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Company Overview





VISION

To be successful in this World and the Hereafter by utilizing the resources and commandments of ALLAH (ST) and ways / teachings of Prophet MUHAMMAD (pbuh), We eventually through our efforts become a role model for other companies to the satisfaction of stakeholders.



MISSION

To achieve and maintain a high standard of quality product and customers' satisfaction in a manner that is superior to anyone by a wide-margin and to become the leader amongst glass manufacturers.



CORE VALUES





CORPORATE INFORMATION

BOARD OF DIRECTORS

Atique Ahmad Khan
Masroor Ahmad Khan
Hafiz Farooq Ahmad
Mian Zahid Said
Rabia Atique
Saira Farooq
Farzand Ali

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director

AUDIT COMMITTEE

Mian Zahid Said – Chairman
Hafiz Farooq Ahmad
Saira Farooq
Farzand Ali

HR & R COMMITTEE

Mian Zahid Said - Chairman
Masroor Ahmad Khan
Hafiz Farooq Ahmad
Farzand Ali

COMPANY SECRETARY

Farzand Ali, FCS

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

AUDITORS

Rizwan & Company,
Chartered Accountants
Member Firm of DFK International

SHARE REGISTRAR

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



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

301-302, 3rd Floor Yousaf Chamber,
KCHSU, Block 7/8, Near MCB Bank,
Shar-e-Faisal Karachi.
Phone: 021-34330595
Email: sales.south@ghaniglobal.com

REGISTERED/CORPORATE OFFICE

10-N, Model Town Ext. Lahore-54000, Pakistan
UAN: (042)111-ghani 1(442-641)
Phone: 042-35161424-5, Fax: 042-35160393
Email: info@ghaniglobal.com
Website: www.ghaniglobal.com

LEGAL ADVISOR

DSK Law, Lahore

BANKERS

Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Al-Habib Limited
Bank Al-Falah Limited
Bank Islami Pakistan Limited
Bank of Khyber
Burj Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Summit Bank Limited
Standard Chartered Bank Limited
United Bank Limited

CORPORATE SOCIAL RESPONSIBILITY



Corporate Social Responsibility (CSR) is undertaking the role of a “Corporate Citizen”. It ensures that the business values and policies are aligned in such a way that it strikes a balance between improving and developing the wealth of business and contributing for betterment of society in an effective manner.

With the growth of our business, we endeavor to assume an even greater responsibility towards our society and stakeholders, including employees, their families and our business partners etc.

GGG is committed to both the sustainable business practices and its responsibilities as a corporate citizen. We believe that the Corporate Social Responsibility is primarily about conducting business in a transparent and ethical way that not only enhances value for all of our stakeholders but also supports the events that enhance the wellbeing of the community.

The Corporate Social Responsibilities and guidelines for corporate governance are steps in the right direction. The customer relation management is a strategic business philosophy and processes are rooted through ethical practices.

GGG supports a clean environment and motivates its customers for this cause.

GGG also tries its level best that business activities of customer must be environment-friendly and not be hazardous to that Society.

QUALITY MANAGEMENT SYSTEM

We are committed to ensure that the Ghani Global Glass become the industry leader in quality for every product and service it renders to all segments that it serves.

We have created an environment in which every employee is committed to providing the highest standard of personal efficiency .

We are carrying out our activities in a manner which:

- Uses the ISO 9001 quality management system to verify the quality and continuous improvement of our policies, procedures, work instructions and system, and
- Ensures that our products and services satisfy the highest standards through the application of best practices.

ISO - 9001 - 2008 Certified



Environment Management System



Ghani Global Glass!
commits to minimize any adverse
effect of its operation on the environment

"Go green for a better tomorrow, go recycling"

ISO 14001: 2004 Certified

INVEST IN STOCK MARKET WITH CONFIDENCE



To protect your assets, we advise you to follow the guidelines below:

- You cannot trade unless you have a Central Depository Company (CDC) Account
- Use Central Depository Company (CDC), free-of-cost eAlert, eStatement and SMS "Alert" services. Make sure that your correct mobile number and email address is entered in Central Depository System to ensure receipt of alert every time you move your securities from your account
- Ensure the correctness of securities balances and their status appearing in the statement received from the broker by comparing it with a statement directly obtained from CDC (Physical or eStatement)
- Please make sure that updated contact details are appearing in Central Depository System (contact details include: mailing address, email address and phone / mobile number); You can ensure this by obtaining registration details from CDC Web Access or Physical reports from any CDC office



For more information or to get registered in Investor Awareness Programs contact us on 800-2375 (CDCPL) or Email us at info@cdcpak.com



THE PRODUCTS

NEUTRAL BOROSILICATE GLASS TUBING USP TYPE - I



GLASS AMPOULES



GLASS VIALS



DIRECTORS' REPORT



National Economy

Pakistan's economy maintained its growth momentum during FY16, despite suffering from heavy losses in the crop sector within agriculture. The growth in the industrial sector, in particular, accelerated on the back of better energy supply and improvement in security situation. This growth, in turn, had significant spillover to the services sector. Other key macro-economic indicators also improved during FY16. Average inflation also declined as compared to level in the corresponding period of last year. Fiscal deficit was contained at lower level than the last year; exchange rate remained stable in general; and foreign exchange reserves

continued to increase. Some of these developments were due to subdued commodity prices (particularly oil) in the global market.

Policy support also played a key role in improving macro fundamentals: expansionary monetary policy for the last one and half year, and development focus of fiscal spending (particularly on infrastructure project which also encouraged construction and related activities). Beside introduction sector specific policy initiatives, the government also ensured better energy management; for instance, LNG imports allowed adequate gas availability for fertilizer and other industries. Finally, the initiative under China-Pakistan Economic Corridor (CPEC) not only attracted foreign direct investment (FDI), but also helped in reviving the confidence of local businesses.

Some challenges still exist for the economy. Investment rate continues to remain low, whereas the non-CPEC FDI has not picked up the pace. The tax base stays narrow, despite stop-gap measure by the government to increase tax revenues. Furthermore, low commodity prices (and continued slowdown in the global economy) have also had an adverse impact on some sectors of the economy.

Despite global economic slowdown, GDP growth in Pakistan maintained its modest pace, reaching an eight-year high of 4.7 percent in FY16, from 4.0 percent in the previous year. A strong performance from the industry and services sector led this growth in GDP. Agriculture, on the other hand, suffered particularly from significant losses to the cotton crop, which recorded a massive 27.8 percent decline over the last year.

In this backdrop, acceleration in the industrial growth from 4.8 percent last year to 6.8 percent in FY16 is a positive sign. More encouragingly, this growth was achieved despite sluggish external demand as evident from a persistent decline in exports since May 2015. Another positive for the economy was the considerable ease in overall inflationary pressure during FY 16.

Another positive indicator during the FY 16 was sharp and impressive rise in PSX-100 index which was at the level of 34,398 at the end of last financial year and crossed 37,000 level by the end of June 2106.

In current FY it is expected that Industrial growth would gain from better energy supply, robust demand of consumer durables, and investment under CPEC. While cement manufactures would be the immediate beneficiaries of infrastructure development, the steel industry would continue to face competition from cheap Chinese products. At the same time, low external demand (due to uncertainties in EU recovery and continued slowdown in Chinese economy) would hinder growth in export-oriented industries.

Similarly, while the government aims to complete several energy-related fast track projects under CPEC in the current fiscal year, the existing gaps in the supporting infrastructure to handle import of coal and its transportation to power plants needs to be addressed at the earliest. Finally, besides attracting FDI, there is a need to pace-up the restricting and privatization process of loss making PSEs.

CPEC could indeed be a game changer, but a comprehensive review of internal and regional policies is a prerequisite to enjoy all of CPEC's perceived advantages.



Operations & Performance

Alhamdulillah during the year under review, your company has set up a brand new state-of-the-art glass tubing plant for manufacturing of international quality USP Type-1 borosilicate glass tubing under the supervision of European experts.

Plant is equipped with brand new machinery imported from world renowned manufacturers of glass manufacturing machinery from Italy, Japan, Germany, UK and China. Technical Know-How and Furnace Design of the plant is based on latest European technology namely "Kimbel" having handsome experience and patent name in glass Tubing field. Production capacity of the plant is 24 tons per day and 8400 tons per annum on 350 days / annum basis. Plant consists of two state-of-the-art glass tubing manufacturing lines to produce high quality European Standard tubing glass. It is an import substitute product.

