

## **CONTENTS**

Corporate Information	02
Vision and Mission	03
Chairman's Review	04
Directors' Report	05
Key Operating Data and Financial Ratios	10
Statement of Compliance	11
Review Report	13
Auditors' Report to the Members	14
Statement of Financial Position	17
Statement of Profit or Loss	18
Statement of Comprehensive Income	19
Cash Flow Statement	20
Statement of Changes in Equity	21
Notes to the Financial Statements	22
Notice of Annual General Meeting	41
Pattern of Shareholding	44
Directors' Report (Urdu)	48
Form of Proxy	

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

#### **Directors**

Mr. Awais Ahmad  
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

### **CHAIRMAN**

Mr. Imtiaz Ahmad Khan

### **CHIEF EXECUTIVE OFFICER**

Mr. Anwaar Ahmad Khan

### **AUDIT COMMITTEE**

#### **Chairman**

Mr. Awais Ahmad

#### **Members**

Mr. Junaid Ghani  
Ms. Afifa Anwaar

### **HR & R COMMITTEE**

#### **Chairman**

Mr. Awais Ahmad

#### **Members**

Mr. Aftab Ahmad Khan  
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)  
Albaraka Bank (Pakistan) Limited  
Bank Alfalah Limited (Islamic)  
Askari Bank Limited (Islamic)  
Bank Al Habib (Islamic)  
The Bank of Punjab (Islamic)  
Dubai Islamic Bank

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

40-L Model Town Ext., 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

## 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  
And Customer Satisfaction

## **CHAIRMAN'S REVIEW**

Dear Shareholders,

I would like to welcome you at the Annual General Meeting of the Company.

The country observed a lower GDP growth of 3.29 percent against the target of 6.2 percent during the FY19. The forecast was based upon sectoral growth projections for agriculture, industry, and services at 3.8 percent, 7.6 percent and 6.5 percent respectively. The actual sectoral growth remained lower out to be 0.85 percent for agriculture, 1.4 percent for industry and 4.7 percent for services. Some of the major crops recorded negative growth as production of cotton, rice and sugarcane declined during the year.

The Large-Scale Manufacturing sector which posted a negative growth this year is likely to rebound on the back of expected growth in agriculture sector. Both, agriculture and LSM sector growth is likely to have a good impact on services sector on account of goods transport services linked to agriculture and wholesale trade. There's exists the issue of the ever-increasing debt, which eats up some 30 percent of the budget every year. Pakistan continues to take out loans to be able to cover repayments of borrowings. A deal with the International Monetary Fund (IMF) for a bailout package worth \$6bn has been inked.

During the year ended June 30, 2019, the company has shown exceptional performance. The Operating Profit has jumped to Rupees 331 million as compared to Rupees 197 million for the previous year showing an increase of 68%. The sales revenue of the company has grown by 23% as compared to the previous year. The board of directors has performed satisfactorily. They have succeeded to achieve financial targets.

The composition of the Board of Directors reflects mix of varied backgrounds and rich experience in the diversified fields of business.

The Board provides strategic direction to the management and is available for guidance. The Board approves the budget and ensures that a competent and energetic team is in position to achieve the goals set. The Board ensures compliance of all regulatory requirements by the Management. As required under the Listed Companies (Code of Corporate Governance) Regulations, the Board evaluates its own performance through a mechanism developed by it.

The Audit Committee reviews the financial statements and ensures that the accounts fairly represent the financial position of the Company. It also ensures effectiveness of internal controls. The HR Committee overviews and recommends selection and compensation of senior management team.

I express my gratitude to all the directors for their continued support in providing their valuable input in making strategic decision.

Lahore: October 02, 2019



**Imtiaz Ahmed Ahmad**  
Chairman



## DIRECTORS' REPORT

In the name of Allah, The Most merciful and The beneficent

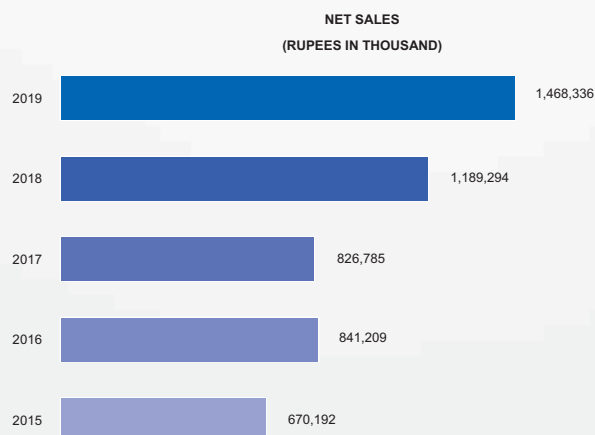
It is indeed a great privilege for me to present the annual report along with audited Financial Statements for the year ended June 30, 2019.

### Financial Performance

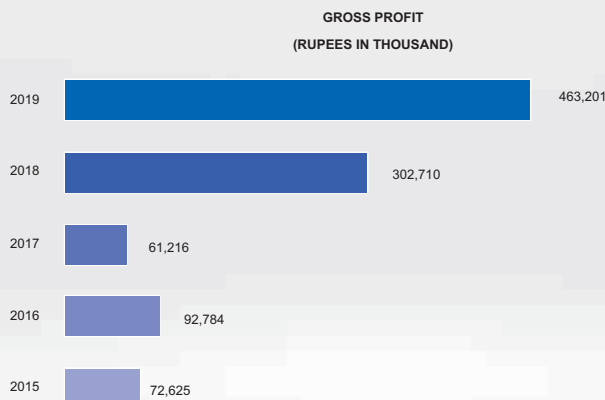
2018-19 was one more year towards the journey of continuous growth. Despite, the economic instability, the Company achieved all its major targets in terms of Production, Sales, Revenues, Gross Profit, Operating Profit, thus obtained Net Profitability of Rupees 350.13 million as compared to Rupees 169.89 million earned last year. During the financial year ended June 30, 2019, the Net Revenue has increased to Rupees 1.47 billion as compared to Rupees 1.19 billion for the preceding year. Earning per share has also increased from Rupees 4.85 to Rupees 9.35. The highlights of the Operating and Financial results of the Company are as follow:

Highlights	2019	2018
	(Rupees in Thousands)	
Net Sales	1,468,335	1,189,294
Gross Profit	463,201	302,710
Profit before Tax	341,137	197,868
Profit after Tax	350,127	169,885
Earning per Share - Basic & Diluted (Rupees)	9.35	4.85 restated

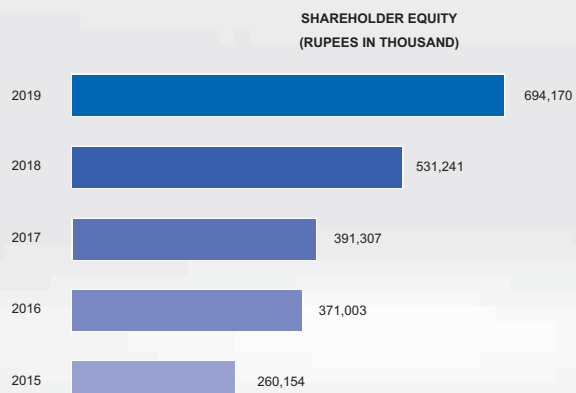
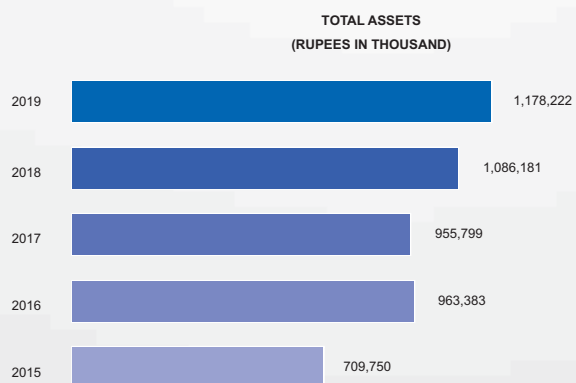
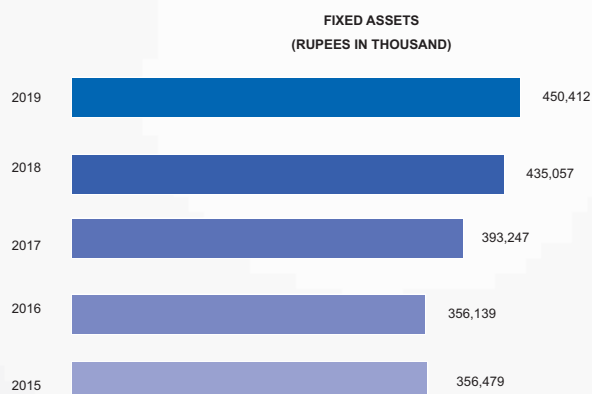
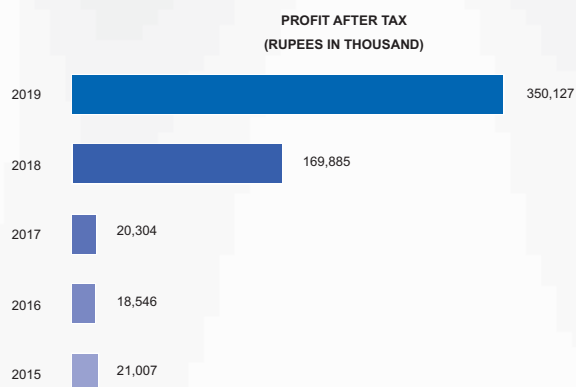
During the year under review, net sale has been increased to Rupees 1.47 billion as compared to Rupees 1.19 billion.



Gross Profit has increased to Rupees 463.20 million as compared to Rupees 302.71 million for the last year.



Profit after tax has increased to Rupees 350.13 million as compared to Rupees 169.89 million for the last year.



## Projects Update

With the blessings of ALLAH Almighty, the Lamination, Autoclave, Double Glazed, Double Edging, Sandblasting, Beveling Glass lines etc. projects have been commissioned successfully and commercial production has been started during the year under review.

## Economic Review

The pace of economic growth slowed down considerably during FY19. The country's gross domestic product (GDP) declined to 3.3 per cent in FY19 backed by deteriorating fiscal deficit and current account deficit showing Pakistan's structural deficiencies and its vulnerabilities to the buildup of external and internal deficits. The policy measures taken by the Government adversely affected the performance of the industrial sector and reduced manufacturing activities in the country. Resultantly, Large Scale Manufacturing (LSM) posted a broad-based decline during the FY19, with nearly all leading sectors reporting contraction. However, the livestock maintained its growth momentum marginally.

## Corporate Governance

The directors are pleased to report that your Company has taken necessary steps to comply with the provisions of the Listed Companies (Code of Corporate Governance) Regulations 2017 as incorporated in the listing regulations of Pakistan stock exchange.

## Corporate Financial Reporting Framework

The board firmly believes in the adherence to laws and regulations. The board considers such compliance an essence of success and hence takes vigilant part in setting and monitoring Company's strategic direction. We give following statement on Corporate and Financial Reporting Framework;

- **Presentation of Financial Statements**

The financial statements prepared by the management of the Company fairly present its state of affairs, the results of its operations, cash flows and changes in equity.

- **Books of Accounts**

Proper books of accounts have been maintained by the Company.

- **Accounting Policies**

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

- **International Accounting Standards**

International accounting standards and international financial reporting standards as applicable in Pakistan has been applied in preparation of financial statements.

- **Internal Controls**

The system of internal control has been reviewed and necessary changes are being made to strengthen it further.

- **Going Concern**

Management sternly believes that with the blessings of Allah SWT and the continued support of all the stakeholders, Company shall be able to perform profitably and shall be able to meet up its all liabilities as and when they fall due and hence it is and shall remain a going concern with a booming future ahead.

- **The main trends and factors likely to affect the future development, performance and position of the company's business**

Pak Rupee devaluation, increasing gas prices and energy costs etc and slowing down business activity are factors likely to affect the future development, performance and position of the business.

- **The impact of the company's business on the environment**

There is no adverse impact of company's operation on the environment.

- **Change of nature of Company's business**

There are no changes that have occurred during the financial year concerning the nature of the business of the company or any other company in which the company has interest.

- **Policy for remuneration of Non-Executive/Independent Directors**

The company has a policy of not paying remuneration package for Non-Executive and Independent Directors.

- **Directors' responsibility in respect of adequacy of internal financial controls**

The Board ensures adequacy of internal control activities either directly or through its Committees. The Board also reviews the Company's financial operations and position at regular intervals by means of interim accounts, reports, profitability reviews and other financial and statistical information. The Board reviews material budgetary variances and actions taken thereon on periodic basis.

- **The activities undertaken by the company with regard to corporate social responsibility during the year**

We are endeavoring to be a trusted Corporate Citizen and fulfill our responsibility to the society. We are committed to follow the highest social standards in how we conduct our business. The company is also committed to be a responsible Corporate citizen with welfare of its employees, their families, the local community and society at large.

A CSR project naming “**Almaida Lil Ghani**” has been started to provide free meal to the poor and needy people; almost more than 1000 needy persons have been serving free meal daily on four different locations nationwide

- **Best Practices of Corporate Governance**

There has been no departure from the best practices of corporate governance as detailed in listing regulations.

- **Subsequent Events (after June 30, 2019)**

There is no material change since June 30, 2019 and the company has not entered into any commitment, which would materially affect its financial position at the date.

