330	21,102,957
<b>CASH AND CASH EQUIVALENTS - At the end of the period</b>	37,340,241	60,893,189

The annexed notes from 1 to 11 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

# Ghani Value Glass Limited

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

FOR THE PERIOD ENDED 31 MARCH 2017

	Share Capital	Revaluation Surplus	Revenue Reserves		Total
			General Reserve	Unappropriated profit/ (Accumulated loss)	
Rupees					
Balance as at 01 July 2015	188,375,000	113,607,206	3,680,000	68,098,808	373,761,014
Dividend for the year ended 30 June 2015				(18,837,500)	(18,837,500)
Issuance of Right shares	111,141,250				111,141,250
Total comprehensive income for the period				21,528,458	21,528,458
Balance as at 31 Mar 2016	299,516,250	113,607,206	3,680,000	70,789,766	487,593,222
Balance as at 01 July 2016	299,516,250	113,607,206	3,680,000	67,806,918	484,610,374
Total comprehensive income for the period				13,029,686	13,029,686
Balance as at 31 Mar 2017	299,516,250	113,607,206	3,680,000	80,836,604	497,640,060



CHIEF EXECUTIVE



DIRECTOR

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

**FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017**

### **1 LEGAL STATUS AND NATURE OF BUSINESS**

Ghani Value Glass Limited (the Company) was incorporated in Pakistan on 17 March, 1967 as a Public Limited Company and its shares are quoted on Pakistan Stock Exchange (formerly KSE & LSE). The principal activity of the Company is manufacturing and sale of silver and aluminium mirror, tempered and double glazed glass. The Company's registered office is at 40-L Block, Model Town, Lahore.

### **2 BASIS OF PRESENTATION AND MEASUREMENT**

**2.1** This interim financial information is un-audited but subject to limited scope review by the auditors. This interim financial information of the Company nine month period ended 31 March 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34 " Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance 1984. In case where the requirements differ, the provisions of directives issued under the Companies Ordinance, 1984 have been followed.

**2.2** The figures of the condensed interim profit and loss account for the three month period ended 31 March 2016 and 2017 have not been reviewed by the auditors of the Company as they have reviewed the cumulative figures for the six month period ended 31 December 2015 and 2016. This interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2016.

### **3 ACCOUNTING POLICIES**

The accounting policies and the method of computation adopted in the preparation of this interim financial information are the same as those applied in preparation of financial statements for the year ended 30 June 2016.

#### **3.1 New, amended and revised standards and interpretation of IFRSs**

The Company has adopted the following amended IFRS and related interpretations which became effective during the period:

IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IAS 19	Employee Benefits – (Amendment) - Defined Benefit Plans: Employee Contributions

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the condensed interim financial statements.

In addition to the above standards and interpretations, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period. The Company expects that such improvements to the standards do not have any impact on the Company's financial statements for the period.

### **4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of this interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements for the year ended 30 June 2016.



		<b>Un-audited 31 March 2017</b>	<b>Audited 30 June 2016</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>5</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating fixed assets-Tangible	<b>392,700,657</b>	356,139,188
	Capital work in progress	<b>9,529,787</b>	16,240,187
		<b>402,230,444</b>	<b>372,379,375</b>
<b>5.1</b>	<b>Operating fixed assets - tangible</b>		
	Opening book value	<b>356,139,188</b>	228,090,314
	Additions during the period / year:		
	- freehold land		8,112,445
	- Buildings on freehold land	<b>4,084,226</b>	127,124,906
	- Plant and machinery	<b>43,468,083</b>	159,000
	- Electrical Installation	<b>1,472,500</b>	
	- Mills equipment	<b>770,600</b>	15,225,232
	- Furniture & fixture	<b>59,983</b>	-
	- Computers	<b>660,160</b>	259,684
	-Office Equipment	-	19,250
	- Vehicles	-	3,868,742
		<b>50,515,552</b>	154,769,259
	Less: Depreciation charge for the period / year	<b>(13,954,082)</b>	(26,720,385)
	Closing book value	<b>392,700,657</b>	<b>356,139,188</b>
<b>6</b>	<b>STOCK-IN-TRADE</b>		
	Raw materials	<b>80,493,396</b>	62,704,616
	Finished goods	<b>36,146,516</b>	112,718,875
		<b>116,639,912</b>	<b>175,423,491</b>
<b>7</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
	There is no material change in the contingencies and commitments since the last audited financial statements for the year ended 30 June 2016.		
<b>8</b>	<b>TRANSACTIONS WITH RELATED PARTIES</b>		
	Related parties comprise companies with common directorship, directors and key management personnel. Details of transactions with associated undertakings during the year, other than those which have been disclosed elsewhere in this financial information, are as follows:		

Relationship within group	Nature of transactions	Un-audited	Un-audited
		31 March 2017	31 March 2016
		Rupees	Rupees
Associated undertakings Ghani Glass Limited	Purchase of goods and services	<b>341,449,088</b>	353,511,744
	Sales of goods and services	<b>3,308,197</b>	26,050,438
	Scrap sales	<b>2,205,032</b>	4,192,880
	Shared expenses (Reimbursement of expenses)	<b>4,391,894</b>	3,487,379
	Rental income	<b>4,668,361</b>	4,952,993
Ghani Automobile Industries Limited	Motor Bike	-	46,065
Post employment benefit plans	Expenses charged in respect of retirement benefit	<b>6,750,969</b>	10,304,779
Key management personnel	Salaries and other employee benefits	<b>32,533,342</b>	48,524,010

All transactions with related parties have been carried out on commercial terms and conditions.

This interim financial information was authorized for issue by the Board of Directors of the Company on April 20, 2017.

## 9 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR

## ڈائریکٹران کی جائزہ رپورٹ

معزز ہمداران

اسلام علیکم ورحمۃ اللہ وبرکاتہ

غنی ویلیو گلاس لمیٹڈ کے ڈائریکٹران 31 مارچ 2017 کو مکمل ہونیوالی سہ ماہی اور نو مہینوں کیلئے مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔

2016 مارچ 31	2017 مارچ 31	مالیاتی اعشاریے
(روپے '000 میں)		
621,234	645,062	آمدنی
76,612	57,588	خام نفع
23,173	20,443	قبل از ٹیکس نفع
21,528	13,029	خالص نفع
0.90	0.44	فی حصص نفع (روپے)

زیر جائزہ عرصے کے دوران کمپنی کی خالص آمدنی میں گذشتہ برس اسی مدت میں 621 ملین روپے کے مقابلے میں 645 ملین روپے تک کا اضافہ ہوا۔ کمپنی نے 58 ملین روپے کا خام نفع کمایا۔ کمپنی کا خالص نفع گذشتہ برس اسی عرصے میں 21 ملین روپے کے مقابلے میں 13 ملین روپے ریکارڈ کیا گیا۔ فی حصص نفع گذشتہ برس اسی عرصے میں 0.90 روپے کے مقابلے میں 0.44 روپے رہا۔

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

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



انوار احمد خان

لاہور: 20 اپریل، 2017

## **Ghani Value Glass Limited**

**Head Office:** ▲

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