Tubing is used for manufacturing of Ampoules and Vials by the pharmaceutical industry itself and/ or being supplied by the Ampoules and Vial manufacturers to the Pharmaceutical Industry. In both the cases Glass Tubing is used as material to reshape as Ampoules and Vials.

After setup, commissioning and successful trial run operation of the plant, your Company's formal commercial run started during April 2016. Ghani Global Glass in a very short period has registered itself with the customers through their design and development, process building the perfect components that are integrated with client devices. Company commenced contributing towards the progress of healthcare industry in Pakistan and believes that by doing so it can help realize a highly advanced medical society which provides safer and more comfortable medical treatment.

During the last quarter ended June 2016 (first quarter of commercial operation) your company closed the sales at amounting to Rs. 77.53 million. Within short period of 3 month your company achieved the gross profit amounting to

administrative cost incurred during this period is Rs. 8.36 million and 22.54 million. Finance cost incurred on the project finance and working capital lines is amounting to Rs. 17.54 million. Loss before taxation is amounting to Rs. 45.54 million and after taxation is Rs. 51.23 million.

A comparison of the key financial results of your Company for the year ended June 30, 2016 with the last year is as under:

Particulars	Rupees in '000'	
	June 2016	June 2015
Sales	77,534	-
Net Sales	66,022	-
Gross Profit	3,221	-
Distribution cost	8,363	-
Administrative expenses	22,535	5,265
Financial cost	17,541	319
Loss before taxation	(45,540)	(2,934)
Net Profit / (Loss)	(51,236)	1,475

Accordingly we have achieved earnings per share (EPS) Rs. 0.03 (2014: Rs. 0.01) if compared with the last year on account of aforementioned factors.

Future prospects

Ampoules are the main requirements of the pharmaceutical industry for packing sensitive medicines. Glass tube is the raw material for ampoules and vials. In our country the ampoules and vial industry has grown rapidly and high quality glass tubes are imported from Germany which is very expensive. About 4-5,000 tons per annum are imported from China which is not meeting the American and British Pharmacopeia Standards and are creating hazards when the medicine is stored for longer period.

At present your Company has been manufacturing and selling the Boro-silicate Glass Tubing to Ampoules and Vials manufactures. To further strengthen market share and provide high

quality product to pharmaceutical industries, the management of your company has decided to go for own Ampoules and Vials manufacturing as a value addition project at the company's existing facility. Total cost of expansion project is PKR 350 million. The two Vials machines has already been imported, installed and successfully commissioned after close of the year under review. The Vials have widely been accepted in the market due to glass quality and accuracy. To meet the market demand Ampoule machines have also been imported from Italy, and has been installed / commissioned successfully under the supervision of European experts. To meet the financial requirements of value addition plan, company has raised the funds through issuance of 100% right shares at par value of Rs.10 per share. Major portion of this value addition plan is expected to be completed by December 2016.

Full impact of the recently commenced (during April 2016) commercial operations will be seen in the quarters to come, Insha Allah. On the other hand after start of operations of the expansion plan, sales and profitability of your company is expected to increase.

Pay Out to the Shareholders

The management of your company strongly believes in passing on the return of investment to their shareholders. However pay out to the shareholders will be recommended on earnings of profit by the company, "In Sha Allah".

Riba-Free Business

Alhamdulillah at GGG all the business transactions and financial deeds are ensured in accordance with the SHARIA.

Safety, Health, Environment & Quality (SHEQ)

Safety first is the number one objective of Ghani Global Glass, it is incumbent upon the company and the management to ensure that all the employees, customers and visitors coming to the site, go back to their families in safe conditions. All the safety programs, have been installed. To ensure continuity in the safety programs a full time safety engineer is on board who ensures that all the safety aspects including human, machines buildings, packing, vehicles and storage are met and taken care of.

Quality Management System

Ghani Global Glass is highly focused on quality standards. Your company has adopted the world's best quality management system ISO-9001:2008. Certification of the system has been obtained from world's known "UKAS".

Environmental Quality Management System

Ghani Global Glass is environmentally alive and is ensuring zero air, water and ground pollution. The company is maintaining gardens and plants at the site to make the work place attractive and give comfortable environment to the employees, visitors and customers. Certification of the system has been obtained from world's known "UKAS".

Human Resource

Development of Human Resources is one of the priority areas in Ghani Global Glass as the management considers human capital as the most precious asset of the Company. Alhamdulillah Ghani Global Glass has hired highly qualified, experienced staff and all areas such as marketing, plant operations, furnace, quality assurance, finance and corporate have been covered.

Training and Development

To ensure the high standard of performance, the GGG conducts on-job and regular classroom training sessions, covering operation and maintenance of plant/equipments, quality assurance and contamination free packing, on regular basis.

Customer Satisfaction

Ghani Global Glass is committed to have high focus on quality, environment and safety standards. In addition to Lahore, your company has setup marketing office in Karachi to the entire satisfaction of the customers. Products and exclusive services are ensured to the entire satisfaction of the customers.

Contribution to National Exchequer

During the year under review Ghani Global Glass has contributed Rs. 103.002 million (2015: Rs. 90.275 million) in shape of taxes, duties and levies paid to central, provincial government and local authorities.

Statutory Auditors of the Company

The present auditors M/s. Rizwan & Company, Chartered Accountants will retire on conclusion of Annual General Meeting. As suggested by the Audit Committee, the Board of Directors has recommended their re-appointment as auditors of the Company for the year ending June 30, 2017.

Staff Retirement Benefit

Ghani Global Glass 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.

Share Price Trend

The share price of Rs.10 each of your company at one stage rose as high as Rs. 24.54 during August 2015, lowered as low as Rs. 13.51 during January 2016 and closed at Rs. 18.01 as on June 30, 2016.

Compliance with the Code of Corporate Governance

Ghani Global Glass has adopted the requirements of the code of Corporate Governance set out by the Pakistan Stock Exchange in their Rule Book, relevant for the year ended June 30, 2016 and have been duly complied with.

Statement of Compliance with the Best Practices of Code of Corporate Governance

The Statement of Compliance with best practices of Code of Corporate Governance is annexed.

Code of Conduct

The board of Ghani Global Glass has adopted separate code of conduct for its Board of Directors and the employees. All concerns are informed of these codes and are required to observe the rules of conduct in relation to customers, suppliers and regulations.

Audit Committee

An audit committee of the Board has been in existence in accordance with the Code of Corporate Governance. The Audit Committee has its terms of reference which were determined by the Board of Directors in accordance with the guidelines provided in the Rule Book.

Four meetings of the audit committee were held during the year ended June 30, 2016 . The names of audit committee members and their attendance is as follow:

Name		Attendance
Mian Zahid Said	Chairman	04
Masroor Ahmad Khan	member	03
Hafiz Farooq Ahmad	member	04
Farzand Ali	member	04

Relations with Stakeholder

Ghani Global Glass is committed to establishing mutually beneficial relations with all customers, suppliers, bankers, employees, stock exchange, SECP and other business partners of the Company. Alhamdulillah during the period under review relations with all stakeholders remained cordial.

Corporate Social Responsibility

GGG is committed to both sustainable business practices and its responsibilities as a corporate citizen. We believe that Corporate Social Responsibility is primarily about conducting business in a transparent and ethical way that not only enhances value of all of our stakeholders but also gives support to the events that enhance the well-being of the community.

Your Company has established Corporate Social Responsibility and guidelines for corporate governance. Customer Relation Management is a strategic business philosophy and processes are ensured to be rooted through the ethical practice.

GGG also supports a clean environment and motivate its customers for this cause. GGG tries its level best that business activities of customers must be environment-friendly and not be hazardous to the society.

Ghani Global Glass endeavors to be a trusted corporate entity and fulfills the responsibility towards the environment and society in general.

Board of Directors

The present board of directors has been elected under section 178 of the Companies Ordinance, 1984 in the annual general meeting held on October 31, 2014 for a term of three years commencing from October 31, 2014 and will retire on October 31, 2017.

Composition of the present board of directors is as under:

Independent director	01
Non-Executive directors	04
Executive directors	02
Total number of directors	07

The Chairman board of directors is among the non-executive 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 in the company value.