- **Dividend**

The Board of Directors has approved final cash dividend @ 20% i.e. Rs.2 per share for the year ended June 30, 2019 *(in addition to first interim cash dividend of 20% i.e. Rs.2.00 per share and second interim cash dividend of 30% i.e. Rs.3 per share).*

- **Audit Committee**

The board in compliance with the Code of Corporate Governance has established audit committee and the following directors are its members;

1. Mr. Awais Ahmad
2. Mr. Junaid Ghani
3. Ms. Afifa Anwaar

- **Key Operating Data**

Key operating data for the last six years is annexed.

- **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.

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

**Provident Fund Rupees 40.5 Million**

*The value of investment includes accrued profit.*

- **Dealings in Company Shares**

During the year there was no trading of shares by Directors, CEO, CFO, Company secretary and their spouses and minor children.

- **Meetings of Directors**

The Board of Directors have responsibility to independently and transparently monitor the performance of the Company and take strategic decisions to achieve sustainable growth by the Company.

The total number of directors is 10 as per the following:

- a. Male: 8
- b. Female: 2

The composition of board is as follows:

<b>Independent Directors</b>	Mr. Awais Ahmad
<b>Other Non -Executive Directors</b>	Mr. Imtiaz Ahmad Khan
	Mr. Junaid Ghani
	Mr. Obaid Ghani
	Mr. Jubair Ghani
	Ms. Afifa Anwaar
	Mrs. Javaria Obaid
<b>Executive Directors</b>	Mr. Anwaar Ahmad Khan
	Mr. Aftab Ahmad Khan
	Mr. Ibrahim Ghani

Written notices of the Board meeting along with working papers were sent to the members seven days before meetings. A total of four meetings of the Board of Directors and six meetings of the Audit Committee and two meetings of HR & R Committee were held during the period of one year, from July 01, 2018 to June 30, 2019. The attendance of the Board members was as follows:

<b>Name of the Director</b>	<b>No. of Board of Directors' Meetings attended</b>	<b>No. of Audit Committee Meetings attended</b>	<b>No. of HR &amp; R Committee Meetings attended</b>
Mr. Awais Ahmed	4	6	2
Mr. Imtiaz Ahmad Khan	4	-	-
Mr. Anwaar Ahmad Khan	4	-	-
Mr. Aftab Ahmad Khan	4	-	2
Mr. Junaid Ghani	4	6	-
Mr. Obaid Ghani	4	-	-
Mr. Jubair Ghani	4	-	2
Ms. Afifa Anwaar	4	6	-
Mrs. Javaria Obaid	4	-	-
Mr. Ibrahim Ghani	4	-	-

- Code of Conduct**

Code of Conduct in line with the future outlook of the Company has been developed and communicated to all the employees of the Company.

- Pattern of Share Holding**

The statement of the pattern of shareholding as on June 30, 2019 is attached in the prescribed form as required under Companies Act 2017.

- Acknowledgement**

On behalf of the Board, I would like to thank all the shareholders, dealers, employees and other stakeholders for their valued support and I up hold the confidence they have showed in the management and I pray to Allah SWT for His guidance and beg for His end-less 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



**Anwaar Ahmad Khan**  
Chief Executive Officer



**Jubair Ghani**  
Director

**Lahore:** October 02, 2019

## KEY OPERATING DATA AND FINANCIAL RATIOS

Rupees in Thousands

	2019	2018	2017	2016	2015	2014
<b>Operating Data</b>						
Sales-net	1,468,336	1,189,294	826,785	841,209	670,192	630,923
Gross profit	463,201	302,710	61,216	92,784	72,625	67,369
Profit/(loss) before tax	341,137	197,868	12,724	19,695	28,242	29,484
Profit/(loss) after tax	350,127	169,885	20,304	18,546	21,007	24,045
Total Assets	1,178,222	1,086,181	955,875	963,383	709,750	533,911
Dividend	70%	30%	-	-	10%	-
<b>Ratios</b>						
Gross profit (%)	31.55	25.45	7.40	11.03	10.84	10.68
Net Profit (%)	23.85	14.28	2.46	2.20	3.13	3.81
Current ratio	2.29	1.66	1.24	1.27	1.11	1.7
Earning / (loss) per share (Rupees)	9.35	4.85	0.58	0.73	0.9	1.29
Return on total assets	0.30	0.16	0.02	0.02	0.03	0.05

## STATEMENT OF COMPLIANCE

### With the Listed Companies (Code of Corporate Governance) Regulations, 2017 for the Year Ended June 30, 2019

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors is 10 as per the following:

- a. Male: 8
- b. Female: 2

2. The composition of board is as follows:

<b>Independent Directors</b>	Mr. Awais Ahmad
<b>Non - Executive Directors</b>	Mr. Imtiaz Ahmed Khan Mr. Junaid Ghani Mr. Obaid Ghani Mr. Jubair Ghani Ms. Afifa Anwaar Mrs. Javaria Obaid
<b>Executive Directors</b>	Mr. Anwaar Ahmad Khan Mr. Aftab Ahmad Khan Mr. Ibrahim Ghani

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).

4. 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.

5. 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.

6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. 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. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.

8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board has arranged Directors' Training Program for the following:

- Mr. Junaid Ghani
- Mr. Jubair Ghani
- Mr. Ibrahim Ghani

Further, SECP approval has been obtained for exemption from training for the following Board members:

- Mr. Imtiaz Ahmad Khan
- Mr. Anwaar Ahmad Khan
- Mr. Aftab Ahmad Khan

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the board.

12. The board has formed committees comprising of members given below:

a) Audit Committee

Mr. Awais Ahmad	Chairman
Mr. Junaid Ghani	Member
Ms. Afifa Anwaar	Member

b) HR and Remuneration Committee

Mr. Awais Ahmad	Chairman
Mr. Aftab Ahmad Khan	Member
Mr. Jubair Ghani	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

a) Audit Committee: at least once every quarter of the financial year

b) HR and Remuneration Committee: at least once in a financial year

15. The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board 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 the ICAP.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations have been complied with.



(IMTIAZ AHMED AHMAD)

Chairman

Lahore: October 02, 2019



## **REVIEW REPORT**

### **TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of **Ghani Value Glass Limited (the Company)** for the year ended 30 June 2019 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As part of our audit of 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 Director's statement on internal control covers all the risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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 procedures to assess and determine the Company's process for identification of related parties and that 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 requirements contained in the Regulations as applicable to the Company for the year ended **30 June 2019**.



**EY Ford Rhodes**  
Chartered Accountants

**Audit Engagement Partner:** Sajjad Hussain Gill  
Lahore: October 02, 2019

# AUDITORS' REPORT

## to the Members

### Opinion

We have audited the annexed financial statements of **Ghani Value Glass Limited** ("the Company"), which comprise the statement of financial position as at **30 June 2019** and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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 2019 and of the profit, total comprehensive income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matters	How our audit addressed the key audit matter
<b>1. Related party transactions and disclosures</b>	
The Company purchases raw material from Ghani Glass Limited (GGL), a related party. As referred to in Note 27 of the accompanying financial statements, the Company purchased raw material amounting to Rs. 672,146,841 from GGL during the year, cumulatively comprising 86% of total raw material purchases of the Company.	Our audit procedures amongst others included evaluating the management's process of identification and recording of related party transactions.
Due to the significance of related party transactions with GGL, to the overall operations of the Company and the accuracy, completeness of disclosures of such transactions and year end balances, we have considered the same to be a key audit matter.	<p>We agreed the amounts disclosed to underlying documentation and inspected on sample basis, among others, purchase order, commercial invoice, gate passes, quality report and sales tax invoice as part of our evaluation of the occurrence and accuracy of disclosure.</p> <p>We obtained confirmation from GGL of the total transactions and balance due included in the financial statement disclosures to ensure occurrence, accuracy and completeness of disclosures of related party transactions with GGL.</p> <p>We utilized the substantive analytical procedures to identify any undisclosed transaction with GGL.</p> <p>We assessed the adequacy and completeness of disclosures of related party transactions / balances in accordance with the requirements of the applicable financial reporting standards and statutory requirements.</p>

Key audit matters	How our audit addressed the key audit matter
<b>2. First time adoption of IFRS 9 - Financial Instruments</b>	
<p>As referred to in Note 9 to the accompanying financial statements, the Company has adopted IFRS 9 with effect from 1 July 2018. The new standard requires the Company to make provision for financial assets (trade debts) using Expected Credit Loss (ECL) approach as against the Incurred Loss Model previously applied by the Company.</p> <p>Determination of ECL provision for trade debts requires significant judgement and assumptions including consideration of factors such as historical credit loss experience and forward-looking macro-economic information.</p> <p>We have considered the first time application of IFRS 9 requirements as a key audit matter due to significance of the change in accounting methodology and involvement of estimates and judgments in this regard.</p>	<p>Our key procedures to review the application of IFRS 9 included, amongst others, review of the methodology developed and applied by the Company to estimate the ECL in relation to trade debts. We also considered and evaluated the assumptions used in applying the ECL methodology based on historical information and qualitative factors as relevant for such estimates.</p> <p>Further, we assessed the completeness, accuracy and quality of the data used for ECL computation based on the accounting records and information system of the Company as well as the related external sources as used for this purpose.</p> <p>We tested the mathematical accuracy of the ECL model by performing recalculation on test basis.</p> <p>In addition to above, we assessed the adequacy of disclosures in the financial statements of the Company regarding application of IFRS 9 as per the requirements of the above standard.</p>
<b>3. Valuation of Stock in trade</b>	
<p>As disclosed in Note 8 to the accompanying financial statements, the stock in trade constitutes 16% of total assets of the Company as at 30 June 2019.</p> <p>The cost of closing stock is determined at weighted average rate on the closing units including a proportion of production overheads.</p> <p>We focused on the stock in trade and considered it to be key audit matter as it is a significant portion of Company's total assets and it requires management judgement in determining an appropriate costing basis and assessing its valuation.</p>	<p>We performed a range of audit procedures with respect to inventory items which included, amongst others obtaining understanding of Company's valuation process including internal controls in place at transaction level.</p> <p>We tested valuation methods and their appropriateness in accordance with the applicable accounting standards.</p> <p>We tested the calculations of per unit cost of finished goods and assessed the appropriateness of management's basis for the allocation of cost and production overheads.</p> <p>We performed physical verification of inventory at year end.</p> <p>We also assessed the adequacy of the disclosures made in respect of the accounting policies and the details of inventory balances held by the Company at the year end.</p>

### Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Upon reading the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to Board of Directors.

### Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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.

The engagement partner on the audit resulting in this independent auditors' report is Sajjad Hussain Gill.

*EY Ford Rhodes*

**EY Ford Rhodes**  
**Chartered Accountants**

Lahore: October 02, 2019

**Ghani Value Glass Limited**

# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

## ASSETS

### NON CURRENT ASSETS

Property, plant and equipment  
Long term advances and deposits

### CURRENT ASSETS

Stores, spares and loose tools  
Stock in trade  
Trade debts  
Advances and other receivables  
Tax refunds due from Government  
Cash and bank balances

## EQUITY AND LIABILITIES

### SHARE CAPITAL AND RESERVES

#### Authorized Capital

45,000,000 (30 June 2018: 45,000,000) ordinary shares  
of Rs.10/- each (30 June 2018: Rs. 10/- each)

#### Issued, subscribed and paid up capital

37,439,531 (30 June 2018: 37,439,531) ordinary shares of  
Rs.10/- each (30 June 2018: Rs. 10/- each)

#### Capital reserve

Revaluation surplus on property, plant and equipment

#### Revenue reserves

- Unappropriated profit
- General reserve

### NON CURRENT LIABILITIES

Deferred taxation  
Long term advance

### CURRENT LIABILITIES

Trade and other payables  
Contract liabilities  
Unclaimed dividends  
Unpaid dividends

### CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 35 form an integral part of these financial statements.

Note	2019 (Rupees)	2018 (Rupees)
5	453,881,321	438,525,812
6	10,740,654	12,633,654
	464,621,975	451,159,466
7	43,849,861	45,076,141
8	188,932,113	117,106,727
9	224,956,760	226,397,118
10	27,451,199	38,071,318
11	161,155,931	104,358,246
12	67,253,862	104,012,224
	713,599,726	635,021,774
	1,178,221,701	1,086,181,240
	450,000,000	450,000,000
13	374,395,310	374,395,310
	144,619,706	144,619,706
	316,094,704	153,165,811
	3,680,000	3,680,000
	319,774,704	156,845,811
	838,789,720	675,860,827
14	27,447,555	26,638,666
15	134,200	-
	27,581,755	26,638,666
16	285,824,712	287,349,678
17	24,312,402	20,689,105
	1,713,112	433,320
	-	75,209,644
	311,850,226	383,681,747
	1,178,221,701	1,086,181,240

18



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



# STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 (Rupees)	2018 (Rupees)
Revenue from contracts with customers	19	1,468,335,527	1,189,294,439
Cost of revenue	20	(1,005,134,819)	(886,584,003)
<b>Gross profit</b>		<b>463,200,708</b>	<b>302,710,436</b>
Distribution cost	21	(34,408,420)	(38,453,900)
Administrative expenses	22	(98,068,371)	(67,478,126)
		<b>(132,476,791)</b>	<b>(105,932,026)</b>
<b>Operating profit</b>		<b>330,723,917</b>	<b>196,778,410</b>
Other income	23	36,268,120	20,218,145
Other expenses	24	(25,855,313)	(19,128,228)
		<b>10,412,807</b>	<b>1,089,917</b>
<b>Profit before tax</b>		<b>341,136,724</b>	<b>197,868,327</b>
Taxation	25	8,989,824	(27,983,019)
<b>Profit for the year</b>		<b>350,126,548</b>	<b>169,885,308</b>
<b>Earnings per share - basic and diluted</b>	26	<b>9.35</b>	<b>4.85</b>

