

Ghani

Automobiles

The Power of Perfection

First Quarter Financial Statements



Ghani Automobile Industries Limited

Corporate Information

BOARD OF DIRECTORS	Mr. Obaid Ghani Mr. Aftab Ahmad Khan Mrs. Ayesha Aftab Mrs. Maryam Junaid Mrs. Musfira jubair Ms. Afifa Anwaar Ms. Zahra Aftab Mr. Junaid Ghani Mr. Jubair Ghani Hafiz Muhammad Saad Mr. Muhammad Ayub Mr. Nauman Shaukat Mr. Sarfraz Anwar Dr. Amjad Aqeel	Chairman Chief Executive Officer
AUDIT COMMITTEE	Hafiz Muhammad Saad Mrs. Ayesha Aftab Mr. Jubair Ghani	Chairman Member Member
HR & R COMMITTEE	Mr. Nauman Shaukat Mrs. Ayesha Aftab Mr. Junaid Ghani	Chairman Member Member
COMPANY SECRETARY	Hafiz Mohammad Imran Sabir	
CHIEF FINANCIAL OFFICER	Mr. Umer Farooq Khan	
AUDITORS	Hassan Farooq & Company Chartered Accountants	
LEGAL ADVISORS	Ally Law Associates	
SHARE REGISTRAR	Corplink (Pvt) Ltd Wings Arcade, 1-K Commercial Model Town Lahore, Pakistan Phones : (042) 35916714, 35916719 Fax : (042) 35869037	
BANKERS	Albaraka Islamic Bank Allied Bank Limited Soneri Bank Limited, Islamic Banking Habib Metropolitan Bank Limited (IBD) Habib Bank Limited Meezan Bank Limited UBL Ameen Limited Bank Alfalah Limited Bank Al-Habib Faysal Bank Limited Bank of Punjab (Taqwa) MCB Limited (Islamic Banking)	
REGISTERED OFFICE	274-B, N Block, Model Town Extension, Lahore Phones : (042) 3516 8873, 3517 2205 Fax : (042) 3517 2263 E-mail : info@ghaniautomobiles.com http://www.ghaniautomobiles.com	
AUTOMOBILE PLANT	49-KM, Multan Road, (from Lahore)	

Directors' Report

Dear Shareholders,

Assala-mo-Alaikum wa Rahmatullah wa Barakatohu.

The Board of Directors of Ghani Automobile Industries Limited is pleased to present financial statements of the company for the first quarter ended September 30, 2018.

The results for the first quarter ended September 30, 2018 are as follow:

FINANCIAL INDICATORS	Sept. 30, 2018	Sept. 30, 2017
	Rupees '000'	
Sales-Net	44,923	38,203
Gross profit / (loss)	712	2,693
Net profit / (loss)	(8,613)	(2,457)
Earning / (loss) per share (Rupees)	(0.17)	(0.05)

During the first quarter ended September 30, 2018, the net sale of the Company has increased to Rupees 45 million as compared to Rupees 38 million for the corresponding period of last year. Gross Profit was recorded as Rupees 0.7 million as compared to Rupees 2.7 million for the same period of the last year. The company suffered net loss of Rupees 8.6 million as compared to Rupees 2.5 million for the corresponding period of the last year. Loss per share was Rupees 0.17 as compared to Rupees 0.05 for the same period of the last year. Inconsistent exchange rate and continuous trend of devaluation of Pak Rupee has resulted to increase the cost of sales and negatively impacted the business of the company.

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

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

On behalf of the Board of Directors



Jubair Ghani
Director

Lahore: October 30, 2018



Aftab Ahmed Khan
Chief Executive Officer

Statement of Financial Position

For the Quarter Ended September 30, 2018 (Unaudited)

EQUITY & LIABILITIES

Share capital and reserves

Authorized Share Capital

85,000,000 (Jun 2018: 85,000,000) ordinary shares of Rs.10 each

Issued, subscribed and paid up capital

Accumulated losses

Discount on issue right share

Current Liabilities

Trade and other payables

Un-claimed dividend

ASSETS

Non-current assets

Property, plant and equipments

Security deposits

Current Assets

Stores, spares and loose tools

Stock In trade

Trade debtors - secured and considered goods

Advances and other receivables

Tax refunds and due from government

Cash and bank balances

30 Sep 2018 Rupees	30 June 2018 Rupees
850,000,000	850,000,000
500,000,000	500,000,000
(277,380,302)	(268,767,402)
(150,000,000)	(150,000,000)
72,619,698	81,232,598
270,807,891	262,774,547
609,746	609,746
271,417,637	263,384,293
344,037,335	344,616,891
48,158,322	49,016,388
598,700	598,700
48,757,022	49,615,088
811,920	811,920
82,401,502	74,343,659
133,976,068	146,200,650
14,007,434	12,584,291
60,816,298	58,048,680
3,267,091	3,012,603
295,280,313	295,001,803
344,037,335	344,616,891