A written notice of the board meeting along with working papers was sent to the members seven days before



the meeting. A total of five meetings of the Board of Directors were held during the year ended June 30, 2016.

The attendance of the board members' is as follows:

Name of the Director	No. of meeting attended
Masroor Ahmad Khan	04
Atique Ahmad Khan	04
Hafiz Farooq Ahmad	05
Main Zahid Said	05
Rabia Atique	05
Saira Farooq	05
Farzand Ali	05

Remunerations to the executive directors

During the year under review, no remuneration has been paid to any executive director (including chief executive officer) of the Company.

Corporate and financial framework

In compliance with the code of Corporate Governance, we give statement of Corporate and financial reporting framework;

- The financial statements together with the notes thereon have been drawn up by the management in conformity with the companies Ordinance, 1984. These statements present fairly the Company's state of affairs, the result of its operations, cash flow and changes in equity.
- Proper books of account have been maintained by the company.
- Appropriate accounting policies have consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the company's ability to continue as a going concern.
- There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- There has been no departure from the best practices of transfer pricing.
- Information about taxes and levies is given in the notes of accounts.
- The value of investments and bank balances in respect of staff retirement benefits.

Provident Fund Rs. 3.501 million (2015: Rs. 6.813).

Pattern of shareholding under code of corporate governance

A statement of the pattern of shareholding of certain class of shareholders as at June 30, 2016, whose disclosure is required under the reporting framework, is included in the annexed shareholder's information.

Post balance sheet events

No material changes or commitments affecting the financial position of the company have occurred between the end of financial year of the company and date of this report except increase in paid up capital of the company for Rs. 500,000,000/- by allotment of 50,000,000 ordinary shares at par value of Rs. 10/- each by way of 100% right shares to the existing shareholders of the company.

Acknowledgement

The directors express their deep appreciation to the dedication of company's employees to their professional obligations and cooperation by the bankers and government agencies.

We thank our shareholders who reposed their confidence on management of the company, customers, the officials of the SECP, the Pakistan Stock Exchange and pray for a better future for them and the Company.

For and on behalf of the Board of Directors



Masroor Ahmad Khan
Chief Executive officer

Lahore
October 08, 2016

CODE OF CONDUCT

Ghani Global Glass Limited (the Company) is engaged in the manufacturing international quality Glass tubing and import substitute with the objective to achieve sustainable productivity, profitability and high standards of safety, occupational health and environmental care. This entails human resource development, enhancing value addition, implementing conservation measures and growth by up-graduation and addition of newer generation technologies.

The Company requires all its Board Members and Employees to act within the authority conferred upon them and in the best interests of the Company and observe all the Company's policies and procedures as well as relevant laws and regulations, as are applicable in individual capacity or otherwise, but not limited to the corporate value, business principles and the acceptable and unacceptable behavior (hereinafter called the Company's Code of Conduct) embodied in this document.

The Company believes that the credibility, goodwill and repute earned over the year by the Group can be maintained through continued conviction in our corporate values of honesty, justice, integrity and respect for people. The Company strongly promotes trust, openness, teamwork and professionalism in its entire business activities.

- The business principles are derived from the above stated corporate values and are applied to all facets of business through well-established procedures. These procedures define behavior expected from each employee in the discharge of his/her responsibility.
- Ghani Global Glass recognizes following obligations, which need to be discharged with best efforts, commitment and efficiency:
 - o Safeguarding of shareholders' interest and a suitable return on equity.
 - o Service customers by providing product, which offer value in terms of price, quality, safety and environment impact.
 - o Respect human rights, provide congenial working environment, offer competitive terms of employment, develop human resource and be an equal opportunity employer.
 - o Seek mutually beneficial business relationship with contractors, suppliers and investment partners.
- The Company believes that profit is essential for business survival. It is a measure of efficiency and the value that the customer places on products and services produced by the Company.
- The Company requires honesty and fairness in all aspects of its business and in its relationships with all those with whom it does business. The direct or indirect offer, payment, soliciting and accepting of bribe in any form is undesirable.
- The Company is fully committed to reliability and accuracy of financial statement and transparency of transactions in accordance with established procedures and practices.
- The Company does not support any political party or contribute funds to groups having political interests. The Company will however, promote its legitimate business interests through trade associations.

The Company will however, promote its legitimate business interests through trade associations.

- The Company, consistent with its commitments to sustainable developments, has a systematic approach to the management of health, safety and environment.
- The Company is committed to observe laws of Pakistan and is fully aware of its social responsibility. It would assist the community in activities such as education, sports, environment preservation, training programs, skill development and employment within the parameters of its commercial objectives.
- The Company supports free market system. It seeks to compete fairly and ethically within the framework of applicable competition laws in the country. The Company will not stop others from competing freely with it.
- In view of the critical importance of its business and impact on national economy, the Company provides all relevant information about its activities to legitimate interested parties, subject to any overriding constraints of confidentiality and cost.
- The company requires all its board members and employees to essentially avoid conflict of interest between private financial and/or other activities and their professional role in the conduct of company business.
- No board member or employee shall in any manner disclose to any person or cause disclosure of any information or documents, official or otherwise, relating to the company, except those published, and unless he/she is authorized by the management.
- All papers, books, drawings, sketches, photographs, documents and similar papers containing analysis, formulas, notes or information relating to the company's business affairs or operations shall always be treated as the company property, whether prepared by the employee or otherwise and no employee shall be permitted to carry any of these outside business premises unless specifically authorized to do so by the management.
- The company's property, funds facilities and services must be used only for authorized purposes.
- The board members or employees of the company specifically those coming in direct contact with the vendors doing or seeking to do business with the Company shall not receive favours or incur obligations. In case any contractor/supplier to have business relations with the company happen to be a relative of an official who is entrusted the responsibility of opening/evaluation/award of supply/contract job or with execution or certification of material/services, he/she shall immediately bring the fact to the notice of Chief Executive Officer who may entrust the responsibility to another.
- Each employee shall devote his full time and energy exclusively to the business and interests of the Company. In particular, no employee (including those on leave) unless otherwise permitted by the Company, shall directly or indirectly engage in any other profession or business or enter the services of or be employed in any capacity for any purpose whatsoever and for any part of his time by any other person,

government department, firm or company and /or shall not have any private financial dealing with any other persons or firms having business relations with the company for sale or purchase of any material or equipment or supply of labour or for any other purpose. Every employee shall hold himself in readiness to perform any duties required of him by his/her superiors to the best of his/her ability.

- No board member or employee of the Company shall, directly or indirectly, deal in the shares of the Company in any manner during the closed period, as determined and informed by the Company.
- No board member or employee of the Company shall practice insider trading.

Without prejudice to any penal action defined in any statute, as applicable, against any kind of non-compliance/violations, non compliance with the Company's Code of Conduct may expose the person involved to disciplinary actions as Company's rules and/or as determined by the management or the Board of Directors, as the case may be, on case to case basis.

On behalf of the Board of Directors



Masroor Ahmad Khan
Chief Executive officer

STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 30 JUNE 2016

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in regulation No. 5.19.23 of Pakistan Stock Exchange Rule Book for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Director	Mian Zahid Said
Executive Directors	Masroor Ahmad Khan Farzand Ali
Non-Executive Directors	Atique Ahmad Khan Hafiz Farooq Ahmad Rabia Atique Saira Farooq



The independent director meets the criteria of independence as contained in the Code.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. A casual vacancy on the board is filled up by the directors within 90 days.
5. 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.
6. 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.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board/shareholders.

8. 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 and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meeting. The minutes of the meetings were appropriately recorded and circulated.
9. All the Directors on the Board are well conversant with the listing regulations, legal requirements and operational imperatives of the company, and as such are fully aware of their duties and responsibilities. The Board arranged training program for one of its directors.
10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms & conditions of employment.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The board has formed an Audit Committee. It comprises four members, of whom two directors are non-executive, one is independent and one is executive director (having financial skills / expertise and experience) .
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed an HR and Remuneration Committee. It comprises four members of whom one director is executive, two are non-executive and one is independent.
18. The board has set up an effective internal audit function managed by suitably qualified and experienced personnel who are conversant with the policies and procedures of the company.
19. 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, 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.

