



Ghani Global Glass Limited

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

CORPORATE INFORMATION

BOARD OF DIRECTORS

Atique Ahmad Khan
Masroor Ahmad Khan
Hafiz Farooq Ahmad
Rabia Atique
Saira Farooq
Tahir Bashir Khan
Mahmood Ahmad
Farzand Ali

AUDIT COMMITTEE

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

COMPANY SECRETARY

Farzand Ali, FCS

AUDITORS

Rizwan & Company
Chartered Accountants
Member Firm of DFK International

LEGAL ADVISOR

Barrister Ahmed Pervaiz, Ahmed & Pansota
Lahore

GLASS PLANT

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

REGIONAL MARKETING OFFICE

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

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director
Director

HR & R COMMITTEE

Tahir Bashir Khan - Chairman
Atique Ahmad Khan
Hafiz Farooq Ahmad
Rabia Atique

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

SHARE REGISTRAR

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

REGISTERED/CORPORATE OFFICE

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

DIRECTORS' REPORT

Dear Shareholders

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The Directors of your Company are pleased to present the unaudited condensed interim financial statements of the Company for the first quarter ended September 30, 2018, in compliance with the requirements of Companies Act, 2017.

FINANCIAL PERFORMANCE:

Your Company's sales are improving day by day by acceptance of company products in the market. For the period ended September 2018, your company's sales have increased from amounting to Rs. 142 million from Rs. 112 million as compared with the same period of last year depicting increase of 27%. Gross profit of the company decreased from amounting to Rs. 12 million to 8 million as compared to the same period of last year due to increase in raw material prices and energy cost. Distribution cost and administrative cost incurred during period is Rs. 11 million and 16 million whereas for the last period it was Rs. 5 million and Rs. 14 million, respectively. Finance cost for the period incurred on the project finance and working capital lines is amounting to Rs. 18.56 million and for the last period it was almost same i.e Rs. 18.96 million. Loss before and after taxation for the period is amounting to Rs. 37 million as compared to loss for the last period was Rs. 27 million.

A comparison of the key financial results of your Company for the period ended September 30, 2018 with the same period last year is as under:

Particulars	Rupees in '000'			%
	September 2018	September 2017	Variance	
Sales	142,376	111,750	30,626	27.41
Net Sales	119,862	95,269	24,594	25.82
Gross Profit	8,053	11,610	(3,557)	-30.64
Distribution cost	11,093	4,732	6,361	134.43
Administrative expenses	16,007	13,686	2,321	16.96
Financial cost	18,558	18,968	(410)	-2.16
Loss before taxation	(37,099)	(25,548)	(11,550)	45.21
Net Profit / (Loss)	(37,099)	(26,739)	(10,360)	38.75
Earning per share	(0.37)	(0.27)	-	-

REASON FOR LOSS

This was the second full year's operations of the company closed for the year ended June 30, 2018. Currently company is in losses because the Company has established in Pakistan, for the first time, a premium European Tubing Glass Manufacturing Plant, which is second to none. Our competition is with the low priced low quality glass tube being imported from China. Our glass tube being of European quality costs more as compared to low priced low quality Chinese glass tube which is not meeting the international pharmacopeia standards. We have to sale high quality costly product at below cost in order to penetrate in the local market and to increase our market share. Further we have installed machinery for the manufacturing of value added products i.e. Ampoules and Vials which were under-utilized due the initial stages of operations of the said machines causing high cost of manufacturing, which we expect to be in full operational in coming days causing the cost of manufacturing on lower side and bring the company in breakeven and afterwards in profits In-Sha-Allah.

Being the industry power intensive based there was also increase in fuel and power cost of the company due to increase in prices of natural gas etc. During the year there was also depreciation of Pak Rupee against the foreign currency caused the booking of foreign currency translation loss. Our management and team is working day and night with their entire honest efforts to bring the company in profitability on earliest basis In-Sha-Allah.

FUTURE OUTLOOK

Our Sales portfolio is growing slow and steady as Pharma Companies are suffering a lot of business due to incomplete legislation of Drugs Act under devolution of departments to provinces under 18th amendments. Further, these issues are couple with uncertain situation of market and economic conditions of the country. Devaluation of Pakistani Currency against USD.

We hope with the inception of new Government in place, economic conditions will become better and it will gain the confidence of business community.