The annexed notes from 1 to 35 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 (Rupees)	2018 (Rupees)
Profit for the year		350,126,548	169,885,308
<b>Other comprehensive income:</b>			
Items that will not be reclassified subsequently to profit or loss			
Surplus on revaluation of freehold land		-	31,012,500
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year		-	31,012,500
<b>Total comprehensive income for the year</b>		<b>350,126,548</b>	<b>200,897,808</b>

The annexed notes from 1 to 35 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 (Rupees)	2018 (Rupees)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		341,136,724	197,868,327
<b>Adjustments for non-cash charges and other items:</b>			
Depreciation	5	32,633,523	32,334,225
Allowance for expected credit losses	21	12,451,074	16,551,436
Provision for Workers' Profit Participation Fund	24	18,339,151	10,626,656
Provision for Workers' Welfare Fund	24	7,307,151	4,038,129
Exchange loss-unrealized		212,875	-
Profit on deposit accounts	23	(4,199,928)	(1,984,810)
Gain on disposal of property, plant and equipment	23	(107,228)	-
<b>Operating profit before working capital changes</b>		<b>407,773,342</b>	<b>259,433,963</b>
<b>Working capital adjustments</b>			
<b>(Increase) / decrease in current assets:</b>			
Stores, spares and loose tools		1,226,280	5,649,066
Stock in trade		(71,825,386)	14,847,855
Trade debts		(11,010,716)	(51,821,009)
Advances and other receivables		10,431,006	6,685,535
		(71,178,816)	(24,638,553)
<b>Decrease in current liabilities:</b>			
Trade and other payables		(20,735,773)	(279,584,889)
<b>Cash generated from operations</b>		<b>315,858,753</b>	<b>(44,789,479)</b>
Taxes paid		(46,998,972)	(27,084,163)
Workers Profit Participation Fund paid		(2,220,934)	(8,430,000)
Finance income received		4,389,040	1,359,516
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>271,027,887</b>	<b>(78,944,126)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of property, plant and equipment		(46,698,742)	(43,620,596)
Sale proceeds from disposal of property, plant and equipment		40,000	488,750
Long term advances and deposits		-	(1,893,000)
<b>Net cash used in investing activities</b>	<b>B</b>	<b>(46,658,742)</b>	<b>(45,024,846)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of shares		-	74,879,060
Dividend paid		(261,127,507)	(29,621,043)
<b>Net cash (used in) / generated from financing activities</b>	<b>C</b>	<b>(261,127,507)</b>	<b>45,258,017</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>A+B+C</b>	<b>(36,758,362)</b>	<b>62,193,678</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<b>104,012,224</b>	<b>41,818,546</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>12</b>	<b>67,253,862</b>	<b>104,012,224</b>

The annexed notes from 1 to 35 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

		Capital Reserves	Revenue Reserves		
	Issued, subscribed and paid up capital	Revaluation surplus on property, plant and equipment	Unappropriated profit/ (Accumulated loss)	General reserve	Total
	(Rupees)				
<b>Balance as at 01 July 2017</b>	299,516,250	113,607,206	88,111,190	3,680,000	504,914,646
Right share issuance	74,879,060	-	-	-	74,879,060
Profit for the year	-	-	169,885,308	-	169,885,308
Interim cash dividend for the year before right issue (Rs. 1 per share)	-	-	(29,951,625)	-	(29,951,625)
Interim cash dividend for the year after right issue (Rs. 2 per share)	-	-	(74,879,062)	-	(74,879,062)
Revaluation surplus on property, plant and equipment arising during the year	-	31,012,500	-	-	31,012,500
<b>Balance as at 30 June 2018</b>	<b>374,395,310</b>	<b>144,619,706</b>	<b>153,165,811</b>	<b>3,680,000</b>	<b>675,860,827</b>
Profit for the year	-	-	350,126,548	-	350,126,548
First interim cash dividend for the year (Rs. 2 per share)	-	-	(74,879,062)	-	(74,879,062)
Second interim cash dividend for the year (Rs. 3 per share)	-	-	(112,318,593)	-	(112,318,593)
<b>Balance as at 30 June 2019</b>	<b>374,395,310</b>	<b>144,619,706</b>	<b>316,094,704</b>	<b>3,680,000</b>	<b>838,789,720</b>

The annexed notes from 1 to 35 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 1 THE COMPANY AND ITS OPERATIONS

Ghani Value Glass Limited (the Company) was incorporated in Pakistan on 17 March, 1967 as a Public Limited Company and is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of mirror, tempered glass and laminated glass. The Company's registered office is situated at 40-L Block, Model Town, Lahore. The manufacturing unit is located at 31-KM Shekhupura Road, Mouza Beti Heriya, Tehsil Nankana Sahib, District Shekhupura.

## 2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of

- International Financial Reporting Standards ("IFRS") 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 2.1 Standards, interpretations and amendments to published approved accounting standards effective during the year

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

#### New Standards, Interpretations and Amendments

The Company has adopted the following accounting standards and the amendments and interpretation of IFRSs which became effective for the current year:

#### Standard or Interpretation

IFRS 15	Revenue from contract with customers
IFRS 9	Financial instruments
IFRIC 22	Foreign Currency Transactions and Advance Considerations
IAS 40	Transfers of Investment Property (Amendments)
IFRS 2	Classification and Measurement of Share-based Payment Transactions

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any material impact on the financial statements.

### 2.2 Changes in accounting policies and disclosures

#### New and amended standards and interpretations

#### IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

The Company is in the business of manufacturing and sale of glass and providing tempering services in local and international markets.

The management reviewed and assessed the Company's existing contracts with the customers in accordance with the guidance included in IFRS 15 and concluded that there is no material impact on the revenue recognition of the Company.

### 2.3 Change in accounting policies resulting from application of IFRS 15

#### i) Revenue recognition

##### Revenue from contracts with customers for sale of glass and tempering services:

The Company recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

**Step-1** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step-2** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step-3** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step-4** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than

one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step-5** Recognise revenue when (or as) the Company satisfies a performance obligation.

Mentioned below are different revenue streams of the Company and their terms of recognition of revenue after satisfying all the five steps of revenue recognition in accordance with IFRS 15.

**(a) Sales of goods**

The Company's contracts with customers for the sale of goods generally include one performance obligation and recognized at a point in time. Revenue is recognized when goods are dispatched to customers and bill of lading is prepared for local sales and exports sales respectively. It is the time when control (significant risk and rewards) relating to ownership of goods and control over these goods is transferred to the buyer.

**(b) Rendering of services**

The Company's contracts with customers for rendering of services generally include one performance obligation and recognized at a point in time. Revenue is recognized when services are rendered to customers.

**ii) Presentation and disclosure requirements**

As required for the financial statements, the Company disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Company has also disclosed information about the relationship between the disclosure of disaggregated revenue and revenue information disclosed for each reportable segment.

**Impact of adoption of IFRS 15 on the financial statements**

The Company has applied IFRS 15 using the modified retrospective approach for transition. This approach requires entities to recognize the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of unappropriated profit in the period of initial application. Comparative prior year periods would not be adjusted. The application of IFRS 15 does not have any significant impact on the revenue recognition of the Company because there is mostly one performance obligation and revenue is recognized at a point in time except for the terminologies that are to be used in accordance with IFRS 15 as mentioned in respective note to the financial statements and therefore, the cumulative effect of initially applying this standard as an adjustment to the opening balance of unappropriated profit in the period of initial application is nil.

**2.4 IFRS 9 Financial instruments**

**Changes in accounting policies resulting from application of IFRS 9**

**Financial instruments: assets**

The Company applied IFRS 9 effective from 01 July 2018. All comparative figures for financial year 2017/18 were prepared under IAS 39. This is the first year of IFRS 9 adoption and comparatives have not been restated.

**i) Classification and measurement**

IFRS 9 Financial Instruments: Recognition and Measurement outlines the requirements for the recognition and measurement of financial assets and liabilities and replaces IAS 39.

Financial instruments are initially recognised when an entity becomes a party to the contractual provisions of the instrument, and are classified into various categories depending upon the type of instrument, which then determines the subsequent measurement of the instrument.

IFRS 9 classification is based on two aspects; the business model within which the asset is held (the business model test) and the contractual cash flows of the asset which meet the solely payments of principal and interest ('SPPI') test.

IFRS 9 includes three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL). The Company determines the classification at initial recognition.

**Financial assets at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within the business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at FVTOCI**

A debt instrument is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment by investment basis.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the

requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### **Financial assets at fair value through profit or loss**

A financial asset is mandatorily classified in this category if it is acquired principally for the purpose of selling in the short term, or if it fails the SPPI test. Derivatives are classified as FVTPL as they do not meet the SPPI criteria.

A financial asset can be classified in this category by choice if so designated by management at inception. This designation is because the relevant assets and liabilities (including derivatives) are managed together and internal reporting is evaluated on a fair value basis.

The Company defines fair value as the price, as at the measurement date, that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

#### **Financial assets at fair value through other comprehensive income**

The Company does not have any financial asset designate fair value through other comprehensive income.

#### **ii) Initial recognition**

At initial recognition, an entity shall measure a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of financial assets.

#### **iii) Subsequent valuation**

Gains and losses arising from changes in the fair value of assets classified as fair value through profit or loss are included in the statement of profit or loss in the period in which they arise.

Gains and losses arising from changes in the fair value of debt instruments classified as fair value through other comprehensive income are recognised as other comprehensive income until the financial asset is derecognised or impaired, at which time the cumulative gain or loss previously recognised as other comprehensive income is recognised in the statement of profit or loss. Any premium or discount paid on the purchase of securities held at amortised cost is amortised through the statement of profit or loss using the effective interest rate method.

The fair values of quoted investments in active markets are based on current bid prices. In other cases, the Company establishes fair value by using appropriate valuation techniques.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Company has either transferred substantially all of the risks and rewards of ownership or the Company deems that it no longer retains control of the risks and rewards of ownership.

The Company has no modified financial instruments.

#### **iv) Impairment of financial assets**

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model. IFRS 9 requires impairment assessment on all of the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments measured at amortised cost or FVTOCI; and
- loans and receivables commitments and financial guarantee contracts issued.

Under IFRS 9, no impairment loss is recognised on equity investments. IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12 month Expected Credit Loss (ECL) or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12 month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

The term 'expected credit loss' does not imply that losses are anticipated, rather that there is recognition of the potential risk of loss.

The Company has applied the simplified approach for trade debts to measure expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade debts have been grouped based on days overdue.

#### **Financial instruments: liabilities**

#### **i) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities mainly include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

#### **ii) Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost.

### iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### Impacts of adoption of IFRS 9 on the financial statements as on 01 July 2018

On 01 July 2018, the Company's management has assessed which business models apply to the financial assets held by the Company at the date of initial application of IFRS 9. The management has reviewed and assessed the Company's existing financial assets for impairment in accordance with the guidance included in IFRS 9, to determine the credit risk associated with the respective financial assets and has incorporated the same in the financial statements of the Company. The management has also concluded that the impact of impairment of these financial assets under IFRS 9 is insignificant for the Company's financial statements of prior year and accordingly no adjustment has been made to the figures reported in previous year. In addition to this, in the current year, management has assessed and concluded that impact of ECL is not material for the Company's financial statements. Therefore, the cumulative effect of initially applying this standard as an adjustment to the opening balance of unappropriated profit in the period of initial application is nil.

### 2.5 Standard, interpretations and amendments to approved published accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation		Effective date (annual periods Beginning on or after)
IAS 12	Income Taxes- Income tax consequences of payments on financial instruments classified as equity	01 January 2019
IFRS 11	Joint Arrangements-Previously held Interests in a joint operation	01 January 2019
IFRS 3	Business Combinations-Previously held Interests in a joint operation — (Amendments)	01 January 2019
IFRS 3	Definition of a Business (Amendments)	01 January 2020
IFRS 4	Insurance Contracts Applying IFRS 9 Financial Instruments -with IFRS 4 Insurance Contracts (Amendments)	01 July 2019
IAS 19	Plan Amendment, Curtailment or Settlement - (Amendments)	01 January 2019
IFRS 10	Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IAS 28	Long-term Interests in Associates and Joint Ventures— (Amendments)	01 January 2019
IAS 23	Borrowing Costs- Borrowing costs eligible for capitalization	01 January 2019
IAS 1	Presentation of Financial Statements — (Amendments)	01 January 2020
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors — (Amendments)	01 January 2020
IFRIC 23	Uncertainty over Income Tax Treatments	01 January 2019
IFRS 16	Leases	01 January 2019

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016 and December 2017. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018 and 01 January 2019 respectively. The Company expects that such improvements to the standards do not have any impact on the Company's financial statements in the period of initial application.

The International Accounting Standards Board (IASB) has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 1 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan for the purpose of applicability in Pakistan.

Standard		Effective date (annual periods Beginning on or after)
IFRS 14	Regulatory Deferral Accounts	01 January 2016
IFRS 17	Insurance Contracts	01 January 2021
IFRS 1	First time Adoption of IFRS	01 July 2009



The Company expects that adoption of above new standards will not have any material impact on the Company's financial statements in the period of initial application.