20. The statutory auditors or the persons associated with them have not been appointed to providing other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. The company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

On behalf of the Board of Directors



(MASROOR AHMAD KHAN)
Chief Executive Officer

Lahore
October 08, 2016.

REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance (the Statement) with the best practices contained in the Code of Corporate Governance (the Code) for the year ended **30 June 2016** prepared by the Board of Directors of **GHANI GLOBAL GLASS LIMITED** (the Company) comply with the regulations of the respective Stock Exchanges, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of Company. Our responsibility is to review, to extent where such compliance can objectively be verified, whether the Statement reflects the status of the Company's compliance with the provisions of the Code and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the code.

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's audit approach. We have not carried out any special review of the internal control systems to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Further, Listing Regulations of Pakistan Stock Exchange requires the Company to place before the Board of Directors for their consideration and approval, related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price, recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance requirement to the extent of approval of related party transactions by the Board Directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine 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 does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code for the year ended **30 June 2016**.

Lahore: **08 OCT 2016**



Rizwan & Company
Chartered Accountants

Rizwan & Company is an independent member firm of DFK international- A worldwide association of independent accounting firms and business advisors

Address: 204-205-206, 2nd Floor, Al-Qadir Heights, 1- Babar Block, New Garden Town, Lahore, Pakistan.

Tel: + 92 42 35 84 66 44 - 5, Fax: +92 42 35 84 66 46, email: rcolhr@cyber.net.pk; info@dfk.pk; web: www.dfk.pk

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Board has constituted a fully functional Audit Committee. The features of the terms of reference of the Committee in accordance with the Code of Corporate Governance are as follows:

- a) Determination of appropriate measures to safeguard the company's assets;
- b) Review of preliminary announcements of results prior to publication;
- c) Review of quarterly, half-yearly and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on:
 - major judgmental areas;
 - significant adjustments resulting from the audit;
 - the going concern assumption;
 - any changes in accounting policies and practices;
 - compliance with applicable accounting standards;
 - compliance with listing regulations and other statutory and regulatory requirements; and
 - significant related party transactions
- d) Facilitating the external audit and discussion with the external auditors of major observations arising from the interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) Review of management letter issued by external auditors and managements response thereto;
- f) Ensuring coordination between the internal and external auditors;
- g) Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed;
- h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;

- i) Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and reporting structure are adequate and effective;
- j) Review of company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- k) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;
- l) Determination of compliance with relevant statutory requirements;
- m) Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof;
- n) Consideration of any other issue or matter as may be assigned by the Board of Directors; and
- o) Recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision by the external auditors of any service to the company in addition to audit of its financial statements.

TERMS OF REFERENCE OF HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

The Board adopted the responsibilities contained in clause (xxv) of the Code 2012 from (i) to (iv) as the Terms of Reference (TOR) of the HR&R Committee .

The committee shall be responsible for:

- i) recommending human resource management policies to the board;
- ii) recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO;
- iii) recommending to the board the selection, evaluation, compensation (including retirement benefits) of Chief Executive Officer, Working Director(s), Company Secretary, and Head of Internal Audit; and
- iv) consideration and approval on recommendations of CEO on such matters for key management positions who report to the CEO or MD.

SIX YEARS AT A GLANCE

	2016	2015	2014	2013	2012	2011
Profit and Loss Account						
Sales (gross)	77,534,828	-	-	-	-	-
Gross Profit	3,221,594	-	-	-	-	-
Administrative and general expenses	(22,535,198)	(5,265,905)	(528,721)	(397,402)	(518,154)	(667,202)
Distribution Cost	(8,363,616)	-	-	-	-	-
Other operating expenses	(559,000)	-	(5,193)	(679)	(459)	(568)
Other income	238,050	4,233,666	53,375	466,565	407,026	1,717
Provision for taxation	(5,696,169)	4,409,434	-	(2,319)	-	-
Profit/ (loss) after taxation	(51,235,738)	1,475,041	(480,539)	66,165	111,587	666,053
Earning per share - basic and diluted	(1.02)	0.03	(0.02)	0.00	0.00	(0.02)
Balance Sheet						
Share Capital	500,000,000	500,000,000	480,000,000	310,000,000	310,000,000	310,000,000
Shareholders Equity	439,331,646	490,567,384	469,092,343	299,572,882	299,506,717	300,035,304
Fixed Assets including in process	1,337,304,453	1,106,509,355	314,943,695	303,492,770	299,809,026	300,733,112
Current Assets	379,950,189	124,602,674	161,854,200	1,567,872	1,262,245	795,916
Current Liabilities	263,725,549	141,673,885	7,925,932	928,140	921,334	850,921



A photograph of a large industrial facility, likely a refinery or chemical plant. The scene is filled with complex machinery, including tall distillation columns, pipes, and structural steel. Yellow and black safety railings are prominent throughout the facility. The lighting is bright, and the overall atmosphere is one of a busy, large-scale industrial operation. A blue triangular graphic element is visible in the top right corner.

ANNUAL AUDITED FINANCIAL STATEMENTS

AUDITORS' REPORT TO THE MEMBERS


We have audited the annexed balance sheet of **GHANI GLOBAL GLASS LIMITED** as at **30 JUNE 2016** and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that _____

- (a) In our opinion, proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984;
- (b) In our opinion _____
- (i) The balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
- (ii) The expenditure incurred during the year was for the purpose of the company's business; and
- (iii) The business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (c) In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, 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 2016** and of the profit, comprehensive profit, its cash flows and changes in equity for the year then ended; and
- (d) In our opinion no Zakat deductible at source under the Zakat and Ushr ordinance, 1980 (XVIII of 1980).

Lahore: 08 OCT 2016



Rizwan & Company
Chartered Accountants
Engagement Partner : Usman Sheikh

BALANCE SHEET

AS AT 30 JUNE 2016

ASSETS	Note	2016	2015
		(Rupees)	
Non-current assets			
Property, plant and equipment			
Operating fixed assets-tangible	5	1,306,203,105	52,733,757
Capital work in progress	6	6,632,746	1,025,312,492
Intangible assets	7	19,794,072	19,794,072
Long term deposits and prepayments	8	4,674,530	4,259,600
Deferred taxation	9	-	4,409,434
		1,337,304,453	1,106,509,355
Current assets			
Stores, spare parts and loose tools	10	41,507,151	9,437,984
Stock in trade	11	140,319,040	14,119,916
Trade debts	12	35,455,350	-
Balance with statutory authorities	13	90,287,964	52,058,422
Loans and advances	14	9,633,200	16,257,765
Trade deposits and short term prepayments	15	19,310,646	22,759,156
Other receivables	16	22,984	74,680
Advance tax		8,498,469	3,081,023
Cash and bank balances	17	34,915,385	6,813,728
		379,950,189	124,602,674
TOTAL ASSETS		1,717,254,642	1,231,112,029
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
120,000,000 (2015: 65,000,000) ordinary shares of Rs. 10 each		1,200,000,000	650,000,000
Issued, subscribed and paid up share capital	18	500,000,000	500,000,000
Accumulated losses		(60,668,354)	(9,432,616)
Loan from sponsors		485,660,638	45,300,000
Total equity		924,992,284	535,867,384
Non-current liabilities			
Long term financing	19	528,168,752	553,570,760
Long term Security deposits		368,057	-
		528,536,809	553,570,760
Current liabilities			
Trade creditors, accrued and other liabilities	20	93,477,018	97,877,822
Accrued profit on financing		5,687,537	15,927,596
Current portion of long term financing	19	78,822,646	-
Short term borrowings	21	84,451,613	27,868,467
Provision for taxation	29	1,286,735	-
		263,725,549	141,673,885
Total liabilities		792,262,358	695,244,645
Contingencies and commitments	22	-	-
TOTAL EQUITY AND LIABILITIES		1,717,254,642	1,231,112,029

The annexed notes from 1 to 41 form an integral part of these financial statements.


