

Ghani

THE GLASS EXPERTS

3rd Quarter
Financial Statements
2015-16



Ghani Value Glass Limited

Corporate Information

BOARD OF DIRECTORS

Chairman

Mr. Ayub Sadiq

Directors

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

CHIEF EXECUTIVE OFFICER

Mr. Anwaar Ahmad Khan

AUDIT COMMITTEE

Chairman

Mr. Junaid Ghani

Members

Mr. Ayub Sadiq
Mrs. 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

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

Habib Metropolitan Bank Limited
MCB Bank Limited
Burj Bank Limited
Bank Alfalah Limited

HEAD OFFICE & REGISTERED OFFICE

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

PLANT

Hussain Nagar
District Sheikhpura
Ph: (056) 3406171

Directors' Report

Dear shareholders

Assalam-u-Alaikum Wa Rehmatullah Wa BarakatoHu

The board of Directors of Ghani Value Glass Limited is pleased to present financial statements for the third quarter and nine months ended March 31, 2016.

FINANCIAL INDICATORS	March 31, 2016	March 31, 2015
	Rupees '000'	
Sales-Net	621,234	466,882
Gross profit	76,612	42,639
Profit before taxation	23,173	15,803
Net profit	21,528	10,384
Earning per share	0.90	0.45 <i>restated</i>

During the period under review, the Net Revenue of your Company has increased to Rupees 621 million as compared to Rupees 467 million for the same period of last year. Gross profit has been recorded as Rupees 76 million. The Company has earned Net Profit of Rupees 22 million as compared to Rupees 10 million for the corresponding period of last year. Earning per share has increased to Rupees 0.90 against Rupees 0.45 (*restated*) for the same period of last year.

The work on new safety glass project has been moving forward; Major LCs have been established. The project is expected to be in operation before the end of this financial 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



Anwaar Ahmad Khan
Chief Executive

Lahore: April 26, 2016

Condensed Interim Balance Sheet (un-audited)

AS AT 31 MARCH 2016

	Note	Mar 31, 2016 Rupees	June 30, 2015 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	377,021,697	351,845,881
Long term deposits		4,723,044	4,633,044
		381,744,741	356,478,925
CURRENT ASSETS			
Stores, spares and loose tools		34,675,493	27,166,970
Stock in trade	6	138,596,802	79,489,141
Trade debts - unsecured, considered good		218,016,677	156,533,781
Loans and advances		31,698,231	15,287,199
Taxes and duty refundable		65,020,751	53,691,106
Cash and bank balances		11,191,447	21,102,957
		499,199,401	353,271,154
		880,944,141	709,750,079
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
30,000,000 (30 June 2015: 30,000,000) ordinary shares of Rs.10/- each (30 June 2015: Rs 10/- each).			
		300,000,000	300,000,000
Issued, subscribed and paid up capital			
29,951,625 (30 June 2015: 18,837,500) ordinary shares of Rs.10/- each (30 June 2015: Rs 10/- each).			
		299,516,250	188,375,000
Revenue reserves			
General reserve			
		3,680,000	3,680,000
Accumulated profits / (losses)			
		70,789,766	68,098,808
		373,986,016	260,153,808
SURPLUS ON REVALUATION OF FIXED ASSETS			
		113,607,206	113,607,206
NON CURRENT LIABILITIES			
Deferred taxation		18,352,714	16,708,213
Long term deposits		317,860	207,393
		18,670,574	16,915,606
CURRENT LIABILITIES			
Loans from directors		-	55,000,000
Trade and other payables		374,680,345	256,493,202
Provision for taxation		-	7,580,257
		374,680,345	319,073,459
		374,680,345	335,989,065
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		880,944,141	709,750,079

The annexed notes from 1 to 9 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Profit and Loss Account (un-audited)

FOR THE PERIOD ENDED 31 MARCH 2016

	Three Months Period Ended		Nine Months Period Ended	
	2016 Rupees	2015 Rupees	2016 Rupees	2015 Rupees
Gross sales	316,851,013	217,638,047	777,838,353	578,523,085
Less: Sales tax, excise duty & commission	64,749,465	44,525,905	156,604,277	111,641,561
Sales-net	252,101,548	173,112,142	621,234,076	466,881,524
Cost of sales	204,690,496	156,936,352	544,622,009	424,242,619
Gross profit / (loss)	47,411,052	16,175,790	76,612,067	42,638,905
Administrative expenses	13,644,392	6,021,440	42,008,801	18,530,450
Distribution cost	8,409,589	5,947,079	19,396,839	17,567,572
	22,053,980	11,968,519	61,405,639	36,098,022
Operating Profit/(loss)	25,357,072	4,207,271	15,206,428	6,540,882
Other operating expenses	1,634,143	945,430	1,717,438	1,560,985
Finance cost	500	13,343	68,390	149,730
Other operating income	(3,416,177)	(4,249,224)	(9,752,359)	(10,973,083)
	(1,781,535)	(3,290,450)	(7,966,532)	(9,262,368)
Profit before tax	27,138,607	7,497,720	23,172,960	15,803,248
Taxation	11,273,633	2,375,651	1,644,501	5,419,084
Profit after tax	15,864,973	5,122,069	21,528,458	10,384,165
Other comprehensive income for the period	-	-	-	-
Total comprehensive Profit for the period	15,864,973	5,122,069	21,528,458	10,384,165
Earnings per share - basic and diluted	0.66	Restated 0.22	0.90	Restated 0.45