## **BASIS OF PREPARATION**

### **3.1 Basis of presentation and measurement**

These financial statements have been prepared under the historical cost convention except for the land which is stated at revalued amount.

### **3.2 Functional and presentation currency**

These financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency. Figures have been rounded to nearest rupee.

## **4 SIGNIFICANT ACCOUNTING POLICIES**

### **4.1 Significant accounting judgments and critical accounting estimates / assumptions**

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to use certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimate and judgments are continually evaluated and are based on the historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which estimate is revised if the revisions affects only that period or in the period of revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

#### **a) Useful lives, patterns of economic benefits, residual values and impairment**

The Company has made certain estimates with respect to residual value, depreciation method and depreciable lives of property, plant and equipment. Further, the Company reviews the value of assets for possible impairment on each reporting date. Any change in the estimates in future years might affect the remaining amounts of respective items of property, plant and equipment with corresponding effect on the depreciation charge and impairment.

#### **b) Provision for taxation**

The Company takes into account relevant provisions of the current income tax laws while providing for current and deferred taxes.

#### **c) Allowance for expected credit losses (ECL)**

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. For trade and other receivables, the Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

#### **d) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where carrying values exceed recoverable amounts, assets are written down to their recoverable amounts and the differences are recognized in statement of profit or loss and / or other comprehensive income.

### **4.2 Property, plant and equipment**

#### **Operating fixed assets**

Operating fixed assets, other than freehold land which is stated at revalued amount, are stated at cost less accumulated depreciation and impairment loss, if any.

A revaluation surplus is recorded in statement of comprehensive income and presented as a separate part of equity. However, the increase is recorded in the statement of profit or loss to the extent it reverses a revaluation deficit of the same asset recognised previously. A decrease as a result of revaluation is recognized in the statement of profit or loss, however, a decrease is recorded in statement of other comprehensive income to the extent of any credit balance in revaluation surplus in respect of same assets. The revaluation reserve is not available for distribution to the Company's shareholders.

Depreciation is calculated using reducing balance method at the rates disclosed in relevant note, which are considered appropriate to write-off the cost of the assets over their estimated remaining useful lives.

Depreciation on additions is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is disposed off.

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment is recognized in the statement of profit or loss in the current period. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted for the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Subsequent cost is included in the asset's carrying amount or recognized as 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 the statement of profit or loss during the year in which they are

incurred.

The gain or loss on disposal or retirement of an asset represents the difference between the sale proceeds and the carrying amount of the asset and is recognized as an income or expense in the period it relates.

#### **Capital work-in-progress**

These are stated at cost less impairment loss, if any. All expenditure, connected to the specific assets, incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

#### **4.3 Stores, spares and loose tools**

These are valued at lower of cost, which is carried at moving average, and net realizable value less provision for slow moving and obsolete stores, spares and loose tools except for items in transit, which are valued at cost comprising of invoice value, plus other charges paid thereon. Provision is made for slow moving and obsolete items.

#### **4.4 Stock-in-trade**

These are valued at the lower of cost and net realizable value except waste which is valued at net realizable value determined on the basis of contract price. The method used for the calculation of cost is as follows:

Raw materials	-	weighted average cost.
Finished goods	-	weighted average cost which consists of prime cost and appropriate manufacturing overheads.

Net realizable value signifies the selling price in the ordinary course of business less estimated cost of completion and selling expenses.

#### **4.5 Trade debts and other receivables**

Trade debts are initially measured at their transaction price under IFRS 15 and subsequently measured at amortised cost less any allowance for expected credit losses (ECL).

#### **4.6 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of cash flow statement, cash and cash equivalents comprise of cash in hand and bank balances.

#### **4.7 Staff retirement benefit**

##### **Defined contribution plan**

The Company operates a provident fund scheme covering all its eligible employees. Equal monthly contributions are made by the Company and employees to the fund at the rate of 8.33% of gross salary of employees.

#### **4.8 Trade and other payables**

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

#### **4.9 Provisions**

Provisions are recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. However, provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

#### **4.10 Taxation**

##### **Current**

Provision for the current tax is based on the taxable income for the year determined in accordance with the provisions of the Income Tax Ordinance, 2001. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the taxable profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for 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 provided in full using the balance sheet method on all temporary differences arising at the reporting date, between the tax bases of the assets and the liabilities and their carrying amounts. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilized. Deferred tax is calculated at the rates that are expected to apply to the periods when the differences will reverse, based on tax rates that have been enacted or substantially enacted by the reporting date.

#### **4.11 Off-setting of financial instruments**

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

#### **4.12 Dividend and appropriation to reserves**

Dividend distribution to the Company's shareholders and appropriation to reserves are recognized in the period in which these are approved.

#### **4.13 Foreign currency transactions**

Transactions in foreign currencies are initially recorded at the rates of exchange ruling on the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the exchange rates prevailing on the reporting date. All exchange differences are charged to statement of profit or loss. The Company do not translate Non-monetary assets and liabilities at the end of financial year.

## 5 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets  
Capital work in progress

Note	2019 (Rupees)	2018 (Rupees)
5.1	450,412,495	435,056,986
5.2	3,468,826	3,468,826
	<b>453,881,321</b>	<b>438,525,812</b>

### 5.1 Operating fixed assets

Operating fixed assets		COST / REVALUED AMOUNT				DEPRECIATION				Net Book Value	
2019	As at 01 July 2018	Additions	Revaluation adjustment	Disposals	As at 30 June 2019	As at 01 July 2018	Charge for the year	Disposals	As at 30 June 2019	As at 30 June 2019	Rate
	144,725,000	-	-	-	144,725,000	-	-	-	-	144,725,000	-
Freehold land	70,709,927	5,729,189	-	-	76,439,116	27,856,140	4,444,793	-	32,300,933	44,138,183	10%
Buildings	319,624,936	36,707,341	-	-	356,332,277	114,491,989	20,857,416	-	135,349,405	220,982,872	10%
Plant and machinery	22,041,846	1,725,341	-	-	23,767,187	5,466,473	1,736,968	-	7,203,441	16,563,746	10%
Mill equipment	1,782,149	157,312	-	-	1,939,461	749,045	106,554	-	855,599	1,083,862	10%
Furniture and fixture	1,029,057	669,727	-	-	1,698,784	222,880	103,991	-	326,871	1,371,913	10%
Office equipment	1,130,183	57,765	-	-	1,187,948	539,107	187,840	-	726,947	461,001	30%
Computers	34,296,795	3,399,311	-	(1,564,598)	36,131,508	10,957,273	5,195,961	(1,107,644)	15,045,590	21,085,918	20%
Vehicles	595,339,893	48,445,986	-	(1,564,598)	642,221,281	160,282,907	32,633,523	(1,107,644)	191,808,786	450,412,495	
2018	As at 01 July 2017	Additions	Revaluation Adjustment	Disposals	As at 30 June 2018	As at 01 July 2017	Charge for the year	Disposals	As at 30 June 2018	As at 30 June 2018	Rate
	113,712,500	-	31,012,500	-	144,725,000	-	-	-	-	144,725,000	-
Freehold land	64,355,384	6,354,543	-	-	70,709,927	23,428,973	4,427,167	-	27,856,140	42,853,787	10%
Buildings on free hold land	304,008,615	15,616,321	-	-	319,624,936	92,451,422	22,040,567	-	114,491,989	205,132,947	10%
Plant and machinery	20,426,531	1,615,315	-	-	22,041,846	3,750,860	1,715,613	-	5,466,473	16,575,373	10%
Mill equipment	1,587,449	194,700	-	-	1,782,149	640,925	108,120	-	749,045	1,033,104	10%
Furniture and fittings	763,067	265,990	-	-	1,029,057	158,022	64,858	-	222,880	806,177	10%
Office equipment	770,500	359,683	-	-	1,130,183	350,413	188,694	-	539,107	591,076	30%
Computers	16,362,128	19,214,044	-	(1,279,377)	34,296,795	7,958,694	3,789,206	(790,627)	10,957,273	23,339,522	20%
Vehicles	521,986,174	43,620,596	31,012,500	(1,279,377)	595,339,893	128,739,309	32,334,225	(790,627)	160,282,907	435,056,986	

**5.1.1** Freehold land, situated at 31-KM Sheikhpura Road, Mouza Beti Heriya, Tehsil Nankana Sahib, District Sheikhpura having total area of 165.4 Kanal was revalued on 30 June 2018 by an independent valuer, M/s Spell Vision - Evaluators, Surveyors and Corporate Consultants, Lahore. Had there been no revaluation the cost would have been Rs. 105,294. Forced sale value of the freehold land was assessed by the consultant at Rs.123,016,250.



**5.1.2** Depreciation charge for the year has been allocated as follows:

	Note	2019 Rupees	2018 Rupees
Cost of revenue	20	28,013,562	28,811,760
Distribution cost	21	5,503	6,879
Administrative expenses	22	4,614,458	3,515,586
		<b>32,633,523</b>	<b>32,334,225</b>

**5.1.3** Particulars of immovable assets of the Company are as follows:

Land and address	Usage of immovable property	Land area Kanal	Covered area Kanal
31-KM Sheikhpura Road, Nankana Sahib	Manufacturing facility	165.4	27.5

**5.2 Capital work in progress**

	2019		
	As at 01 July 2018	Additions	Transferred to operating fixed assets
	(Rupees)		
Stores held for capital expenditure	3,468,826	32,710,330	(32,710,330)
			<b>3,468,826</b>
	2018		
	As at 01 July 2017	Additions	Transferred to operating fixed assets
	(Rupees)		
Stores held for capital expenditure	3,468,826	-	-
			<b>3,468,826</b>

**6 LONG TERM ADVANCES AND DEPOSITS**

	Note	2019 Rupees	2018 Rupees
Security deposit			
- Lahore Electric Supply Company (LESCO)		3,810,225	3,810,225
- Central Depository Company (CDC)		12,500	12,500
- Cylinder security		90,000	90,000
Margin deposit	6.1	810,319	810,319
Advances	6.2	6,017,610	7,910,610
		<b>10,740,654</b>	<b>12,633,654</b>

**6.1** This represents the 25% margin deposited with a bank against letter of guarantee issued on behalf of the Company in favor of LESCO, amounting to Rs. 3,241,275.

**6.2** This represents advance amounting to Rs. 6,017,610 (2018: Rs. 6,017,610) paid to Sui Northern Gas Pipelines Limited (SNGPL) on account of meter line cost for the provision of gas connection.

**7 STORES, SPARES AND LOOSE TOOLS**

	2019 Rupees	2018 Rupees
Stores	37,898,353	38,407,189
Spares	4,407,484	4,536,510
Loose tools	1,544,024	2,132,442
	<b>43,849,861</b>	<b>45,076,141</b>

	Note	2019 Rupees	2018 Rupees
<b>8 STOCK IN TRADE</b>			
Raw material		104,804,536	102,375,190
Finished goods			
- in hand		83,667,439	14,731,537
- in transit		460,138	-
	20	84,127,577	14,731,537
		188,932,113	117,106,727
<b>9 TRADE DEBTS</b>			
Secured against deposits	9.1	145,661,267	153,456,489
Unsecured		100,574,535	81,768,597
		246,235,802	235,225,086
Less: Allowance for expected credit losses		(21,279,042)	(8,827,968)
		224,956,760	226,397,118

9.1 These debts are secured against the security deposits from dealers as disclosed in Note 16 to these financial statements.

9.2 The aging of trade debts as at 30 June is as follows:

	Past due but not impaired					
	Neither past due nor impaired	Not later than 90 days	Not later than 180 days	Not later than 360 days	Later than one year	Total
	(Rupees)					
2019	61,302,226	34,813,973	74,897,385	35,095,893	40,126,325	246,235,802
2018	96,902,889	24,191,854	40,989,389	19,633,232	44,679,754	226,397,118

9.3 At 30 June 2019, the Company has 46 Customers (2018: 40 Customers) who owed the Company more than Rs. 1,000,000 each and accounted for approximately 59.32% (2018: 85.5%) of total trade debts.

9.4 Management considers the balances having aging of 360 days and above are good and recoverable as the Company enjoys good relationship with these customers in respect of businesses being done with them by the other companies of the group.

	Note	2019 Rupees	2018 Rupees
<b>10 ADVANCES AND OTHER RECEIVABLES</b>			
Considered Good, Unsecured			
Advances to:			
- associated company - Ghani Glass Limited	10.1	-	2,145,279
- suppliers		26,073,444	34,708,011
- employees against salaries		581,561	568,562
- employees against expenses		335,840	-
Profit accrued		460,354	649,466
		27,451,199	38,071,318

10.1 The maximum aggregate amount outstanding from Ghani Glass Limited at any time during the year calculated with reference to month end balances is Rs. 25,019,165 (2018: Rs. 2,145,279).

	Note	2019 Rupees	2018 Rupees
<b>11 TAX REFUNDS DUE FROM GOVERNMENT</b>			
Income tax refundable - net of provision		161,155,931	104,358,246
<b>12 CASH AND BANK BALANCES</b>			
Cash in hand		183,749	354,060
Cash at banks:			
- Current accounts		2,339,533	19,085,471
- Saving accounts	12.1	64,730,580	84,572,693
		67,253,862	104,012,224

12.1 Rate of profit on saving accounts ranges from 8% to 9% per annum (2018: 4% to 5% per annum).

### 13 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2019	2018		Note	2019	2018
Number of shares				Rupees	Rupees
37,207,531	37,207,531	Ordinary shares of Rs. 10/- each fully paid in cash	13.1	372,075,310	372,075,310
232,000	232,000	Ordinary shares of Rs. 10 each issued as fully paid bonus shares		2,320,000	2,320,000
37,439,531	37,439,531			374,395,310	374,395,310

13.1 Mr. Anwaar Ahmad Khan (Chief Executive Officer) and Mr. Aftab Ahmad Khan (Director) hold 25% (2018: 25%) and 29% (2019: 29%) of the shares respectively.