MASROOR AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)



HAFIZ FAROOQ AHMAD
 (DIRECTOR)

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 (Rupees)	2015
Sales - local		77,534,828	-
Less:			
Sales tax		(11,511,896)	-
		66,022,932	-
Cost of sales	23	(62,801,338)	-
Gross Profit		3,221,594	-
Administrative expenses	24	(22,535,198)	(5,265,905)
Selling and distribution expenses	25	(8,363,616)	-
Other operating expenses	26	(559,000)	(1,582,917)
		(31,457,814)	(6,848,822)
Other income	27	238,050	4,233,666
		(27,998,170)	(2,615,156)
Finance cost	28	(17,541,399)	(319,237)
Profit / (loss) before taxation		(45,539,569)	(2,934,393)
Taxation	29	(5,696,169)	4,409,434
Profit / (loss) after taxation		(51,235,738)	1,475,041
Earnings per share	30	(1.02)	0.03
- basic and diluted			

The annexed notes from 1 to 41 form an integral part of these financial statements.


MASROOR AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
Note	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from/ (used in) operating activities	31 (229,405,929)	1,423,540
Finance cost paid	(67,782,839)	(14,429,477)
Income tax paid	(5,417,446)	(2,835,490)
	(73,200,285)	(17,264,967)
Net cash used in operating activities	(302,606,214)	(15,841,427)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in operating fixed assets	(7,486,061)	(17,349,265)
Addition in capital work in progress	(212,123,617)	(717,142,782)
Proceeds from disposal of operating fixed assets	-	950,000
Long term deposits	(414,930)	(3,946,000)
Net cash used in investing activities	(220,024,608)	(737,488,047)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan from sponsors - net	440,360,638	45,206,780
Share deposit money	-	(5,510,000)
Long term financing - net	53,420,638	553,570,760
Long term security deposits	368,057	-
Short term investment realized	-	5,745,966
Short term borrowings	56,583,146	27,868,467
Net cash generated from financing activities	550,732,479	626,881,973
Net increase / (decrease) in cash and cash equivalents	28,101,657	(126,447,501)
Cash and cash equivalents at the beginning of the year	6,813,728	133,138,739
Acquired due to business combination	-	122,490
Cash and cash equivalents at the end of the year	34,915,385	6,813,728

The annexed notes from 1 to 41 form an integral part of these financial statements.


MASROOR AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)

STATEMENT OF COMPREHENSIVE INCOME

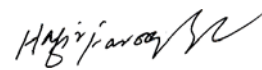
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	(Rupees)	
Net profit / (loss) for the year	(51,235,738)	1,475,041
Other comprehensive income	-	-
Total comprehensive income / (loss) for the year	(51,235,738)	1,475,041

The annexed notes from 1 to 41 form an integral part of these financial statements.



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)




HAFIZ FAROOQ AHMAD
(DIRECTOR)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	Share capital	Accumulated losses	Loan from sponsors	Total
(Rupees)				
Balance as at 01 July 2014	480,000,000	(10,907,657)	93,220	469,185,563
Total comprehensive income	-	1,475,041	-	1,475,041
Loan received during the year	-	-	45,206,780	45,206,780
Transactions with owners:				
Shares issued during the year pursuant to merger with Libaas Textile Limited	20,000,000	-	-	20,000,000
Balance as at 30 June 2015	500,000,000	(9,432,616)	45,300,000	535,867,384
Total comprehensive (loss)	-	(51,235,738)	-	(51,235,738)
Loan received during the year	-	-	440,360,638	440,360,638
Balance as at 30 June 2016	500,000,000	(60,668,354)	485,660,638	924,992,284

The annexed notes from 1 to 41 form an integral part of these financial statements.


MASROOR AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan under the Companies Ordinance, 1984 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. Its registered office is situated at 10-N, Model Town Extension, Lahore. The Company has set up plant for manufacturing of glass tubes and glassware.

1.1 Activities

The Company is principally engaged in manufacture, procurement and sale of glass tubing and glass ware. The company commenced its trial run production from October 01, 2015. During the year, the Company has successfully commenced commercial operations of the production facilities from April 01, 2016

2 STATEMENT OF COMPLIANCE

2.1 These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 AMENDMENTS / INTERPRETATIONS TO EXISTING STANDARDS AND FORTHCOMING REQUIREMENTS

2.2.1 New / revised accounting standards, amendments to published accounting standards, and interpretations that are not yet effective

The following revised 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 (accounting periods beginning on or after)
IFRS 2 –Share-based Payments – Classification and Measurement of Share-based Payments Transactions	01 January 2018
IFRS 7 –Financial Instruments: Disclosures - Disclosure Initiative - (Amendment)	01 January 2017
IFRS 10 –Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities: Applying the Consolidation Exception (Amendment)	01 January 2016
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
IFRS 11 –Joint Arrangements Accounting for Acquisition of Interest in Joint Operation (Amendment)	01 January 2016

IAS 1	–Presentation of Financial Statements – Disclosure Initiative (Amendment)	01 January 2016
IAS 12	–Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	01 January 2017
IAS 16	–Property, Plant and Equipment – Clarification of Acceptable Method of Depreciation (Amendment)	01 January 2016
IAS 16	–Property, Plant and Equipment IAS 41 Agriculture – Agriculture: Bearer Plants (Amendment)	01 January 2016
IAS 27	–Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)	01 January 2016

The Company expects that the adoption of the above revisions, amendments and interpretations of the standards will not affect 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. Such improvements are generally effective for accounting periods beginning on or after 01 January 2016. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

2.3 ACCOUNTING STANDARDS AND IFRS INTERPRETATIONS THAT HAVE NOT BEEN NOTIFIED BY SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Standard or Interpretation	IASB Effective date (accounting periods beginning on or after)
IFRS 9	–Financial Instruments - Classification and Measurement	01 January 2018
IFRS 14	–Regulatory Deferral Accounts	01 January 2016
IFRS 15	–Revenue from Contracts with Customers	01 January 2018
IFRS 16	–Leases	01 January 2019

The Company expects that the adoption of the above revision, amendments and interpretation of the standards will not affect the Company's financial statements in the period of initial application.

2.4 ACCOUNTING STANDARDS, IFRS AND INTERPRETATIONS TO EXISTING STANDARDS THAT BECOME EFFECTIVE

The Company has adopted the following amendments to IFRSs which became effective during the year:

IFRS 10	–Consolidated Financial Statements (Amendment)
IFRS 12	–Disclosure of Interests in Other Entities (Amendment)
IAS 28	–Investment in Associates – Investment Entities: Applying the Consolidation Exception (Amendment)
IFRS 11	–Joint Arrangements – Accounting for Acquisition of Interest in Joint Operation (Amendment)
IAS 1	–Presentation of Financial Statements – Disclosure Initiative (Amendment)
IAS 16	–Property, Plant and Equipment – (Amendment)
IAS 38	–Intangible assets – Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
IAS 16	–Property, Plant and Equipment – (Amendment)

- IAS 41 –Agriculture – Bearer Plants (Amendment)
- IAS 27 –Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)

Improvements to Accounting Standards Issued by the IASB

- IFRS 5 –Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal
- IFRS 7 –Financial Instruments: Disclosures – Servicing contracts
- IFRS 7 –Financial Instruments: Disclosures – Applicability of the offsetting disclosures to condensed interim financial statements
- IAS 19 –Employee Benefits – Discount rate: regional market issue
- IAS 34 –Interim Financial Reporting – Disclosure of information elsewhere in the interim financial report

2.5 CHANGE IN ACCOUNTING POLICY

The company has applied the accounting TR - 32 issued by ICAP for accounting of Director's loan for classification of 'Loans from sponsors' as an equity instrument. Previously, the Company has been classifying it as a long term liability of the Company as a financial instrument. The Company has chosen the early adoption of TR - 32 and applied the policy retrospectively in accordance with IAS - 8. There is no retrospective impact on early adoption of TR - 32.

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

3 BASIS OF PREPARATION

3.1 These financial statements have been prepared under the historical cost convention except for certain financial instruments, which are carried at their fair values.

3.2 Significant accounting judgments and critical accounting estimates / assumptions

The Company's main accounting policies affecting its result of operations and financial conditions are set out in note 4. Judgments and assumptions have been used by the management in applying the Company's accounting policies in many areas. Actual results may differ from estimates calculated using these judgments and assumptions. Key sources of estimation, uncertainty and critical accounting judgments are as follows:

a) Income taxes

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

b) Useful lives, patterns of economic benefits and impairments

Management has made estimates of residual values, useful lives and recoverable amounts of certain items of property, plant and equipment. Any change in these estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment loss.

c) Provision for slow moving /obsolete items

Provision is made for slow moving and obsolete items, based on review by the technical head at each balance sheet date.