We also working to export our product in South East Asia and African countries. Our tube samples approved by a converter in Bangladesh and being process to strengthen our business.

SCHEME OF COMPROMISES, ARRANGEMENT AND RECONSTRUCTION

The shareholders in their Extra Ordinary General Meeting held on 29 September 2018 has approved the scheme of Compromises, Arrangement and Reconstruction. The meeting was presided over by the honorable Lahore High Court, Lahore appointed chairmen. Now the matter is pending with the Court for decision.

ACKNOWLEDGEMENTS

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

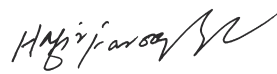
For and behalf of Board of Directors

Lahore

Dated: October 29, 2018



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)

MAJOR CUSTOMERS



Pharmaceuticals

ATCO Laboratories



MBL PHARMA



JIVANI TRADING



Symbol of Quality Pharmaceuticals

ELITE PHARMA



Pliva Pakistan



Glasstec Ampoules



Glass Pvt Ltd.



GEOFMAN
PHARMACEUTICALS



PHD Pharmaceuticals Global Pharmaceuticals



Healthtek



سے دن رات کوشش میں ہے کہ کمپنی کو جلد از جلد منافع میں لایا جائے۔ انشاء اللہ

مستقبل کے امکانات:

ہماری سیل آہستہ آہستہ اور مستحکم انداز میں بڑھ رہی ہے چونکہ فارماکینیز کا کاروبار ڈرگ ایکٹ میں نامکمل قانون سازی آٹھارویں ترمیم کے بعد صوبوں کی منتقلی کی بدولت متاثر ہو رہا ہے۔ مزید برآں ان مسائل اور دوسری مارکیٹ اور ملکی معاشی حالات کی بدولت غیر یقینی صورتحال ہے۔

پاکستانی کرنسی US ڈالر کے مقابلے میں کمزور ہوئی نئی گورنمنٹ کی آمد کے باعث ہم امید کرتے ہیں کہ معاشی حالات بہتر ہوں گے اور اس کاروباری برادری کا اعتماد بہتر ہوگا۔

ہم ساؤتھ مشرقی ایشیاء اور افریقی ممالک میں ایکسپورٹ کے لئے کام کر رہے ہیں ہماری پراڈکٹس کے نمونے بنگلادیش میں منظور ہو چکے ہیں جو ہمارے کاروبار کو مضبوط بنانے میں مددگار ہوں گے۔

اس سال ہماری ترجیحات کارکردگی مین بہتری لانے پر مرکوز رہی اور بڑی صنعتوں کے ساتھ منصوبے قابل ذکر ہیں۔ ہم اپنی سرگرمیوں کے تبادلے پر عمل درآمد کے ساتھ جدت انگیزی اور اس کے ساتھ غنی گیسز کے ماڈل پر عمل پیرا ہیں۔

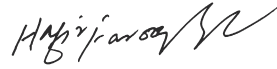
سمجھوتے، انتظامات اور تعمیر نو کی سکیم

29 ستمبر 2018 کو منعقد ہونے والے ان کے غیر معمولی اجلاس عام میں حصہ داران نے سمجھوتے، انتظامات اور تعمیر نو کی سکیم کی منظوری دی۔ لاہور ہائی کورٹ لاہور کے مقرر کردہ چیئر مین کی زیر نگرانی صدارت کی۔ اب معاملہ عدالت کے فیصلے کے انتظار میں ہے۔

اعترافات :

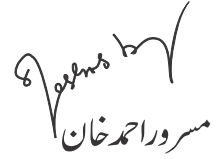
بورڈ آف ڈائریکٹرز اپنے شیئر ہولڈرز، بینک / فنانشل انسٹی ٹیوٹس، کسٹمرز اور سپلائرز کی مسلسل حمایت، تعاون اور سرپرستی پر شکر گزار ہیں۔ ہم اپنے اعلیٰ افسران، سٹاف اور ورکرز کی پیشہ ورانہ فرائض کی ادائیگی سخت محنت اور جان فحاشی کی قدر کرتے ہیں۔ یہاں یہ ذکر ضروری ہے کہ کمپنی کے کاروبار کی تمام ترقی اللہ تعالیٰ کی برکات اور مرضی کے بغیر ممکن نہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے



حافظ فاروق احمد

ڈائریکٹر



چیف ایگزیکٹو آفیسر

لاہور

مورخہ 29 اکتوبر 2018ء

ڈائریکٹرز رپورٹ

پیارے شیئر ہولڈرز

اسلام علیکم ورحمۃ اللہ وبرکات

آپ کی کمپنی غنی گلوبل گلاس لمیٹڈ (کمپنی) کے ڈائریکٹران کمینیز ایکٹ 2017ء کی تعمیل میں کمپنی کے تخفیف شدہ آڈٹ کے بغیر پہلی سرمایہ کے حسابات بابت 30 ستمبر 2018 پیش کرنے میں خوشی محسوس کرتے ہیں۔

مالیاتی کارکردگی :

مارکیٹ میں کمپنی کی پروڈکٹس کی قبولیت کے باعث آپ کی کمپنی کی سیل میں دن بدن اضافہ ہو رہا ہے۔ ستمبر 2018ء کی مدت کے دوران کمپنی کی سیل بڑھ کر 142 ملین روپے ہو گئی جو گزشتہ سال اسی مدت کے مقابلے میں یہ 27 فیصد زیادہ ہے۔ کمپنی کے مجموعی منافع خام مال کی قیمتوں اور توانائی کی لاگت میں اضافے کی وجہ سے گزشتہ سال اسی مدت کے مقابلے میں 12 ملین سے 8 ملین روپے کی رقم میں کمی پائی۔ تقسیم کاری کی لاگت اور انتظامی اخراجات بالترتیب 11 ملین روپے اور 16 ملین روپے رہے جبکہ پچھلے عرصے میں یہ بالترتیب 05 ملین روپے اور 14 ملین روپے تھے۔ پروجیکٹ فنانس اور ورکنگ کپٹیل لائسنز کی فنانس کا سٹ 18.56 ملین روپے رہی جبکہ پچھلے عرصہ میں یہ رقم 18.96 ملین روپے تھی۔ قبل از ٹیکس نقصان 37 ملین روپے رہا جبکہ پچھلے عرصے میں یہ نقصان 27 ملین روپے تھا۔

اہم مالیاتی نتائج نو ماہی اکاؤنٹس کا موازنہ مندرجہ ذیل ہے

Particulars	Rupees in '000'			%
	September 2018	September 2017	Variance	
Sales	142,376	111,750	30,626	27.41
Net Sales	119,862	95,269	24,594	25.82
Gross Profit	8,053	11,610	(3,557)	-30.64
Distribution cost	11,093	4,732	6,361	134.43
Administrative expenses	16,007	13,686	2,321	16.96
Financial cost	18,558	18,968	(410)	-2.16
Loss before taxation	(37,099)	(25,548)	(11,550)	45.21
Net Profit / (Loss)	(37,099)	(26,739)	(10,360)	38.75
Earning per share	(0.37)	(0.27)	-	-

نقصان کی وجہ

یہ کمپنی کا 30 جون 2018 کو ختم ہونے والا آپریشن کا دوسرا مکمل سال ہے۔ کمپنی اس وقت نقصان میں اس لیے ہے کہ کمپنی نے پاکستان میں پہلی مرتبہ اعلیٰ یورپین معیار کا گلاس ٹیوبنگ مینوفیکچرنگ پلانٹ لگایا ہے جس کا کوئی عمل بدل نہیں۔ ہمارے مقابلہ چاند سے درآمد شدہ غیر معیاری اور کم قیمت گلاس ٹیوب سے ہے۔ یورپین معیار کے سبب ہماری گلاس ٹیوب زیادہ لاگت کی ہے بنسبت غیر معیاری چائیز ٹیوب کے جو بین القوامی فارما کوپیا سینڈرڈ کے مطابق نہیں ہے۔ لوکل مارکیٹ میں انٹری اور مارکیٹ میں حصہ بڑھانے کے لئے ہمیں اپنی اعلیٰ معیار کی مہنگی پروڈکٹ لاگت سے کم قیمت پر فروخت کرنی پڑتی ہے۔ اسکے علاوہ کمپنی نے اپنی ویلیو ایڈڈ ایسیل اور اسٹیل پروڈکٹ بنانے کے لئے مشینری لگائی ہے جو شروعات کی وجہ سے زیادہ لاگت میں ہے اور وقت گزرنے کے ساتھ اس کی پروڈکشن بڑھے گی تو امید ہے جلد ہی ہم بریک ایون (آمدن اور خرچ برابر) اور اسکے بعد منافع تک پہنچ جائیں گے انشاء اللہ۔ نیچرل گیس میں اضافہ کی بدولت کمپنی کو پاور کا سٹ بھی بڑھی۔ اس سال کے دوران روپے کی قدر میں کمی کی بدولت غیر ملکی کرنسی میں لین دین میں بھی نقصان ہوا۔ آپ کی کمپنی کی منیجمنٹ اور ٹیم نہایت ایمان داری