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Profit or Loss Account

For the Quarter Ended September 30, 2018 (Unaudited)

	30 Sep 2018 Rupees	30 Sep 2017 Rupees
Sales-Net	44,922,600	38,203,192
Cost of sales	44,210,580	35,509,878
Gross profit / (loss)	712,020	2,693,314
Administrative expenses	5,272,724	4,760,148
Distribution and marketing expenses	3,881,709	3,035,727
	9,154,433	7,795,875
Operating (loss)	(8,442,412)	(5,102,561)
Other income	611,665	2,695,149
Other Operating Income	611,665	2,695,149
Operating (loss) before finance costs and tax	(7,830,747)	(2,407,412)
Finance Cost	(108,314)	(49,293)
(Loss) before taxation	(7,939,061)	(2,456,705)
Taxation		
Current	(673,839)	-
Deferred	-	-
	(673,839)	-
(Loss) after taxation	(8,612,900)	(2,456,705)
Earning (Loss) Per Share - Basic	(0.17)	(0.05)



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Condensed Interim Statement of Comprehensive Income

For the Quarter Ended September 30, 2018 (Unaudited)

	July To September	
	SEP	SEP
	2018	2017
	Rupees	Rupees
(Loss) For the Year	(8,612,900)	(2,456,705)
Total Comprehensive (Loss)	(8,612,900)	(2,456,705)



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Cash Flow Statement

For the Quarter Ended September 30, 2018 (Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES

(Loss) for the period before tax

Adjustment for :

Depreciation

(Gain)/ Loss on Sale of fixed assets

Financial charges

Operating (loss) before working capital changes

(Increase) / decrease in current assets

Store, spares and loose tools

Stock in trade

Trade debtors

Advances and other receivables

Taxes refundable

Increase / (decrease) in current liabilities

Creditors, accrued and other liabilities

Financial charges paid

NET CASH FLOWS FROM OPERATING ACTIVITIES

Acquisition of fixed assets

Sale proceeds from asset disposed off

Increase in security deposits

NET CASH FLOWS FROM INVESTING ACTIVITIES

Loan repaid to directors / shareholders

NET CASH FLOWS FROM FINANCING ACTIVITIES

Net increase / (decrease) in cash

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

Sep 2018 Rupees	June 2018 Rupees
(8,612,900)	(6,030,916)
858,066	3,867,727
-	(1,192,462)
108,314	319,389
966,380	2,994,654
(7,646,520)	(3,036,262)
-	448,998
(8,057,843)	(32,350,589)
12,224,582	3,798,833
(1,423,143)	24,569,407
(2,767,618)	(17,272,282)
(24,022)	(20,805,633)
8,033,344	136,096,093
362,802	112,254,198
(108,314)	(319,389)
(108,314)	(319,389)
254,488	111,934,809
-	(601,653)
-	1,792,175
-	(63,000)
-	1,127,522
-	(112,105,000)
-	(112,105,000)
254,488	957,331
3,012,603	2,055,272
3,267,091	3,012,603



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Condensed Interim Statement of Changes in Equity

For the Quarter Ended September 30, 2018 (Unaudited)

	Share Capital	Discount on	Accumulated	
	Capital	right Shares	Loss	Total
	Rupees	Rupees	profit/(loss)	Rupees
Balance as on June 30, 2017 Restated	500,000,000	(150,000,000)	(260,814,212)	89,185,788
(Loss) for the year	-	-	(7,953,190)	(7,953,190)
Balance as on June 30, 2018	500,000,000	(150,000,000)	(268,767,402)	81,232,598
(loss) for the period			(8,612,900)	(8,612,900)
Balance as on Sep 30, 2018	500,000,000	(150,000,000)	(277,380,302)	72,619,698



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

Notes to the Condensed Interim Financial Statements

For the Quarter Ended September 30, 2018 (Unaudited)

1 COMPANY AND ITS OPERATIONS

The company is a public listed company incorporated in Pakistan under the Companies Ordinance, 1984 in September 1987. The registered office and factory of the company is situated at 274-B, N Block Model Town, Extension Lahore and 49 KM Multan Road Bhai Pheru respectively. The shares of the company are quoted on Pakistan Stock Exchange. The name of the company has been changed from Ghani Textile Limited to Ghani Automobile Industries Limited with effect from March 31, 2004.