3.3 Functional and presentation currency

These financial statements are presented in Pak rupee, which is the functional and presentation currency for the Company.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Taxation

Current

Provision for taxation is based on taxable income at current rates after taking into account tax rebates and credits available, if any or minimum tax on turnover or alternate corporate tax on accounting profit and tax paid under final tax regime under relevant provisions of Income Tax Ordinance, 2001. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from orders under Income Tax Ordinance, 2001 passed during the year of any previous year(s).

Deferred

Deferred taxation is accounted for using the balance sheet liability method providing for temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary timing differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated based on the rates that have been enacted or substantively enacted up to the balance sheet date and are expected to apply to the period when the difference arises.

4.2 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

4.3 Provisions

A provision is recognized in balance sheet when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of obligation.

4.4 Property, plant and equipment

Owned

These are stated at cost less accumulated depreciation and impairment, if any, except freehold land which is stated at cost. Cost of operating fixed assets comprises historical cost, borrowing cost and other expenditure pertaining to the acquisition, construction, erection and installation of these assets.

Depreciation is charged to profit and loss account using the reducing balance method, except for plant and machinery on which depreciation is charged on production hour bases and furnace on which depreciation is charged on straight line basis, so as to write off the cost over the expected useful life of assets at rates, which are disclosed in notes to the financial statements. Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed of.

Residual value and the useful life of assets are reviewed at each financial year end and if expectations differ from previous estimates the change is accounted for as change in accounting estimate in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Subsequent costs are included in the asset's carrying amount or recognized as a 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. Normal repairs and maintenance costs are charged to profit and loss account as and when incurred. Gains and losses on disposal of property, plant and equipment represented by the difference between the sale proceeds and the carrying amount, are taken to profit and loss account.

Capital work in progress

Capital work-in-progress represents expenditure on property, plant and equipment which are in the course of construction and installation. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

Capital work-in-progress is stated at cost less any identified impairment loss.

Impairment

The Company assesses at each balance sheet date whether there is any indication that assets excluding inventory 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 the carrying value exceeds the recoverable amount, assets are written down to the recoverable amount and the difference is charged to the profit and loss account.

4.5 Stores, spare parts and loose tools

These are valued at moving average cost less provision for slow moving and obsolete items except for items in transit, which are valued at cost comprising invoice value, plus other charges paid thereon. Provision is made for slow moving and obsolete items

4.6 Stock in trade

These are stated at the lower of cost and net realizable value. The cost is determined as follows:

Raw and packing materials	Average cost
Work in process	At weighted average cost and related manufacturing expenses.
Finished goods	Average cost which includes prime cost and appropriate portion of production overheads.
Items in transit	Cost comprising invoice values plus other charges incurred thereon.

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

4.7 Trade debts

Trade debts are carried at the amounts billed / charged which is fair value of consideration to be received in the future. An estimate is made for doubtful receivables based on review of outstanding amounts at the year end, if any. Provisions are made against amounts that are considered doubtful by the management. Balances considered bad and irrecoverable are written off when identified.

4.8 Other receivables

Other receivables are recognized at nominal amount which is fair value of the consideration to be received in the future.

4.9 Cash and bank balance

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash at bank which are subject to an insignificant risk of change in value

4.10 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are recognized initially at cost, which is the fair value of the consideration given or received as appropriate, plus any directly attributable transaction costs. These financial assets and liabilities are subsequently measured at fair value or amortized cost using the effective rate of interest method, as the case may be.

Financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial asset. The Company loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Company surrenders those rights. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to profit and loss account.

4.11 Impairment of financial assets

The Company assesses at each balance sheet date whether there is any indication that assets excluding inventory 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 amount. Where carrying value exceed recoverable amount, assets are written down to the recoverable amount and the difference is charged to profit and loss account.

4.12 Off setting of financial assets and financial liabilities

A financial asset and financial liability is set off and the net amount is reported in the balance sheet if the Company has legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.13 Derivative financial instruments

These are initially recorded at cost and are re-measured to fair value at subsequent reporting dates. Any resulting gain or loss is recognized in current year profit and loss account. Derivatives with positive market values are included in other receivables and derivatives with negative market values are included in other liabilities in the balance sheet.

4.14 Foreign currency translation

Assets and liabilities in foreign currencies are translated at the rates of exchange prevailing at balance sheet date or at the contracted rates while foreign currency transactions are recorded at the rates of exchange prevailing at the transaction date or at the contracted rates. Exchange gains and losses are charged to profit and loss account.

4.15 Revenue recognition

Revenue is measured at the fair value of consideration received and receivable. Revenue is recognized to the extent it is probable that the economic benefits will flow to company and revenue can be measured reliably.

- I Revenue from the sale of goods is measured net of sales tax, returns and trade discounts, and is recognized when significant risk and rewards of ownership are transferred to buyer, that is, when deliveries are made and recovery of consideration is probable.
- II Profit on bank deposits is recognized on time proportion basis taking into account principal outstanding and rates of profit applicable thereon.

4.16 Employees' benefits

Defined contribution plan

The Company operates a funded employees' provident fund scheme for its permanent eligible employees. Equal monthly contributions at the rate of 8.33 percent of gross pay are made both by the Company and employees to the fund.

Compensated absences

Compensated absences are accounted for employees of the Company on un-availed balance of leave in the period in which the absences are earned.

4.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to profit and loss account whenever incurred. Finance cost is accounted for on accrual basis.

4.18 Related party transactions and transfer pricing

Transactions and contracts with the related parties are based on the policy that all transactions between the Company and related parties are carried out at an arm's length.

4.19 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.20 Intangible assets

Goodwill

Goodwill represents the difference between the cost of the acquisition (fair value of consideration paid) and the fair value of the net identifiable assets acquired.

Goodwill is stated at cost less any identified impairment loss.

4.21 Operating segments

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief executive officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company's format for segment reporting is based on its products and services.

Segment results that are reported to the chief executive officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which can not be allocated to a particular segment on a reasonable basis are reported as unallocated.

Transaction among the business segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.

The management has determined that the Company has a single reportable segment as the Board of Directors view the Company's operations as one reportable segment

5 OPERATING FIXED ASSETS - TANGIBLE

2016											
DESCRIPTION	BALANCE AS AT 01 JULY 2015				FOR THE YEAR			BALANCE AS AT 30 JUNE 2016			DEPRECIATION RATES
	Cost	Accumulated Depreciation	Net Book Value	Additions	Disposal (Cost) / Accumulated Depreciation	Depreciation Charge	Cost	Accumulated Depreciation	Net Book Value	DEPRECIATION RATES	
Land - Freehold	35,287,764	-	35,287,764	-	-	-	35,287,764	-	35,287,764	-	-
Building	-	-	-	132,879,249	-	3,289,460	132,879,249	3,289,460	129,589,789	10	10
Plant and machinery	-	-	-	812,823,240	-	7,887,230	812,823,240	7,887,230	804,936,010	10	10
Furnace	-	-	-	325,102,255	-	10,431,278	325,102,255	10,431,278	314,670,977	5 & 33.33	5 & 33.33
Furniture and fixtures	2,777,178	593,888	2,183,290	1,555,589	-	272,283	4,332,767	866,171	3,466,596	10	10
Office equipment	350,410	11,126	339,284	632,950	-	81,397	983,360	92,523	890,837	10	10
Computers	631,805	176,140	455,665	390,589	-	199,828	1,022,394	375,968	646,426	30	30
Vehicles	16,097,952	1,630,198	14,467,754	4,906,933	-	2,659,981	21,004,885	4,290,179	16,714,706	15	15
	55,145,109	2,411,352	52,733,757	1,278,290,805	-	24,821,457	1,333,435,914	27,232,809	1,306,203,105		