### 14 DEFERRED TAXATION

#### Taxable temporary differences

- Accelerated tax depreciation

#### Deductible temporary differences

- Allowance for expected credit losses  
- Others

Note	2019	2018
	Rupees	Rupees
	37,343,829	30,805,055
	(6,170,922)	(2,560,111)
	(3,725,352)	(1,606,278)
	27,447,555	26,638,666

### 15 LONG TERM ADVANCE

Advances from employee against vehicle

134,200	-
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### 16 TRADE AND OTHER PAYABLES

Due to Associated Companies - Ghani Glass Limited

Security deposits - dealers

Creditors

Accrued liabilities

Provident fund payable

Workers' Welfare Fund payable

Workers' Profit Participation Fund payable

Withholding tax payable

Advances from employee against vehicle

Sales tax payable

1,448,827	-
192,705,434	195,654,109
16,955,976	36,367,862
38,657,498	35,105,380
1,538,386	1,207,491
12,846,041	5,538,890
18,344,116	2,225,899
2,184,360	6,403,369
-	635,720
1,144,074	4,210,958
285,824,712	287,349,678

16.1 These represent security deposits received from dealers which are repayable on demand. The Company has the right to use these deposits as per agreements with the dealers and the deposits carry no interest. All the funds have been utilized for the purpose of the business.

16.2 This includes an amount of Rs. 11,711,862 (2018: Rs. 8,489,188) payable to the Directors of the Company in respect of reimbursement of expenses.

### 16.3 Workers' Welfare Fund

Balance at the beginning of the year

Charge for the year

Closing balance

Note	2019	2018
	Rupees	Rupees
	5,538,890	1,500,761
24	7,307,151	4,038,129
	12,846,041	5,538,890

### 16.4 Workers' Profit Participation Fund

Balance at the beginning of the year

Charge for the year

Payments made during the year

Closing balance

2,225,899	29,243
18,339,151	10,626,656
20,565,050	10,655,899
(2,220,934)	(8,430,000)
18,344,116	2,225,899

### 17 CONTRACT LIABILITIES

24,312,402	20,689,105
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These represent advances from dealers against which the Company has performance obligation to provide goods and services in future.

## 18 CONTINGENCIES AND COMMITMENTS

### 18.1 CONTINGENCIES

- a) The Company received an assessment order dated 28 February 2013 under section 122(5A) of the Income Tax Ordinance 2001 (the Ordinance) from the Commissioner Inland Revenue (CIR) pertaining to Tax Year 2009, by stating that proration of expenses is not in accordance with the section 67 read with Rule 13 of the Income Tax Rules, 2002. The Company preferred an appeal before CIR (A), who after hearing the case annulled the order passed by the CIR. The tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication. The Company is exposed to a loss of Rs. 7.3 million but expects a favorable outcome.
- b) The CIR passed order dated 30 June 2016 under section 122(5A) of the Ordinance for the Tax Year 2010, while making addition on account of section 18(1)(d) of the Ordinance and provision for Worker Profit Participation Fund (WPPF). However, due to available refunds the demand was not created and refund was reduced from Rs. 3.7 million to Rs. 0.1 million. The Company filed appeal against the said order before the CIR (A), which is pending adjudication. The Company expects favorable outcome.
- c) The CIR passed order dated 17 June 2017 under section 122(5A) of the Ordinance for the Tax Year 2011. However, due to available taxes paid in advance, the demand was not created and refund was reduced from Rs. 3.2 million to Rs. 2.1 million. The Company has filed appeal against the said Order before the CIR (A), which is pending adjudication. The Company expects a favorable outcome.
- d) The Additional Commissioner Inland Revenue issued Order dated 28 August 2013 under section 122(1) / 122(5A) of the Ordinance pertaining to Tax year 2012 disallowing certain add backs and raised a demand of Rs. 4.7 million. The Company filed an appeal before the CIR (A) who allowed partial relief to the Company. The Company filed rectification application against the order issued by the CIR (A) on the ground that while issuing the order under section 129 of the Ordinance the CIR (A) has not adjudicated certain grounds contested by the Company. CIR (A) issued Order while directing the Officer to allow the adjustments of refunds claimed as per available records. However, CIR (A) refused to rectify order on other grounds. Being aggrieved, the Company has filed appeal before ATIR which is pending adjudication, along with the appeal filed by the department. The Company expects a favorable outcome.
- e) The Additional Commissioner Inland Revenue (ACIR) issued Order dated 29 December 2014 under section 122(5A) of the Ordinance for Tax Year 2013 while disallowing certain expenses and raised demand of Rs. 1.6 million. The Company filed appeal before the CIR (A), who confirmed the order of the ACIR. Being aggrieved with the decision of the CIR (A), the Company preferred appeal before the ATIR, which is pending adjudication. The Company expects a favorable outcome.
- f) The Additional Commissioner Inland Revenue issued Order dated 31 May 2017 under section 122(5A) of the Ordinance for the Tax Year 2015 while disallowing certain expenses and raised demand of Rs. 14.5 million. The Company filed an appeal before CIR (A), who provided partial relief. Being aggrieved with the decision of the CIR (A), the department and Company filed cross appeals before the ATIR, which are pending adjudication. The Company expects a favorable outcome.
- g) The Additional Commissioner Inland Revenue issued Order dated 06 February 2019 under section 122(5A) of the Ordinance for the Tax Year 2017 while disallowing certain expenses and raised demand of Rs. 56.9 million. The Company filed an appeal before CIR (A), who provided partial relief. Being aggrieved with the decision of the CIR (A), the department and Company filed cross appeals before the ATIR, which are pending adjudication. The Company expects a favorable outcome.
- h) The Deputy Commissioner Inland Revenue (DCIR) issued Order 30 November 2017 under section 11(2) of the Sales Tax Act, 1990 for the tax period from July 2013 to June 2014 and raised demand of Rs.119.4 million along with penalty and default surcharge. The Company filed appeal before CIR(A) who reduced the tax demand to Rs. 0.324 million. Being aggrieved, the Company filed appeal before the ATIR. The Department and Company filed cross appeals before the ATIR which are pending adjudication. The Company expects favorable outcome.
- i) The Company along with Ghani Glass Limited and other companies has filed a writ petition against Federation of Pakistan in the Lahore High Court. The writ petition relates to the amendment brought about in the minimum wages for Unskilled Workers Ordinance, 1969. The defendants were of the view that this amendment clearly states that it is only applicable in Islamabad Capital Territory whereas EOBI contribution is being sought on the basis of the amendment from all across Pakistan, including the Province of Punjab. The Company expects favorable outcome.

### 18.2 COMMITMENTS

Raw material

Bank guarantee issued on behalf of the Company to LESCO

2019	2018
Rupees	Rupees
17,092,330	24,607,345
3,241,275	3,241,275

In addition, non funded facilities of letters of guarantee and letters of credit amounting to Rs. 15 million and Rs. 228.24 million (2018: Rs. 15 million and Rs. 128.24 million) were also provided by banks. The aggregated un-utilized facility for letter of credits and guarantees at year end amounts to Rs. 211.147 million (2018: Rs. 118.63 million).

These finances are secured against first charge of Rs. 75 million and ranking charge of Rs. 67 million over current assets of the Company (2018: First charge of Rs. 75 million and ranking charge of Rs. 67 million over current assets of the Company) for Askari Bank and first charge over current assets of the Company of Rs. 62.50 million for Bank Alfalah.

		Note	2019 Rupees	2018 Rupees
<b>19</b>	<b>REVENUE FROM CONTRACTS WITH CUSTOMERS - net</b>			
	Local		1,897,246,353	1,548,342,161
	Export		1,631,076	-
			<b>1,898,877,429</b>	<b>1,548,342,161</b>
	Less:			
	- Commission on sale		(96,712,636)	(103,244,277)
	- Sales tax		(279,732,467)	(218,520,597)
	- Dealer incentives		(54,096,799)	(37,282,848)
			<b>(430,541,902)</b>	<b>(359,047,722)</b>
	Net revenue		<b>1,468,335,527</b>	<b>1,189,294,439</b>
<b>19.1</b>	Revenue from contracts with customer, net of sales tax, is disaggregated on the basis of nature and time of revenue recognition as follows:			
	<b>Nature</b>			
	<b>Local sales</b>			
	Sale of mirror glass		1,236,043,148	934,818,867
	Sale of tempered and non tempered glass		227,693,373	194,245,609
	Sale of frosted glass		111,935,654	54,905,918
	Rendering of tempering and other services		38,959,299	145,851,170
	Sale of laminated glass		4,513,488	-
			<b>1,619,144,962</b>	<b>1,329,821,564</b>
	<b>Timing of revenue recognition</b>			
	Goods transferred at a point in time		<b>1,619,144,962</b>	<b>1,329,821,564</b>
<b>20</b>	<b>COST OF REVENUE</b>			
	Raw material consumed		786,755,946	608,648,144
	Stores consumed		27,287,866	30,771,314
	Salaries, wages and benefits	20.1	116,533,053	89,833,225
	Traveling and conveyance		4,173,702	4,774,204
	Entertainment		6,232,027	6,482,495
	Packing, loading and unloading		12,056,851	11,885,290
	Fuel and power		76,478,715	61,833,831
	Depreciation	5.1.2	28,013,562	28,811,760
	Sales tax refund written off		8,070,439	-
	Repair and maintenance		1,433,148	4,094,491
	Communication		579,891	543,699
	Freight and handling		3,977,466	3,863,997
	Cost trade variance		1,215,666	1,176,035
	Miscellaneous expenses		1,722,527	1,189,908
	<b>Cost of goods manufactured</b>		<b>1,074,530,859</b>	<b>853,908,393</b>
	Finished goods			
	Add: Opening balance		14,731,537	47,407,147
	Less: Closing balance	8	(84,127,577)	(14,731,537)
			<b>1,005,134,819</b>	<b>886,584,003</b>
<b>20.1</b>	This includes Rs. 1,200,000 (2018: Rs. 1,000,000) and Rs. 5,121,404 (2018: Rs. 3,474,808) for Directors and staff in respect of the retirement benefits respectively.			
<b>21</b>	<b>DISTRIBUTION COST</b>	Note	2019 Rupees	2018 Rupees
	Salaries and benefits	21.1	14,471,096	15,438,164
	Entertainment		423,287	380,196
	Communication		172,317	243,436
	Freight, handling and forwarding		965,302	1,429,866
	Traveling and conveyance		176,730	391,868
	Vehicles' maintenance		625,078	979,848
	Sale promotion		3,505,225	1,922,194
	Depreciation	5.1.2	5,503	6,879
	Reserve for expected credit losses		12,451,074	16,551,436
	Insurance		1,592,808	1,084,943
	Miscellaneous expenses		20,000	25,070
			<b>34,408,420</b>	<b>38,453,900</b>

21.1 This includes Rs. 671,330 (2018: Rs. 519,867) for staff in respect of the retirement benefits.

	Note	2019 Rupees	2018 Rupees
<b>22 ADMINISTRATIVE EXPENSES</b>			
Salaries and benefits	22.1	75,074,403	49,972,827
Printing and stationery		251,114	209,113
Traveling and conveyance		278,815	4,741,979
Communication		449,387	431,924
Vehicles' maintenance		95,128	229,482
Entertainment		657,112	377,602
Subscription and periodicals		1,150,664	5,741,831
Legal and professional charges		125,000	115,117
Auditors 's remuneration	22.2	854,150	968,750
Donation	22.3	13,028,785	-
Bank charges		652,160	625,983
Depreciation	5.1.2	4,614,458	3,515,586
Miscellaneous expenses		837,195	547,932
		<b>98,068,371</b>	<b>67,478,126</b>

22.1 This includes Rs. 4,246,703 (2018: Rs. 2,072,544) for staff in respect of the retirement benefits.

	Note	2019 Rupees	2018 Rupees
<b>22.2 Auditors' remuneration</b>			
Audit fee		550,000	550,000
Half yearly review fee		165,000	165,000
Code of Corporate Governance		68,750	193,750
Out of pocket expenses		70,400	60,000
		<b>854,150</b>	<b>968,750</b>

**22.3 Donation paid to:**

Indus Hospital	22.3.1	3,501,275	-
Ghani Foundation	22.3.2	9,221,510	-
Others		306,000	-
		<b>13,028,785</b>	<b>-</b>

22.3.1 None of the Directors of the Company has any interest the donee.

22.3.2 The Company has common directorship in Ghani Foundation.

**23 OTHER INCOME**

**Income from financial assets**

- Profit on deposit accounts 4,199,928 1,984,810

**Income from non-financial assets**

- Scrap sales 20,199,033 11,465,155  
- Rent income 6,231,994 6,768,180  
- Gain on sale of machine 23.1 5,529,937 -  
- Gain on disposal of fixed assets 107,228 -

23.1 During the year, the Company sold a machine to Ghani Glass Limited, a related party, resulting in net profit amounting to Rs. 5,529,937.