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2018

		Un audited September 30, 2018 (Rupees)	Audited June 30, 2018
ASSETS	Note		
Non-current assets			
Property, plant and equipment	6	1,532,085,787	1,542,058,189
Intangible assets - goodwill		19,794,072	19,794,072
Long term deposits		6,331,092	7,797,691
		1,558,210,951	1,569,649,952
Current assets			
Stores, spares and loose tools		62,311,629	55,176,811
Stock in trade		402,366,697	416,361,684
Trade debts		114,420,450	138,623,102
Loans and advances		17,255,686	19,363,957
Trade deposits and prepayments		9,129,835	9,681,967
Other receivables		100,195	81,122
Tax refunds due from government		118,101,133	126,710,279
Advance income tax - net		72,663,566	67,777,364
Cash and bank balances		58,924,716	72,679,861
		855,273,907	906,456,147
TOTAL ASSETS		2,413,484,858	2,476,106,099
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
200,000,000 (2018: 200,000,000) ordinary shares of Rupees 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up share capital	7	1,000,000,000	1,000,000,000
Accumulated loss		(336,623,194)	(299,524,187)
Loan from sponsors		878,560,638	734,360,638
Total equity		1,541,937,444	1,434,836,451
Non-current liabilities			
Long term financing	8	187,312,605	224,514,208
Long term security deposits		286,834	400,000
		187,599,439	224,914,208
Current liabilities			
Trade and other payables		72,641,914	107,211,104
Accrued profit on financing		15,406,181	13,340,104
Short term borrowings		445,500,000	544,077,547
Current portion of long term financing		150,399,880	151,726,685
Provision for taxation		-	-
		683,947,975	816,355,440
Total liabilities		871,547,414	1,041,269,648
TOTAL EQUITY AND LIABILITIES		2,413,484,858	2,476,106,099
CONTINGENCIES AND COMMITMENTS	9	-	-

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


MASROOR AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018

	September 30, 2018 (Rupees)	September 30, 2017
Gross sales - local sales	142,376,108	111,750,434
Sales tax	(22,513,715)	(16,481,678)
Sales - net	119,862,393	95,268,756
Cost of sales	(111,809,635)	(83,658,501)
Gross profit	8,052,758	11,610,255
Administrative expenses	(16,007,082)	(13,685,747)
Selling and distribution expenses	(11,093,199)	(4,731,894)
Other operating expenses	(124,000)	(63,400)
	(27,224,281)	(18,481,041)
Other income	630,411	290,696
Loss from operations	(18,541,112)	(6,580,090)
Finance costs	(18,557,895)	(18,968,008)
Loss before taxation	(37,099,007)	(25,548,098)
Taxation	-	(1,190,859)
Loss after taxation	(37,099,007)	(26,738,957)
Earnings per share - basic and diluted (Rupees)	(0.37)	(0.27)

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


MASROOR AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018

	September 30, 2018 (Rupees)	September 30, 2017
Loss for the period	(37,099,007)	(26,738,957)
Other comprehensive income / (loss)	-	-
Total comprehensive loss for the period	<u>(37,099,007)</u>	<u>(26,738,957)</u>

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


MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018

	Share Capital	Accumulated loss	Loan from sponsors	Total
	(Rupees)			
Balance as at July 01, 2017 (audited)	1,000,000,000	(176,593,674)	344,860,638	1,168,266,964
Net loss for the period	-	(26,738,957)	-	(26,738,957)
Other comprehensive income / (loss)	-	-	-	-
	-	(26,738,957)	-	(26,738,957)
<i>Transactions with sponsors</i>				
Issue of shares during the period	-	-	-	-
Loan received during the period	-	-	68,800,000	68,800,000
Balance as at September 30, 2017 - (un-audited)	1,000,000,000	(203,332,631)	413,660,638	1,210,328,007
Balance as at July 01, 2018-(audited)	1,000,000,000	(299,524,187)	734,360,638	1,434,836,451
Loss for the period	-	(37,099,007)	-	(37,099,007)
Other Comprehensive loss	-	-	-	-
	-	(37,099,007)	-	(37,099,007)
<i>Transactions with sponsors</i>				
Loan received during the period	-	-	144,200,000	144,200,000
Balance as at September 30, 2018 - (un-audited)	1,000,000,000	(336,623,194)	878,560,638	1,541,937,444