2015											
DESCRIPTION	BALANCE AS AT 01 JULY 2014				FOR THE YEAR			BALANCE AS AT 30 JUNE 2015			DEPRECIATION RATES
	Cost	Accumulated Depreciation	Net Book Value	Additions	Disposal (Cost) / Accumulated Depreciation	Depreciation Charge	Cost	Accumulated Depreciation	Net Book Value	DEPRECIATION RATES	
Land - Freehold	35,287,764	-	35,287,764	-	-	-	35,287,764	-	35,287,764	-	-
Furniture and fixtures	994,006	493,951	500,055	1,763,172	-	99,937	2,77,178	539,888	2,183,290	10	10
Office equipment	7,900	4,017	3,883	342,510	-	7,109	350,410	11,126	339,284	10	10
Computers	115,477	104,554	10,923	516,328	-	71,586	631,805	176,140	455,665	30	30
Vehicles	2,984,730	1,975,534	1,009,196	14,707,255	(1,594,033)	770,753	16,097,952	1,630,198	14,467,754	15	15
	39,389,877	2,578,056	36,811,821	17,349,265	(1,594,033)	949,385	55,145,109	2,411,352	52,733,757		

5.1 There is no operating fixed asset disposed off during the year.

5.2 Depreciation charge for the year on operating fixed assets has been allocated as follows

	Note	2016 (Rupees)	2015
Cost of sales	23	21,607,968	-
Administrative expenses	24	3,213,489	949,385
		24,821,457	949,385
6 CAPITAL WORK IN PROGRESS			
Civil works	6.1	6,632,746	126,842,434
Plant and machinery	6.2	-	898,470,058
		6,632,746	1,025,312,492
6.1 Civil works			
Opening balance		126,842,434	71,586,841
Addition during the year		12,669,561	55,255,593
Capitalized during the year - building		(132,879,249)	-
Closing balance		6,632,746	126,842,434
6.2 Plant and machinery			
Opening balance		898,470,058	206,545,033
Addition during the year	6.2.1 & 6.2.2	239,455,437	691,925,025
Capitalized during the year - building		(1,137,925,495)	-
Closing balance		-	898,470,058
6.2.1			
Borrowing cost amounting to Rupees 40.10 million (2015: 30.04 million) has been capitalized during the year.			
6.2.2			
Trial run loss capitalized during the year amounting to Rupees 116.75 million (2015 : Nil)			

	Note	2016 (Rupees)	2015
Trial run loss			
Trial run sales - Gross		73,513,027	-
Sales tax		(10,862,497)	-
Trial run sales - net		62,650,530	-
Trial run cost			
Raw material consumed		52,280,281	-
Fuel and power		80,087,440	-
Packing expense		8,157,784	-
Consumable stores		32,644,265	-
Salaries, wages and other benefits		42,776,532	-
Consultancy charges	6.2.3	3,150,000	-
Fee and subscription		1,833,875	-
Rent, rate and taxes	6.2.4	5,356,110	-
Communication		75,111	-
Repair and maintenance		3,040,183	-
Traveling and vehicle running expenses		3,379,707	-
Profit expense on financing	6.2.5	26,479,065	-
Other overheads		6,078,687	-
Cost of goods manufactured		265,339,040	-
Work in process			
Opening work in process		-	-
Closing work in process	23	(6,696,403)	-
		(6,696,403)	-
Finished Goods			
Opening finished goods		-	-
Closing finished goods	23	(79,241,646)	-
		(79,241,646)	-
Trial run cost		179,400,991	-
Trial run loss for the year		(116,750,461)	-
Trial run loss charged to capital work in progress during the year		116,750,461	-
		-	-

- 6.2.3** It represents amount payable to Ghani Engineering (Private) Limited (associated company) on account of consultancy charges (2015: Rupees Nil).
- 6.2.4** It includes amount paid to Ghani Gases Limited (associated company) amounting to Rupees 5 million (2015: Rupees nil) on account of generator rent.
- 6.2.5** Profit expense on financing is included in borrowing cost capitalized during the year

7	INTANGIBLE ASSETS - Goodwill	Note	2016 (Rupees)	2015
	Net carrying value basis			
	Closing net book value (NBV)		19,794,072	19,794,072
	Gross carrying value basis			
	Closing net book value (NBV)		19,794,072	19,794,072

- 7.1** Goodwill represents the difference between the cost of the acquisition (fair value of consideration paid) and the fair value of the net identifiable assets acquired at the time of merger of Libaas Textile Limited with and into the Company. Amortization is not charged because there is no indication to amortise the carrying value at the year end.
- 7.2** The Company assessed the recoverable amount at 30 June 2016 and determined that as of this date there is no indication of impairment of goodwill. The recoverable amount was calculated on the basis of five year financial business plan which assumes cash inflows from operating, investing and financing activities.

8	LONG TERM DEPOSITS	Note	2016 (Rupees)	2015
	Considered good:			
	Security deposits for utilities		3,589,600	3,589,600
	Security deposits for rented premises		1,034,930	620,000
	Central Depository Company of Pakistan (CDC)		50,000	50,000
			4,674,530	4,259,600
9	DEFERRED TAXATION			
	Deductible temporary differences - deferred tax assets			
	Tax credit u/s 65B of ITO, 2001		113,792,549	-
	Deferred tax assets arising on unabsorbed tax credits and minimum tax: 9.1		147,799,350	5,082,035
			261,591,899	5,082,035
	Taxable temporary differences - deferred tax liabilities			
	Accelerated tax depreciation allowances		(131,608,287)	(672,601)
	Net deferred tax asset		129,983,612	4,409,434
	Deferred tax asset not recognized		(129,983,612)	-
			-	4,409,434
	Tax rate used		31%	32%

- 9.1** As of the balance sheet date, accumulated carry forward tax losses amounting to Rupees 476.72 million (2015: 15.88 million)
- 9.2** Deferred tax asset of Rupees 129.98 million (2015: Rupees Nil) due to brought forward losses has not been recognized in the current financial statements, as in the opinion of the management there is no certainty regarding realization of the amount. Deferred tax asset is recognized on the basis of minimum tax on turnover under section 113 or Alternate Corporate Tax (ACT) on accounting profit under section 113-C of Income Tax Ordinance 2001, whichever is higher to be charged in next three years.

	Note	2016 (Rupees)	2015
10 STORES, SPARE PARTS AND LOOSE TOOLS			
Stores		2,848,302	222,521
Spare parts		38,386,129	8,924,061
Loose tools		272,720	291,402
		41,507,151	9,437,984
11 STOCK IN TRADE			
Raw Material		23,211,265	14,119,916
Work in process		4,885,740	-
Finished goods		112,222,035	-
		140,319,040	14,119,916
12 TRADE DEBTS			
Considered good - unsecured	12.1	35,455,350	-
		35,455,350	-
12.1 Age of trade debts at the date of balance sheet was as follows:			
Age of trade debts			
Not past due		10,758,148	-
0 - 180 days		24,697,202	-
		35,455,350	-
13 BALANCE WITH STATUTORY AUTHORITIES			
Sales tax refundable		90,287,964	52,058,422
14 LOANS AND ADVANCES			
Considered goods - Unsecured :			
Loans to employees - Interest free		99,306	641,089
Advances			
To employees against expenses		255,951	643,134
To suppliers and contractors		9,277,943	14,973,542
		9,533,894	15,616,676
		9,633,200	16,257,765
15 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Considered good:			
Security deposits		290,602	956,371
Short term prepayments		436,358	441,229
Letter of credit margin		18,583,686	21,361,556
		19,310,646	22,759,156
16 OTHER RECEIVABLES			
Considered good:			
Bank Profit receivables		22,984	74,680
17 CASH AND BANK BALANCES			
Cash in hand		793,423	801,637
Balances with banks in:			
Current accounts		4,415,058	735,221
Deposit accounts	17.1	29,706,904	5,276,870
		34,121,962	6,012,091
		34,915,385	6,813,728

17.1 The rate of return on deposit accounts ranges from 4% to 9% (2014: 3% to 8%) per annum.

18	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	Note	2016	2015
			(Rupees)	
	48,000,000 (2015: 48,000,000) Ordinary shares of Rupees 10 each fully paid in cash		480,000,000	480,000,000
	2,000,000 (2015: 2,000,000) Ordinary shares of Rupees 10 each issued for consideration other than cash		20,000,000	20,000,000
		18.1	500,000,000	500,000,000

18.1 Movement in issued, subscribed and paid up capital of the company is as follows:

2016	2015		2016	2015
(No. of Shares)			(No. of Shares)	
50,000,000	48,000,000	Beginning balance	50,000,000	48,000,000
-	2,000,000	Issued during the year	-	2,000,000
50,000,000	50,000,000	Ending balance	50,000,000	50,000,000

18.2 Shares held by related parties

Ghani Gases Limited held Nil (2015:4,500,000) number of ordinary shares representing Nil % (2015: 9.375%) of the paid up capital of the Company as at 30 June 2016.