	Note	2019 Rupees	2018 Rupees
<b>24 OTHER EXPENSES</b>			
Workers' Welfare Fund	16.3	7,307,151	4,038,129
Workers' Profit Participation Fund	16.4	18,339,151	10,626,656
Exchange fluctuation loss - net		209,011	4,463,443
		<b>25,855,313</b>	<b>19,128,228</b>
<b>25 TAXATION</b>			
<b>Current tax</b>			
- For the current year		1,512,590	11,311,303
- For prior year		(11,311,303)	-
		<b>(9,798,713)</b>	<b>11,311,303</b>
<b>Deferred tax</b>			
- Relating to reversal and origination of temporary difference		808,889	17,003,949
- Due to reduction in tax rate		-	(332,233)
		<b>808,889</b>	<b>16,671,716</b>
		<b>(8,989,824)</b>	<b>27,983,019</b>

**25.1** Reconciliation between the current tax at average effective tax rate and applicable tax rate

	2019 Rupees	2018 Rupees
Profit before taxation	341,136,724	197,868,327
Tax at 29%	98,929,650	59,360,498
Expenses not allowed for tax	18,924,499	12,089,829
Expenses allowed for tax	(14,711,925)	(12,657,123)
Income from property	1,445,823	1,624,363
Income from other sources	1,217,979	595,443
Workers' Welfare Fund	(2,116,120)	(1,211,439)
Tax credits	(98,597,315)	(43,098,139)
Donation	(3,596,312)	-
Losses	-	(5,392,129)
Final tax	16,311	-
	<b>1,512,590</b>	<b>11,311,303</b>

**25.2** Subsequent to the amendment to the section (5A) of the Income Tax Ordinance, 2001, tax at the appropriate rate shall be imposed on every public company, which derives profit for the year. However, the tax shall not apply in case of a company which distributes at least stipulated percentage of the profits within six months of the end of the tax year in the form of cash dividend. Liability in respect of such tax, if any, is recognized when the prescribed time period for distribution of dividend expires.

**26 EARNINGS PER SHARE - BASIC AND DILUTED**

Basic and diluted earnings per share are same because the Company has not issued any convertible bonds, convertible preferences shares, options, warrants or employee share options. Thus, earnings per share of the Company are as follows:

	2019	2018
Profit attributable to ordinary shareholders (Rupees)	350,126,548	169,885,308
Weighted average number of ordinary shares (No.)	37,439,531	35,032,691
Earnings per ordinary share - basic and diluted (Rupees)	9.35	4.85



## 27 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise companies with common directorship and key management personnel. Details of transactions with associated companies during the year, other than those which have been disclosed in Note 30 to these financial statements, are as follows:

### Details of related parties of the Company

<u>Name of related party</u>	<u>Basis of relationship</u>	<u>Equity interest</u>
Ghani Glass Limited	Common Directorship	-
Ghani Automobile Industries Limited	Common Directorship	-
Ghani Group Services Limited	Common Directorship	-
Ghani Foundation	Common Directorship	-

Name of the related party	Relationship	Nature and description of related party transaction	2019	2018
			Rupees	Rupees
Associated companies				
Ghani Glass Limited	Associated company by virtue of common directorship	Purchases	672,146,841	467,010,607
		Cullet sales	15,416,708	11,371,558
		Sales of mirror and tempered glass	3,703,988	839,230
		Sale of reflective mirror	28,725,536	55,992,286
		Rent income	6,077,991	6,768,180
		Shared expenses	5,814,874	5,690,090
		Sale of motor vehicle	-	512,000
		Sale of machine	47,000,000	-
Ghani Foundation		Donation	9,221,510	-
Directors		Right shares issuance	-	66,585,960
Staff retirement benefit	Other related party			
		Payment to provident fund	10,148,483	7,067,219

There are no transactions with key management personnel other than under the terms of employment or otherwise disclosed elsewhere in these financial statements.

## 28 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company finances its operations through equity and management of working capital with a view to maximize the return to the stakeholders. The Company is exposed to market risk, credit risk and liquidity risk. The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as deposits, trade and other receivables, profit accrued and cash and bank balances, which are directly related to its operations.

### 28.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: profit rate risk, currency risk and other price risk. Financial instruments susceptible to market risk include trade and other payables and receivables. The sensitivity analysis in the following sections relate to the position as at 30 June 2019.

#### 28.1.1 Profit rate risk

Profit rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company has no interest bearing borrowings at the year end, however, the Company is exposed to profit rate risk on balance placed in profit or loss sharing bank accounts.

<u>Increase / decrease in basis points</u>	<u>Effect on profit before tax</u>
	<b>2019</b>
	<b>Rupees</b>
10%	<b>419,993</b>
-10%	<b>(419,993)</b>
	<b>2018</b>
	<b>Rupees</b>
	198,481
	(198,481)



### 28.1.2 Foreign currency risk

Foreign currency risk arises mainly due to fluctuation in foreign exchange rates. The Company also has transactional currency exposure. Such exposure arises from sales and purchases of certain materials by the Company in currencies other than Pak Rupees 7% (2018:12%) of Company's purchases are denominated in currencies other than Pak Rupees and 93% (2018: 88%) of purchases are denominated in local currency. The Company has nominal sales in foreign currency.

The following table demonstrates the sensitivity to a reasonably possible change in the Dollar exchange rates. As at 30 June 2019, if Pak Rupee had weakened/strengthened by 5% against the foreign currency, with all other variables held constant, the effect on the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities) at 30 June 2019 is as follows:

	Increase / decrease in EURO/USD	Effect on profit before tax	
		2019 Rupees	2018 Rupees
EURO			
Pak Rupees	+5%	-	(261,367)
Pak Rupees	-5%	-	261,367
USD			
Pak Rupees	+5%	(212,875)	-
Pak Rupees	-5%	212,875	-

### 28.1.3 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investment securities. As at statement of financial position date, the Company is not materially exposed to other price risk.

### 28.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if the counter parties failed to perform as contracted. The Company manages credit risk by limiting significant exposure to any individual customer and by obtaining security deposits against sales. The Company does not have significant exposure to any individual customer. The carrying values of financial assets susceptible to credit risk but not impaired are as under:

	2019	2018
	Rupees	Rupees
Long term deposits	10,740,654	12,633,654
Trade debts	224,956,760	226,397,118
Profit accrued	460,354	649,466
Bank balances	67,253,862	104,012,224
	<b>303,411,630</b>	<b>343,692,462</b>

#### Credit quality of financial assets

The credit quality of cash at bank (in currency and deposit account) as per credit rating agencies are as follows:

	Rating		Rating Agency	2019	2018
	Short term	Long term		Rupees	Rupees
Habib Metropolitan Bank	A1+	AA+	PACRA	24,159,315	68,142,142
MCB Bank Limited	A1+	AAA	PACRA	7,135,322	7,503,545
Bank Alfalah Limited	A1+	AA+	PACRA	5,671,743	1,190,376
MCB Islamic Bank	A1	A	PACRA	2,354,886	3,554,404
Albaraka Bank (Pakistan) Ltd.	A1	A	PACRA	1,421,666	115,140
Askari Bank Limited	A1+	AA+	PACRA	4,217,614	16,840,698
Bank AL Habib Limited	A1+	AA+	PACRA	9,667,293	6,311,809
The Bank of Punjab	A1+	AA	PACRA	50	50
Dubai Islamic Bank	A-1+	AA	VIS	12,442,224	-
				<b>67,070,113</b>	<b>103,658,164</b>

### 28.3 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of balance sheet liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customer.

#### On demand

Trade and other payables  
Unclaimed dividends  
Unpaid dividends

2019 Rupees	2018 Rupees
285,824,712	287,349,678
1,713,112	433,320
-	75,209,644
<b>287,537,824</b>	<b>362,992,642</b>

### 28.4 Capital risk management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policy and processes during the year ended 30 June 2019.

The Company finances its operations through equity and managing working capital. The Company has no gearing risk in current year that needs to be managed as it does not have any long term borrowings. The Company does not have any requirement of externally imposed capital.

### 28.5 Fair value of financial assets and liabilities

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

#### Financial assets as per statement of financial position

Long term deposits  
Trade debts  
Other receivables  
Cash and bank balances  
Total

2019		
Cash and cash equivalents	At amortised cost	Total
-----Rupees-----		
-	10,740,654	10,740,654
-	224,956,760	224,956,760
-	460,354	460,354
67,253,862	-	67,253,862
<b>67,253,862</b>	<b>236,157,768</b>	<b>303,411,630</b>

#### Financial assets as per statement of financial position

Long term deposits  
Trade debts  
Other receivables  
Cash and bank balances  
Total

2018		
Cash and cash equivalents	At amortised cost	Total
-----Rupees-----		
-	12,633,654	12,633,654
-	226,397,118	226,397,118
-	649,466	649,466
104,012,224	-	104,012,224
<b>104,012,224</b>	<b>239,680,238</b>	<b>343,692,462</b>

**Financial liabilities as per statement of financial position****30 June 2019**

Trade and other payables  
Unclaimed dividends  
Unpaid dividends

**At amortized cost**

285,824,712  
1,713,112  
-  
**287,537,824**

**Financial liabilities as per statement of financial position****30 June 2018**

Trade and other payables  
Unclaimed dividends  
Unpaid dividends

**At amortized cost**

287,349,678  
433,320  
75,209,644  
**362,992,642**

**28.6 Fair value of non financial assets and liabilities**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** Other techniques for which all inputs which have a significant effect on the recorded fair values are observable either, directly or indirectly.

**Level 3:** Techniques which uses inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Fair value is determined on the basis of objective evidence at each reporting date.

At 30 June, the Company had the following assets with respect to their level of fair value modelling:

	Level 1	Level 2	Level 3	Total
<b>2019</b>				
Free-hold land	-	144,725,000	-	144,725,000
<b>2018</b>				
Free-hold land	-	144,725,000	-	144,725,000

**29 SEGMENT REPORTING**

The Company's Chief decision maker reviews the Company's performance on single segment. Accordingly, the financial information has been prepared on the basis of single reportable segment.

Revenue from sale of goods and services represents 99% and 2% (2018: 89% and 11%) of total revenue capacity.

**30 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES**

	Chief Executive		Directors		Executives	
	2019	2018	2019	2018	2019	2018
	Rupees					
Managerial remuneration	14,400,000	12,000,000	5,374,196	-	57,327,968	38,919,036
Staff retirement benefits	1,200,000	1,000,000	-	-	3,887,718	1,222,950
Reimbursements	4,000,000	4,000,000	4,000,000	8,030,329	2,337,217	816,517
Bonus	2,880,000	2,400,000	-	-	22,624,953	17,949,119
	<b>22,480,000</b>	<b>19,400,000</b>	<b>9,374,196</b>	<b>8,030,329</b>	<b>86,177,856</b>	<b>58,907,622</b>
<b>Number of persons</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>3</b>

**30.1** Some Directors and Executives have been provided with company maintained car.

**30.2** No remuneration has been paid to Non-Executive Directors.

**30.3** As per requirement of the Companies Act, executive means an employee, other than chief executive and Directors, whose basic salary exceeds twelve hundred thousand rupees in a financial year.

### 31 PROVIDENT FUND

Size of fund - total assets

Cost of investment out of provident fund

Fair value of investments out of provident fund

%age of investments out of provident fund

2019	2018
Rupees	Rupees
Audited	Audited
42,188,657	28,064,926
40,160,459	26,602,935
40,490,713	26,699,029
95.98%	95.13%

#### Break-up of fair value of investments out of provident fund

Particulars	2019		2018	
	Rupees	%age of investment	Rupees	%age of investment
Investment in listed equity securities	3,244,582	8.01%	4,386,500	16.43%
Investment in listed equity collective				
Investment schemes	2,013,970	4.97%	2,480,282	9.29%
Bank Balances	34,901,907	86.20%	19,736,153	73.92%

31.1 Ghani Value Glass Limited Employees' Provident Fund holds the investments which are in accordance with the provision of section 218 of the Companies Act, 2017 and rules made thereunder.

### 32 PRODUCTION CAPACITY

#### Mirror glass

Production capacity

Actual production

#### Tempered Glass

Production capacity

Actual production

Note

2019

2018

Square Meters

5,877,113

5,743,968

2,023,720

1,564,452

32.1

32.1

500,000

500,000

175,807

200,107

32.1 The Company achieved 34% (2018: 27%) production capacity in mirror glass and 35% (2018: 40%) in tempered glass. Under utilization in production capacity of mirror glass is due to low demand and vice versa.

### 33 NUMBER OF EMPLOYEES

Number of employees as at 30 June

Average number of employees during the year

2019

2018

297

212

285

201

### 34 EVENTS AFTER THE REPORTING DATE

The Board of Directors of the Company in its meeting held on -----has proposed a cash dividend in respect of the year ended 30 June 2019 amounting to Rs. ----- (2018: Cash dividend of Rs. 74,879,062). The appropriation will be approved by the members in the forth coming Annual General Meeting. These financial statements do not include the effect of these appropriations which will be accounted for subsequent to the year end.

### 35 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue by Board of Directors of the Company on September 28, 2019.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 53rd Annual General Meeting of the members of **GHANI VALUE GLASS LIMITED** will be held on Saturday October 26, 2019 at 12:00 noon, 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 Annual General Meeting held on October 27, 2018.
2. To receive, consider and adopt the audited annual accounts of **GHANI VALUE GLASS LIMITED** for the year ended June 30, 2019 together with the Directors' and Auditors' reports thereon.
3. To approve the final cash dividend @ 20% i.e. Rs.2 per share (*in addition to first interim cash dividend of 20% i.e. Rs.2 per share and second interim cash dividend of 30% i.e. Rs.3 per share aggregating 50% i.e. Rs.5.00 per share already paid*) for the year ended June 30, 2019.
4. To appoint auditors for the year ending June 30, 2020 and fix their remuneration.