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


MASROOR AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)

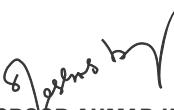

HAFIZ FAROOQ AHMAD
 (DIRECTOR)

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018

	Note	September 30, 2018 (Rupees)	September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / used in operating activities	11	6,459,975	(40,280,682)
Long term deposits		(113,166)	-
Finance cost paid		(16,491,818)	(17,519,323)
Income tax paid		(4,886,202)	(5,715,815)
		(21,491,186)	(23,235,138)
Net cash used in operating activities		(15,031,211)	(63,515,820)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in operating fixed assets		(6,107,979)	(74,251,127)
Additions in capital work in progress		-	(70,000)
Proceeds from disposal of operating fixed assets		290,000	-
Net cash used in investing activities		(5,817,979)	(74,321,127)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares		-	-
Loan from sponsors		144,200,000	68,800,000
Long term financing		(38,528,408)	(37,169,684)
Short term borrowings		(98,577,547)	122,450,995
Net cash generated from financing activities		7,094,045	154,081,311
Net increase in cash and cash equivalents		(13,755,145)	16,244,364
Cash and cash equivalents at the beginning of the period		72,679,861	68,123,956
Cash and cash equivalents at the end of the period		58,924,716	84,368,320

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


MASROOR AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018

1. LEGAL STATUS AND OPERATIONS

- 1.1** Ghani Global Glass Limited ("the Company") was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company on October 04, 2007 as Ghani Tableware (Private) Limited. Its status was changed to public unlisted company, consequently its name was changed to Ghani Tableware Limited as on July 24, 2008. Name of the Company was further changed to Ghani Global Glass Limited on January 14, 2009. The Company became listed on Pakistan Stock Exchange on December 12, 2014 upon merger of Libas Textiles Limited with and into the Company. The Company's registered office is situated at 10-N, Model Town Extension, Lahore. The Company is principally engaged in manufacturing and sale of glass tubes, glass-ware, vials and ampules.

2. STATEMENT OF COMPLIANCE

- 2.1** This condensed interim financial information of the Company for the three months period ended September 30, 2018 is unaudited and has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

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

3. FUNCTIONAL AND PRESENTATION CURRENCY

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

4. BASIS OF PREPARATION

- 4.1** This condensed interim financial information do not include the information reported for annual financial statements and should be read in conjunction with the audited annual published financial statements for the year ended June 30, 2018.
- 4.2** The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended June 30, 2018.
- 4.3** The Company has adopted the following standards, amendments and interpretation of approved accounting standards will be effective for accounting periods beginning on or after January 2018 and are not expected to have significant impact on this condensed interim financial information:

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

During preparation of this interim condensed financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended June 30, 2018.

6 Property, plant and equipment	Note	Un audited September 30, 2018	Audited June 30, 2018
		Rupees	
Operating fixed assets- tangible	6.1	1,501,658,716	1,511,631,118
Capital work in progress	6.2	30,427,071	30,427,071
		1,532,085,787	1,542,058,189
6.1 Movement of operating fixed assets- tangible			
Opening book value		1,511,631,118	1,401,180,068
Add: addition during the period	6.1.1	6,107,979	208,385,247
Less: book value of the disposals	6.1.2	115,985	-
		1,517,623,112	1,609,565,315
Less: depreciation charged during the period		15,964,396	97,934,197
Closing book value		1,501,658,716	1,511,631,118
6.1.1 Addition during the period / year			
Land - Freehold		-	-
Building		304,424	-
Plant & Machinery		5,729,156	191,974,373
Furnace		-	8,001,732
Furniture and fixtures		74,399	872,430
Office equipments		-	980,734
Computers		-	184,203
Vehicles		-	6,371,775
		6,107,979	208,385,247
6.1.2 Deletion during the period / year			
Vehicles		115,985	-
6.2 Movement of capital work in progress			
Opening balance		30,427,071	16,273,038
Additions during the period		-	14,154,033
Closing balance		30,427,071	30,427,071