The Company is principally engaged in manufacture, assemble and trade of Automotive Vehicles of all kinds and sorts. Before 2004, the Company's business was to manufacture and trade of grey cloth.

Geographical location and address of business unit /plant:

274-B, N Block, Model Town Registered Office

Extension, Lahore

49-KM Multan Road Bhai Pheru Production Plant

2 STATEMENT OF COMPLIANCE

This interim financial information of the Company for the quarter ended September 30, 2018 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provision of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

This interim financial information is un-audited and is being submitted to shareholders, as required by section 237 of the Companies Act, 2017.

3 BASIS OF PREPARATION

This interim financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2018.

The accounting policies adopted for the preparation of this interim financial information are same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2018.

The Company has adopted the following amended IFRS and IFRIC interpretation which became effective during the period:

IFRS 2 - Share-based Payments - Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS 4 - Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts- (Amendments)

IFRS 9-Financial instruments

IFRS 15-Revenue from Contracts with Customers

IAS 40-Investment Property: Transfer of Investment Property (Amendments)

IFRIC 22- Foreign Currency Transactions and Advance Consideration

The adoption of the above amendments did not have any effect on the interim financial information however, the management is in the process of assessing the impact of changes laid down by IFRS 9 on its financial statements.

Accounting Conventions

- 3.1 The accounting policies and method of computation adopted for the preparation of these interim financial statements are the same as applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2018.

4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Sep 30 2018	June 30 2018		Unaudited Sep 18 Rupees	Audited June 18 Rupees
Numbers				
19,250,000	19,250,000	Ordinary shares of Rs. 10 each fully paid in cash	192,500,000	192,500,000
250,000	250,000	Ordinary shares of Rs. 10 each fully paid other than cash	2,500,000	2,500,000
500,000	500,000	Ordinary shares of Rs. 10 each fully paid bonus shares	5,000,000	5,000,000
30,000,000	30,000,000	Ordinary shares of Rs. 10 each paid in cash as discount	300,000,000	300,000,000
			500,000,000	500,000,000

5 CONTINGENCIES AND COMMITMENTS

Contingencies

- 5.1 There is no charge of contingent liabilities since the date of published audited financial statement for the year ended June 30, 2018

Commitments

- 5.2 Commitments as at Sep 30, 2018 were same as on (June 30, 2018).

6 DATE OF AUTHORIZATION:

These financial information was authorized for issue by the Board of directors of the company on October 30, 2018



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

ڈائریکٹران کی جائزہ رپورٹ

معزز حصہ داران

اسلام علیکم ورحمۃ اللہ وبرکاتہ

غنی آٹوموبیل انڈسٹریز لمیٹڈ کے ڈائریکٹران 30 ستمبر 2018 کو مکمل ہونے والی پہلی سہ ماہی کیلئے مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔
30 ستمبر 2018 کو مکمل ہونے والی پہلی سہ ماہی کے لیے مالیاتی نتائج مندرجہ ذیل رہے:

مالیاتی اعشاریہ	30 ستمبر 2018	30 ستمبر 2017
	(روپے '000 میں)	
خالص آمدنی	44,923	38,203
خام نفع/نقصان	712	2,693
خالص نفع/نقصان	(8,613)	(2,457)
فی حصص نفع/نقصان (روپے)	(0.17)	(0.05)

زیر جائزہ عرصہ کے دوران کمپنی کی خالص آمدنی میں گزشتہ برس اسی عرصے میں 38 ملین روپے کے مقابلے میں 45 ملین روپے تک اضافہ ہوا۔ خام نفع پچھلے سال اسی مدت میں 2.7 ملین روپے کے مقابلے میں 0.7 ملین روپے رہا۔ کمپنی کو پچھلے سال اسی عرصہ میں 2.5 ملین روپے کے مقابلے میں 8.6 ملین روپے کے نقصان کا سامنا کرنا پڑا۔ فی حصص نقصان پچھلے سال اسی عرصہ میں 0.05 روپے کے مقابلے میں 0.17 روپے رہا۔ غیر یقینی شرح مبادل اور روپے کی قدر میں مسلسل کمی کے رجحان سے کمپنی کی پیداواری لاگت بڑھی ہے اور کاروبار متاثر ہوا ہے۔

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

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



جغیر غنی

ڈائریکٹر



آفتاب احمد خان

چیف ایگزیکٹو آفیسر

لاہور: اکتوبر 2018، 30



The Power of Perfection

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