The retiring auditors namely M/s. EY Ford Rhodes., Chartered Accountants, being eligible, have offered themselves for re-appointment.

## Special Business

5. To consider and if deemed fit, pass the following special resolutions, with or without modification, as proposed by the directors, to increase the authorized capital of the company:

**“RESOLVED** that the Authorized Share Capital of the Company be and is hereby increased from Rs.450,000,000 (Rupees four hundred and fifty million only) divided into 45,000,000 ordinary shares of Rs.10 each to Rs.650,000,000 (Rupees six hundred and fifty million only) divided into 65,000,000 ordinary shares of Rs.10/- each.”

**“FURTHER RESOLVED** that existing clause V of Memorandum of Association and clause IIA 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.650,000,000 (Rupees six hundred and fifty million only) divided into 65,000,000 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 Act, 2017.

## Articles of Association

- IIA.** The Authorized Capital of the Company is Rs.650,000,000 (Rupees six hundred and fifty million only) divided into 65,000,000 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 Act, 2017.

**“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 Act, 2017.”

6. To ratify and approve transactions conducted with Related Parties for the year June 30, 2019 by passing the following special resolution with or without modification:

**“RESOLVED THAT** the transaction conducted with the Related Parties as disclosed in the note 27 of the Financial Statements for the year ended June 30, 2019 and specified in statement of Material Information under Section 134(3) be and are hereby approved and confirmed”

7. To authorized the Board of Directors of the Company to approve transactions with Related Parties for the financial year ending June 30, 2020 by passing the following special resolution with or without modification:

**“RESOLVED THAT** Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with the Related Parties on case to case basis for the financial year ending June 30, 2020”

**FURTHER “RESOLVED THAT** these transactions as approved by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their ratification/approval”

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

By order of the Board

Lahore: October 4, 2019

**Hafiz Muhammad Imran Sabir**  
Company Secretary

**Notes:**

- The share transfer books of the Company will remain closed from October 20, 2019 to October 26, 2019 (both days inclusive). Members whose names appear on the register of members as at the close of business on October 19, 2019 will be entitled to attend the Annual General Meeting and cash dividend.
- 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. Proxies 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 guidelines as laid down by Circular No. 1, dated January 26, 2000, issued by Securities and Exchange Commission of Pakistan ("SECP").

**Revision of withholding tax on dividend income**

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 @ 15% and 30% respectively.

**Mandatory Payment of Cash Dividend Through Electronic Mode**

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the following information to the Company's Share Registrar at the address given herein above. In case of shares held in CDC, the same information should be provided directly to the CDS participants for updating and forwarding to the Company.

Folio No/Investor Account /CDC sub Account No:  
Title of Account:  
CNIC No:  
IBAN No:  
Bank Name:  
Branch address:  
Cell No:  
Name of Network (if protected):  
Email Address:

**Signature of Shareholder****Unclaimed Dividend / Shares**

Shareholders who could not collect their dividend/physical shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or shares, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend and shares outstanding for a period of 3 years or more from the date due and payable shall be deposited to the credit of Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

**Video Conference Facility**

In terms of the Companies Act, 2017, members residing in a city holding at least 10% of the total paid up share capital may demand the facility of video-link for participating in the annual general meeting. The request for video-link facility shall be received by the Share Registrar at the address given hereinabove at least 7 days prior to the date of the meeting on the Standard Form placed in the annual report which is also available on the website of the Company.

**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.

**Exemption from deduction of Income Tax/Zakat**

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.



## Availability of Audited Financial Statements on Company's Website

The audited financial statement of the company for the year ended June 30, 2019 have been placed at the Company's website [www.ghanivalueglass.com](http://www.ghanivalueglass.com).

## Statement of Material Facts under Section 134(3) of the Companies Act, 2017

### Item No.5 Increase in Authorized Capital

The Board of Directors in their meeting held on September 28, 2019 has recommended to increase Authorized Capital of the Company from Rs.450,000,000 (Rupees four hundred and fifty million only) divided into 45,000,000 ordinary shares of Rs.10 each to Rs.650,000,000 (Rupees six hundred and fifty million only) divided into 65,000,000 ordinary shares of Rs.10/- each for raising equity in future.

### Item No.6 of the notice – Ratification and Approval of the Related Party Transactions carried out during the year ended June 30, 2019

Transactions conducted with the related parties have been approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis. However, during the year, majority of the directors were interested in certain transactions due to their common directorships in group companies. Therefore, these transactions are placed before the shareholders in their Annual General Meeting to be held on Saturday October 26, 2019 for approval/ratification.

**Related Parties transactions to be ratified have been disclosed in the note 27 to the financial statements for the year June 30, 2019, detail of which is given below:**

Name of the related party	Nature and description of related party transaction
<b>Associated companies</b>	
Ghani Glass Limited	Purchases Cullet sales  Sales of mirror and tempered glass Sale of reflective mirror Rent income Shared expenses Sale of motor vehicle Sale of machine
Ghani Foundation	Donation
Directors	Right shares issuance
Staff retirement benefit	Payment to provident fund

The nature of relationship with these related parties has also been indicated in note 27 to the financial statements for the year ended June, 2019. The directors are interested in the resolution only to the extent of their common directorships in such related parties.

### Item No.7 of the notice – Authorization for the Board of Directors to approve the Related Party Transactions during the year ending June 30, 2020

The Company shall be conducting transactions with its related parties during the year ending June 30, 2020 on an arm's length basis in the normal course of business. The majority of the Directors are interested in these transactions due to their common directorship in the associated companies. In order to promote transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time to time on case to case basis for the year ending June 30, 2020, which transactions shall be deemed to be approved by the shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next Annual General Meeting for the approval/ratification.

## PATTERN OF SHAREHOLDING

OF SHARES HELD BY THE SHAREHOLDERS  
OF GHANI VALUE GLASS LIMITED AS AT JUNE 30, 2019

2.2 No. of Shareholders	-----Shareholdings-----		Total Shares Held
	From	To	
371	1	100	11,053
186	101	500	56,880
91	501	1,000	78,080
132	1,001	5,000	352,354
35	5,001	10,000	263,828
19	10,001	15,000	237,497
6	15,001	20,000	102,476
4	20,001	25,000	92,667
7	25,001	30,000	197,761
2	30,001	35,000	65,000
2	35,001	40,000	76,000
2	45,001	50,000	97,000
1	50,001	55,000	52,500
1	55,001	60,000	57,500
1	65,001	70,000	68,500
2	75,001	80,000	151,420
1	80,001	85,000	84,000
2	90,001	95,000	183,925
2	95,001	100,000	196,000
1	100,001	105,000	103,875
1	115,001	120,000	119,250
1	160,001	165,000	162,626
1	185,001	190,000	190,000
1	200,001	205,000	204,000
1	205,001	210,000	205,875
1	225,001	230,000	240,522
1	885,001	890,000	886,425
1	1,255,001	1,260,000	1,258,955
1	1,285,001	1,290,000	1,287,242
1	1,705,001	1,710,000	1,707,683
1	8,565,001	8,570,000	8,569,936
1	9,355,001	9,360,000	9,356,836
1	10,720,001	10,725,000	10,721,865
<b>881</b>			<b>37,439,531</b>
2.3 Categories of shareholders		Share held	Percentage
2.3.1	Directors, Chief Executive Officers, and their spouse and minor children	33,349,024	89.0744%
2.3.2	Associated Companies, undertakings and related parties. (Parent Company)	0	0.0000%
2.3.3	NIT and ICP	650	0.0017%
2.3.4	Banks Development Financial Institutions, Non Banking Financial Institutions.	50	0.0001%
2.3.5	Insurance Companies	0	0.0000%
2.3.6	Modarabas and Mutual Funds	35,500	0.0948%
2.3.7	Share holders holding 10% or more	28,825,055	76.9910%
2.3.8	General Public		
	a. Local	3,608,875	9.6392%
	b. Foreign	0	0.0000%
2.3.9	Others (to be specified)		
	Joint Stock Companies	51,432	0.1374%
	Pension Funds	394,000	1.0524%



# PATTERN OF SHAREHOLDING

AS ON JUNE 30, 2019

Sr. No.	Name	No. of Shares Held	Percentage
<b>Associated Companies, Undertakings and Related Parties (Name Wise Detail):</b>		-	-
<b>Mutual Funds (Name Wise Detail)</b>		-	-
<b>Directors and their Spouse and Minor Children (Name Wise Detail):</b>			
1	MR. IMTIAZ AHMED KHAN	8,576,832	22.9085
2	MR. JUNAID GHANI	1,287,242	3.4382
3	MR. OBAID GHANI	1,258,955	3.3626
4	MRS. JAVERIA OBAID	2,483	0.0066
5	MR. ANWAAR AHMAD KHAN	9,363,732	25.0103
6	MR. AFTAB AHMAD KHAN	10,884,491	29.0722
7	MR. IBRAHIM GHANI	625	0.0017
8	MR. JUBAIR GHANI	24,841	0.0663
9	MRS. AFIFA ANWAR	993	0.0027
10	MR. AWAIS AHMAD	625	0.0017
11	MRS. AYESHA AFTAB W/O AFTAB AHMAD KHAN	240,522	0.6424
12	MRS. REEMA ANWAAR W/O ANWAAR AHMAD KHAN	1,707,683	4.5612
<b>Executives:</b>		-	-
<b>Public Sector Companies &amp; Corporations:</b>		-	-
<b>Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:</b>		394,050	0.0001
<b>Shareholders holding five percent or more voting interest in the listed company (Name Wise)</b>			
1	MR. IMTIAZ AHMED KHAN	8,576,832	22.9085
2	MR. ANWAAR AHMAD GHANI	9,363,732	25.0103
3	MR. AFTAB AHMAD KHAN	10,884,491	29.0722
<b>During the financial year trading in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children</b>		<b>NIL</b>	

سٹاف کے ریٹائرمنٹ فوائد کی مد میں سرمایہ کاری اور بینک کی تفصیل:  
پرائیویٹ فنڈ 40.5 ملین روپے سرمایہ کاری کی قدر میں قابل حصول نفع شامل ہے۔

کمپنی کے حصص میں لین دین:

مالیاتی سال 2019 کے دوران ڈائریکٹران، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کے بیوی اور چھوٹے بچوں نے کمپنی کے حصص میں کوئی لین دین نہیں کیا۔

ڈائریکٹران کے اجلاس:

ڈائریکٹران کمپنی کی کارکردگی اور مستقل بڑھوتری حاصل کرنے سے متعلق دور رس فیصلوں کی آزادانہ اور شفاف نگرانی کے ذمہ دار ہیں۔ بورڈ کے اجلاس سے سات دن قبل تحریری نوٹس اور ورکنگ پیپر تمام بورڈ ممبران کو بھیجے گئے ہیں۔

کمپنی کے کل دس ڈائریکٹران ہیں۔ جس کی تفصیل درج ذیل ہے۔ مرد: 8 خواتین: 2

مسٹر اویس احمد	آزاد ڈائریکٹران
مسٹر امتیاز احمد خان	نان ایگزیکٹو ڈائریکٹر
مسٹر جنید غنی	
مسٹر سعید غنی	
مسٹر جبر غنی	
مس عقیقہ انوار	
مسز جویریہ عبید	
مسٹر انوار احمد خان	ایگزیکٹو ڈائریکٹر
مسٹر آفتاب احمد خان	
مسٹر ابراہیم غنی	

30 جون 2019 (1 جولائی 2018 سے 30 جون 2019) کے دوران بورڈ آف ڈائریکٹرز کے چار اور آڈٹ کمپنی کے چھ اور ایچ آر آر آرمیٹی کے دو اجلاس ہوئے جن میں بورڈ ارکان کی حاضری درج ذیل ہے۔

ڈائریکٹر کا نام	بورڈ آف ڈائریکٹرز کے اجلاسوں میں حاضری	آڈٹ کمیٹی کے اجلاسوں میں حاضری	ایچ آر آر آرمیٹی کے اجلاسوں میں حاضری
مسٹر اویس احمد	4	6	2
مسٹر امتیاز احمد خان	4	-	-
مسٹر انوار احمد خان	4	-	-
مسٹر آفتاب احمد خان	4	-	2
مسٹر جنید غنی	4	6	-
مسٹر سعید غنی	4	-	-
مسٹر جبر غنی	4	-	2
مس عقیقہ انوار	4	6	-
مسز جویریہ عبید	4	-	-
مسٹر ابراہیم غنی	4	-	-

کوڈ آف کنڈکٹ:

مستقبل کے تقاضوں کو مد نظر رکھتے ہوئے کوڈ آف کنڈکٹ مرتب کیا گیا ہے اور ملازمین میں تقسیم کیا گیا ہے۔

نمونہ حصص داری:

کمپنیز ایکٹ 2017 میں دیئے گئے فورمیٹ کے مطابق نمونہ حصص داری بمطابق 30 جون 2019 منسلک کیا گیا ہے۔

اظہار تشکر:

بورڈ کی طرف سے تمام حصص داروں، ڈیلروں، ملازمین، اور دوسرے سٹیک ہولڈرز کی قابل قدر حمایت اور کئے گئے اعتماد پر ان کا شکریہ ادا کرتا ہوں اور میں اللہ تعالیٰ کی بارگاہ میں دعا گو ہوں کہ اللہ ہماری رہنمائی فرمائے اور ہماری کوششوں میں اپنا رحمت شامل حال فرمائے تاکہ ہم اپنے تمام سٹیک ہولڈرز کیلئے اچھے نتائج لانے میں سرخرو ہوں۔ ہم اپنا تمام تر بھروسہ اللہ پر رکھتے ہیں اور اس کمپنی اور اس سے منسلک تمام افرادی بہتری کیلئے دعا گو ہیں۔



انوار احمد خان

چیف ایگزیکٹو آفیسر



مسٹر جبر غنی

ڈائریکٹر

لاہور 28 ستمبر 2019

## انٹرنل کنٹرول:

انٹرنل کنٹرول کے نظام کا جائزہ لیا گیا ہے اور اس کو مزید مضبوط کرنے کیلئے ضروری اقدامات کئے گئے ہیں۔

## جاری ادارہ:

انتظامیہ اس بات پر یقین رکھتی ہے کہ اللہ کی رحمت اور تمام سٹیک ہولڈرز کی مدد سے کمپنی کی کارکردگی بہتر رہے گی اور یہ اپنی ذمہ داریاں پوری کرے گی اور جاری ادارہ کی حیثیت سے تابناک مستقبل کو جاری رکھے گی۔

اہم رجحانات اور عوامل جو کہ مستقبل کی ترقی اور کمپنی کے کاروبار کی کارکردگی اور حیثیت پر اثر انداز ہو سکتے ہیں:

روپے کی قدر میں کمی، گیس اور توانائی کی قیمتوں میں اضافہ اور صنعتی سرگرمیاں ایسے عوامل ہیں جو کہ مستقبل کی ترقی اور کمپنی کے کاروبار کی کارکردگی اور حیثیت پر اثر انداز ہو سکتے ہیں۔

کمپنی کے کاروبار کے ماحولیات پر اثرات:

کمپنی کے آپریشنز کا ماحولیات پر کوئی منفی اثر نہیں ہے۔

کمپنی کے کاروبار کی نوعیت میں تبدیلی

گزشتہ سال کے دوران کمپنی کے کاروبار کی نوعیت میں کوئی تبدیلی نہیں ہوئی

نان ایگزیکٹو اور آڈیٹر ایکٹران کی تنخواہوں کی پالیسی

کمپنی کی پالیسی ہے کہ نان ایگزیکٹو اور آڈیٹر ایکٹران کو کوئی تنخواہ نہیں دی جائے گی

اندرونی مالیاتی کنٹرول سے متعلق ڈائریکٹروں کی ذمہ داری

بورڈ براہ راست یا اپنی کمیٹیوں کے ذریعے اندرونی کنٹرول کی سرگرمیوں کو یقینی بناتا ہے۔ بورڈ وقفہ وقفہ سے عبوری اکاؤنٹس، رپورٹس، منافع کا جائزہ اور دیگر مالیاتی اور شماریاتی معلومات کے ذریعے کمپنی کے مالیاتی امور اور حیثیت کا بھی جائزہ لیتا ہے۔

سال کے دوران ادراقی معاشرتی ذمہ داری کے حوالے سے کی گئی کمپنی کی سرگرمیاں

ہم اعلیٰ ترین کاروباری معیارات کو اپنانے میں کوشاں ہیں اور معاشرے میں اپنی ذمہ داری کو پورا کر رہے ہیں۔ کمپنی اپنے ملازمین، ان کے خاندان، مقامی آبادی اور پورے معاشرے کی فلاح کیلئے اپنی ادراقی معاشرتی ذمہ داری ادا کرنے کیلئے کوشاں ہے۔ ایک منصوبہ مائدہ للغی کے نام سے شروع کیا گیا ہے۔ جس میں پورے ملک میں مختلف مقامات پر 1000 سے زیادہ ضرورت مندوں کو روزانہ مفت کھانا فراہم کیا جاتا ہے۔

کارپوریٹ گورننس کا اعلیٰ نمونہ

کارپوریٹ گورننس کا اعلیٰ نمونہ جو کہ لسٹنگ قوانند میں درج ہے سے کوئی انحراف نہیں ہے۔

30 جون 2019 کے بعد روئماں ہونے والے واقعات:

30 جون 2019 سے اب تک کوئی بڑی تبدیلی نہیں ہوئی اور نہ ہی کمپنی نے کوئی ایسا معاہدہ کیا ہے جو کہ کمپنی کی مالیاتی حیثیت کو متاثر کر سکے۔

ڈیوڈنڈ:

بورڈ آف ڈائریکٹرز نے برائے سال 2018-19 عبوری منافع منقسمہ بحساب 50% یعنی 5 روپے فی حصص جو کہ پہلے ہی ادا کیا جا چکا ہے (پہلا عبوری منافع منقسمہ بحساب 20% یعنی 2 روپے فی حصص اور دوسرا عبوری منافع منقسمہ بحساب 30% یعنی 3 روپے فی حصص) کے علاوہ 20% یعنی 2 روپے فی حصص حتمی منافع منقسمہ کی منظوری دی ہے۔

آڈٹ کمیٹی:

بورڈ آف کارپوریٹ گورننس کی تعمیل میں کمیٹی تشکیل دے چکا ہے جس کے ممبران کی تفصیل درج ذیل ہے۔

1۔ مسٹر اویس احمد

2۔ مسٹر جنید غنی

3۔ مس عقیفہ انوار

اہم آپریٹنگ ڈیٹا:

پچھلے چھ سالوں کا اہم آپریٹنگ ڈیٹا رپورٹ میں شامل کیا گیا ہے۔

شاف کے ریٹائرمنٹ فوائد:

کمپنی اپنے ملازمین کیلئے فنڈڈ پرائیویٹ سکیم چلاتی ہے اور تنخواہ کی بنیاد پر فنڈ میں اپنا ماہانہ حصہ شامل کرتی ہے۔

## ڈائریکٹران کی جائزہ رپورٹ

اللہ کے نام سے شروع جو بڑا مہربان نہایت رحم والا ہے۔

ڈائریکٹران 30 جون 2019 کو مکمل ہونے والے سال کیلئے سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے ہمراہ آڈیٹرز رپورٹ بخوبی پیش کرتے ہیں۔

### مالیاتی کارکردگی

2018-19 مسلسل برہوتری کی طرف ایک اور سال تھا۔ معاشی بے یقینی کے باوجود کمپنی نے آمدنی، خام نفع، آپریٹنگ نفع، اور پیداوار کے تمام بڑے اہداف حاصل کرتے ہوئے پچھلے سال 169.89 ملین روپے کے مقابلے میں 350.13 ملین روپے کا خالص نفع کمایا۔ گزشتہ مالی سال کے دوران کمپنی کی خالص آمدنی پچھلے سال 1.19 روپے کے مقابلے میں 1.47 ارب روپے رہی۔ فی حصص منافع پچھلے سال 4.85 روپے کے مقابلے میں 9.35 روپے ریکارڈ کیا گیا۔ کمپنی کے آپریٹنگ اور مالیاتی نتائج کی سرخیاں درج ذیل ہیں۔

2018	2019	سرخی
روپے 000 میں		
1,189,294	1,468,335	خالص آمدنی
302,710	463,201	خام منافع
197,868	341,137	قبل از ٹیکس منافع
169,885	350,127	بعد از ٹیکس منافع
4.85 restated	9.35	فی حصص منافع بنیادی اور تحلیل شدہ (روپے)

### منصوبوں کی خبریں

اللہ سبحانہ تعالیٰ کی رحمت سے لیمینیشن، آٹو کلبو، ڈبل گلیزڈ، ڈبل اسبجنگ، سینڈ بلاسٹنگ، اور بیونگ گلاس لائینوں کے نئے منصوبے کامیابی کے ساتھ مکمل ہو گئے ہیں اور تجارتی پیداوار شروع ہو گئی ہے۔

### معاشی جائزہ

2019 کے دوران معاشی ترقی کی رفتار خاطر خواہ حد تک صنعتی ہو گئی ہے۔ ملک کی خام قومی آمدنی بگڑتے مالیاتی اور کرنٹ اکاؤنٹ خسارے جو پاکستان کے معاشی ڈھانچے کی کمزوریوں کی نشاندہی کرتے ہیں کی بدولت 3.3 فیصد تک گر گئی۔ حکومت کے پالیسی اقدامات سے صنعتی شعبے کی کارکردگی بری طرح متاثر ہوئی ہے صنعتی سرگرمیاں کم ہو گئی ہیں۔ نچتاً بڑی صنعتیں تمام بڑے شعبوں میں سکڑ کر بڑے

### پیمانے

پر کم ہوئی ہیں۔ تاہم حیاتیاتی شعبے نے اپنی ترقی کو برقرار رکھا ہے۔

### کارپوریٹ گورننس:

ڈائریکٹران بیان کرنے میں خوشی محسوس کرتے ہیں کہ آپ کی کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2017 جو کہ پاکستان سٹاک ایکسچینج کے قواعد میں درج ہے کی تعمیل کیلئے ضروری اقدامات کئے ہیں۔

### کارپوریٹ فنانشل رپورٹنگ ڈھانچہ:

بورڈ قوانین اور قوانین کی پاسداری پر مضبوط یقین رکھتا ہے۔ بورڈ ان کی تعمیل کو کامیابی کی جان تصور کرتا ہے۔ اسی لئے اس کے قیام اور نگرانی کو یقینی بناتا ہے۔ کارپوریٹ فنانشل ڈھانچے پر مندرجہ ذیل بیان جاری کیا جاتا ہے۔

### مالیاتی گوشواروں کو پیش کرنا:

کمپنی کی انتظامیہ کی تیار کردہ مالیاتی گوشواروں میں اس کے واضح امور عملدرآمد کے نتائج، بکیش فلو اور ایکٹیوٹی میں تبدیلیاں پیش کی گئی ہیں۔

### کمپنی کی مالیاتی کتا ہیں:

کمپنی کی مالیاتی کتا ہیں باقاعدگی سے تیار کی گئی ہیں۔

### مالیاتی پالیسیاں:

مالیاتی گوشواروں اور اکاؤنٹنگ تخمینوں کی تیاری میں متعلقہ موزوں اکاؤنٹنگ پالیسیاں بروئے کار لاتی ہیں اور یہ مناسب فیصلوں پر مبنی ہیں۔

### بین الاقوامی اکاؤنٹنگ معیارات:

بین الاقوامی اکاؤنٹنگ معیارات اور مالیاتی رپورٹنگ معیارات (آئی ایف آر ایس) جو کہ پاکستان میں نافذ العمل ہیں کے مطابق مالیاتی گوشوارے تیار کئے گئے ہیں۔

# نمائندگی کا فارم (پراکسی فارم)

میں رہم

کے

غنی ویلیو گلاس لمیٹڈ کے رکن اور عام شیئر کے حامل کی حیثیت کے

(شیئر ز کی تعداد)

رجسٹر کا فو لیو نمبر

اور ری ای سی ڈی سی فو لیو کا آئی ڈی نمبر

اور ذیلی اکاؤنٹ نمبر،

یا

کو کمپنی کے 53 ویں سالانہ عام اجلاس جو ہفتہ، 26 اکتوبر 2019 کو دوپہر ۱۲ بجے ہوٹل سن فورٹ D/1-72 گلبرگ III لاہور میں منعقد ہوگا، میں میرے/ہمارے

لئے اور میری/ہماری طرف سے بحیثیت اپنا پراکسی، ووٹ دینے کے لئے نامزد کرتا ہوں کرتے ہیں۔

گواہ: 2

گواہ: 1

دستخط

نام

پتہ

سی این آئی سی نمبر

نوٹ: پراکسی فارم / نمائندگی فارم کو موثر ہونے کے لیے سالانہ اجلاس سے کم از کم 48 گھنٹے پہلے موصول ہونا ضروری ہے۔ اور اس پر دستخط، ریونیو ٹکٹ اور شہادت ہونا ضروری ہے۔

## ویڈیو کانفرنسنگ کی سہولت کے فارم کی درخواست

میں رہم

صفحہ نمبر سی ڈی سی اکاؤنٹ نمبر کے مطابق عام شیئر (ز) کے حامل کی حیثیت سے میں ویڈیو کانفرنسنگ کی سہولت حاصل کرنا چاہتا ہوں/چاہتے ہیں۔

تاریخ:

دستخط رکن/شیئر ہولڈر

# Ghani Value Glass Limited

40-L, Model Town, Lahore

## FORM OF PROXY

Folio No. \_\_\_\_\_

No. of Shares \_\_\_\_\_

I/WE \_\_\_\_\_

of \_\_\_\_\_

Being a member of Ghani Value 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 53<sup>rd</sup> ANNUAL GENERAL MEETING of the members of the Company to be held at Hotel Sunfort, 72-D/1, Commercial Zone, Liberty Market, Lahore on Saturday October 26, 2019 at 12:00 noon and at every adjournment thereof.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2019

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.

### **Request for Video Conferencing Facility Form**

I/We, \_\_\_\_\_ of \_\_\_\_\_ being a member of

Ghani Glass Limited, holder of \_\_\_\_\_

Ordinary Share(s) as per Register Folio No/CDC A/c No. \_\_\_\_\_

hereby opt for video conference facility at \_\_\_\_\_.









\_\_\_\_\_ Date: \_\_\_\_\_




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