7 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un audited September 30, 2018 (Number of Shares)	Audited June 30, 2018		Un audited September 30, 2018 (Rupees)	Audited June 30, 2018
98,000,000	98,000,000	Ordinary shares of Rupees 10 each fully paid in cash	980,000,000	980,000,000
2,000,000	2,000,000	Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement for amalgamation.	20,000,000	20,000,000
100,000,000	100,000,000		1,000,000,000	1,000,000,000

8 LONG TERM FINANCING

Diminishing Musharakah facility from:

Advance against DM from banking company - secured
 Syndicate financing from banking companies - secured
 Islamic Financial Institution - secured

Current portion taken as current liability

Un audited September 30, 2018	Audited June 30, 2018
1,299,650	1,476,875
335,619,392	372,910,435
793,443	1,853,583
337,712,485	376,240,893
(150,399,880)	(151,726,685)
187,312,605	224,514,208

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

9.1.1 There are no material changes in contingencies as disclosed in the note to the financial statements for the year ended 30 June, 2018.

9.2 Commitments

9.2.1 Commitments in respect of letter of credit for machinery, raw materials, stores & spares outstanding as at balance sheet date is of Rupees 15.98 million (June 30, 2018: Rupees 44.66 million).

9.2.2 Commitments for capital expenditure related to building amounted to Rupees 50 million (June 30, 2018: Rupees 45 million).

10 EARNINGS PER SHARE - BASIC AND DILUTED

Loss attributable to ordinary shareholders

(Rupees)

(37,099,007)

(26,738,957)

Weighted average number of ordinary shares outstanding during the year

(Number)

100,000,000

100,000,000

Earnings per share - basic and diluted

(Rupees)

(0.37)

(0.27)

10.1 Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at September 30, 2018 (June 30, 2018: Nil) which would have any effect on the earnings per share if the option to convert is exercised.

	Note	September 30, 2018 (Rupees)	September 30, 2017
11 CASH GENERATED FROM / USED IN OPERATING ACTIVITIES			
Loss before taxation		(37,099,007)	(25,548,098)
Adjustments to reconcile loss to net cash provided by operating activities			
Depreciation	6.1	15,964,396	24,145,981
Finance costs		18,557,895	18,968,008
Gain on disposal of operating fixed assets		(174,015)	-
Cash flows from operating activities before working capital changes		(2,750,731)	17,565,891
Cash flows from working capital changes			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		(7,134,818)	(478,258)
Stock in trade		13,994,987	(37,088,318)
Trade debts		24,202,652	(25,799,745)
Loans and advances		2,108,271	4,009,370
Trade deposits and prepayments		552,132	17,317,820
Other receivables		(19,073)	18,624
Tax refunds due from government		8,609,146	(4,150,825)
Increase / (decrease) in current liabilities:			
Trade and other payables		(34,569,190)	(11,575,241)
(Increase)/decrease in:			
Long term deposits - receivable		1,466,599	(100,000)
Long term security deposit - Payable		-	-
Net cash generated from / used in working capital changes		9,210,706	(57,846,573)
Cash generated from / used in operating activities		6,459,975	(40,280,682)

12 TRANSACTIONS WITH RELATED PARTIES

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


Relationship with related party	Nature of Transaction	September 30, 2018 (Rupees)	September 30, 2017
Associated companies / undertaking			
Associates	Services	3,000,000	3,000,000
Associates	Guarantee Commission	650,000	650,000
Associates	Purchases	3,817,856	5,170,954
Key management personnel			
Sponsors	Loan received / (repaid)	144,200,000	68,800,000
Others			
Provident Fund Trust	Contribution	2,489,892	2,059,036

13 DATE OF AUTHORIZATION

- 13.1** This condensed interim financial information was approved by the Board of Directors of the Company and authorized for issue on October 29, 2018.

14 GENERAL

- 14.1** Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison.
- 14.2** In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended June 30, 2018 and the corresponding figures in the condensed interim profit and loss account, condensed interim cash flow statement, condensed interim statement of other comprehensive income and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial information of the Company for the period ended September 30, 2017.
- 14.3** Figures have been rounded off to the nearest rupees, unless otherwise stated.



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)



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