The annexed notes from 1 to 9 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 2016

	Mar , 2016 Rupees	Mar , 2015 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period before taxation	23,172,960	15,803,248
Adjustments for non-cash charges and other items:		
Depreciation	15,965,887	8,497,835
Provision for WPPF	1,244,520	848,724
Provision for WWF	472,918	322,515
Provision for Doubtful debts	-	500,000
Profit on savings account	(325,417)	(1,806,540)
	40,530,868	24,165,783
Working capital adjustments		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(7,508,523)	(6,879,972)
Stock-in-trade	(59,107,661)	(35,943,193)
Trade debts	(61,482,896)	(121,901)
Loans and advances	(16,411,032)	(13,707,720)
Taxes and duty refundable	(11,329,645)	8,029,347
Trade and other payables	120,496,681	164,828,139
Short term loans - net	(55,000,000)	-
Long term deposits payable	110,467	-
	(90,232,610)	116,204,700
CASH GENERATED FROM OPERATIONS	(49,701,742)	140,370,483
Taxes paid	(30,756,582)	(35,937,464)
WPPF paid	221,850	(1,582,576)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	(80,236,474)	102,850,443
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure incurred	(41,141,703)	(87,976,553)
Profit on savings account received	325,417	1,806,540
NET CASH USED IN INVESTING ACTIVITIES	(40,816,286)	(86,170,013)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	111,141,250	-
NET CASH USED IN FINANCING ACTIVITIES	111,141,250	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(9,911,510)	16,680,430
CASH AND CASH EQUIVALENTS - At the beginning of the period	21,102,957	34,952,081
CASH AND CASH EQUIVALENTS - At the end of the period	11,191,447	51,632,511

The annexed notes from 1 to 9 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Statement of Changes in Equity (un-audited)

FOR THE PERIOD ENDED 31 MARCH 2016

	Share Capital	Revaluation Surplus	Revenue Reserves		Total
			General Reserve	Unappropriated profit/ (Accumulated loss)	
Rupees					
Balance as at 01 July 2014	188,375,000		3,680,000	47,092,265	239,147,265
Total comprehensive income for the period				5,663,485	5,663,485
Balance as at 31 Mar 2015	<u>188,375,000</u>	<u>-</u>	<u>3,680,000</u>	<u>52,755,750</u>	<u>244,810,750</u>
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	<u>299,516,250</u>	<u>113,607,206</u>	<u>3,680,000</u>	<u>70,789,766</u>	<u>487,593,222</u>

The annexed notes from 1 to 9 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Notes to the Financial Statements (un-audited)

FOR THE PERIOD ENDED 31 MARCH 2016

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 2016 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 December 2015 and 2016 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 2015.

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 2015.

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 Contrib

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 2015.

5 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets-Tangible
Capital work in progress

5.1

Un-audited 31 March 2016	Audited 30 June 2015
Rupees	Rupees
363,514,513	228,090,314
13,507,187	123,755,567
377,021,700	351,845,881

	Un-audited 31 March 2016 Rupees	Audited 30 June 2015 Rupees
5.1 Operating fixed assets - tangible		
Opening book value	228,090,314	196,314,464
Additions during the period / year:		
- freehold land	6,520,527	20,675,000
- Buildings on freehold land	127,124,906	12,257,746
- Plant and machinery	12,955,482	7,971,448
- Mills equipment	752,875	621,046
- Furniture & fixture	-	-
- Computers	-	96,000
-Office Equipment	259,684	394,763
- Vehicles	3,776,613	1,674,650
	151,390,087	43,690,653
Less: Depreciation charge for the period / year	(15,965,887)	(11,914,803)
Closing book value	363,514,514	228,090,314
6 STOCK-IN-TRADE		
Raw materials	78,910,628	57,974,240
Finished goods	59,686,174	21,514,901
	138,596,802	79,489,141
7 CONTINGENCIES AND COMMITMENTS		
There is no material change in the contingencies and commitments since the last audited financial statements for the year ended 30 June 2015.		
8 TRANSACTIONS WITH RELATED PARTIES		

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 31 March 2016 Rupees	Un-audited 31 March 2015 Rupees
Associated undertakings			
Ghani Glass Limited	Purchase of goods and services	353,511,744	274,463,899
Ghani Glass Limited	Sales of goods and services	26,050,438	9,854
Ghani Glass Limited	Scrap sales	4,192,880	4,803,370
Ghani Glass Limited	Shared expenses (Reimbursement of expenses)	3,487,379	900,240
Ghani Glass Limited	Rental income	4,952,993	4,363,173
Ghani Automobile Industries Limited	Motor Bike	46,065	-
Post employment benefit plans	Expenses charged in respect of retirement benefit plans	10,304,779	4,093,639
Key management personnel	Salaries and other employee benefits	48,524,010	37,331,749

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 26, 2016.

9 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR

Ghani

Ghani Value Glass Limited

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