19 LONG TERM FINANCING

Diminishing Musharakah facility

Syndicate financing from banking companies
Non Banking Finance Company

19.1
19.2

Less: Current portion taken as current liability

2016	2015
(No. of Shares)	
596,656,695	553,570,760
10,334,703	-
606,991,398	553,570,760
(78,822,646)	-
528,168,752	553,570,760

19.1 This for the purposes of establishing a tubing glass manufacturing plant, carrying profit at the rate of 3 month KIBOR plus 1.95% per annum (2015: 3 month KIBOR plus 1.95% per annum) repayable quarterly and is secured against first pari passu charge on all present and future fixed assets of the Company for Rupees 800 million and corporate guarantee of associated company with grace period for principal repayment of 24 months from the date of first drawdown.

19.2 This represents diminishing musharakah facility availed from financial institution for purchase of vehicles. The term of the agreement is 3 years. The balance is repayable in 36 installments. It carries profit rate of 6 months KIBOR plus 2.25% per annum (2015: Nil). It is secured against hypothecation charge over assets acquired by the Company.

20 TRADE CREDITORS, ACCRUED AND OTHER LIABILITIES

Payable against supplies and services
Advance from customers
Bills payable
Accrued liabilities
Withholding sales tax
Withholding income tax
Temporary overdraft

Note

20.1

2016	2015
(No. of Shares)	
78,628,879	92,859,509
58,590	-
758,214	758,214
13,083,397	3,300,167
-	27,231
947,938	106,519
-	826,182
93,477,018	97,877,822

20.1 This includes amount of Rupees 25.20 million (2015: Rupees 18.90 million) payable to Ghani Engineering (Private) Ltd (associated company).

	Note	2016 (Rupees)	2015
21	SHORT TERM BORROWING		
	<i>From banking companies - secured:</i>		
	Finance 1	59,451,613	27,868,467
	Finance 2	25,000,000	-
		84,451,613	27,868,467

21.1 This facility has been availed against sanctioned limit of Rupees 100 million (2015: 100 million) for purchase of raw material from the local market and/or for payment of documents of imported raw material under SLCs. It carries profit at the rate of respective KIBOR plus 2% (2015: KIBOR plus 2%) and secured against first pari passu charge on present and future current assets of the Company and corporate guarantee of associated company amounting to Rupees 50 million and personal guarantee of three directors.

21.2 This facility has been availed against sanctioned limit of Rupees 100 million (2015: Nil). It carries profit at the rate of matching KIBOR plus 1.75% to 2% (2015: Nil) and secured against ranking charge on present and future current assets of the company to be upgraded to 1st Pari Passu charge within 60 days from first drawdown and personal guarantee of three directors.

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

22.1.1 Guarantees issued by the Company's bankers in the ordinary course of business of Rupees 32.35 million (2015: Rupees 32.35 million) against gas connection by Sui Northern Gas Pipelines Limited.

22.2 Commitments

22.2.1 Commitments in respect of letter of credit amounted to Rupees 143.49 million (2015: Rupees 40.15 million).

22.2.2 Commitments for capital expenditure amounted to Rupees 8 million (2015: Rupees 10 million).

	Note	2016 (Rupees)	2015
23	COST OF SALES		
	Raw material consumed	33,124,491	-
	Fuel and power	16,636,683	-
	Packing expense	4,841,930	-
	Consumable stores	3,240,964	-
	Salaries, wages and other benefits	12,951,233	-
	Fee and subscription	174,745	-
	Communication	57,799	-
	Repair and maintenance	723,585	-
	Traveling and vehicle running expenses	159,164	-
	Depreciation	21,607,968	-
	Other overheads	452,502	-
		93,971,064	-
	Work in process		
	Stock transferred from trial run	6,696,403	-
	Closing balance	(4,885,740)	-
		1,810,663	-
	Finished goods		
	Stock transferred from trial run	79,241,646	-
	Closing balance	(112,222,035)	-
		(32,980,389)	-
		62,801,338	-

23.1 Salaries, wages and other benefits include amount of Rupees 110,333 (2015: Rupees nil) relating to Provident fund.

		2016	2015
		(Rupees)	
24 ADMINISTRATIVE EXPENSES	Note		
Salaries, wages and other benefits	24.1	5,227,101	-
Communication		24,553	-
Utilities		232,220	-
Rent, rates and taxes	24.2	4,925,957	1,316,095
Traveling and conveyance		195,097	-
Vehicle running and maintenance		822,196	501,960
Donation & charity	24.3	160,000	41,500
Printing and stationery		723,300	222,130
Fee and subscription		5,295,567	778,781
Advertisement		433,025	323,079
Depreciation	5.2	3,213,489	949,385
Others		1,282,693	1,132,975
		22,535,198	5,265,905

24.1 Salaries, wages and other benefits include amount of Rupees 261,942 (2015: Rupees nil) relating to staff retirement benefits.

24.2 This includes amount paid to Ghani Gases Limited (associated company) amounting to Rupees 3 million (2015: Rupees nil) on account of generator rent.

24.3 The directors and their spouses have no interest in the donees.

		2016	2015
		(Rupees)	
25 SELLING AND DISTRIBUTION EXPENSES	Note		
Salaries, wages and other benefits	25.1	3,153,450	-
Transportation expenses		247,150	-
Communication		1,153	-
Vehicle running and maintenance		465,204	-
Rent, rates and taxes		933,677	-
Traveling and conveyance		277,586	-
Business promotion		2,914,095	-
Others		371,301	-
		8,363,616	-

25.1 Salaries, wages and other benefits include amount of Rupees 24,606 (2015: Rupees Nil) relating to Provident fund.

		2016	2015
		(Rupees)	
26 OTHER OPERATING EXPENSES	Note		
Legal and professional		339,000	1,382,917
Auditors' remuneration			
Statutory audit		190,000	170,000
Half yearly review and other certifications		30,000	30,000
		220,000	200,000
		559,000	1,582,917
27 OTHER INCOME			
Income from financial assets	27.1	238,050	3,761,610
Income from other than financial assets	27.2	-	472,056
		238,050	4,233,666
27.1 Income from financial assets:			
Profit on bank deposits		238,050	3,761,610

		2016	2015
	Note	(Rupees)	
27.2	Income from other than financial assets:		
	Gain on disposal of fixed assets	-	472,056
28	FINANCE COST		
	Long term borrowings	12,704,276	-
	Short term borrowings	3,957,414	200,691
	Bank charges and commission	879,709	118,546
		17,541,399	319,237
29	TAXATION		
	Current taxation		
	Current year	1,286,735	-
	Deferred taxation		
	Current year	-	(4,409,434)
	Previous year	4,409,434	-
		5,696,169	(4,409,434)
29.1	Due to current year tax loss, current year tax is charged on the basis of minimum tax on turnover under section 113 or Alternate Corporate Tax (ACT) on accounting profit under section 113-C of Income Tax Ordinance 2001, whichever is higher. During the year company falls under minimum tax on turnover and provision for taxation is made accordingly. No other provision for current tax was required keeping in view of taxable business losses.		
29.2	Assessment up to tax year 2015 is finalized (deemed assessment) and the available tax losses of the company are Rupees 8.95 million (2014: Rupees 11.18 million)		
29.3	Reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate is not meaningful due to application of minimum tax on turnover under section 113 of Income Tax Ordinance 2001 in current year and previous year.		
30	EARNINGS PER SHARE	2016	2015
	Profit attributable to ordinary shareholders	(51,235,738)	1,475,041
	Weighted average number of ordinary shares outstanding during the year	50,000,000	48,575,342
	Earnings per share - basic and diluted	(1.02)	0.03
30.1	No figure for diluted earnings per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.		
31	CASH FLOWS FROM OPERATING ACTIVITIES	2016	2015
		(Rupees)	
	Loss before taxation	(45,539,569)	(2,934,393)
	Adjustments to reconcile profit to net cash provided by operating activities		
	Depreciation on operating fixed assets	24,821,457	949,385
	Finance cost	17,541,399	319,237
	Gain on disposal of fixed assets	-	(472,056)
		42,362,856	796,566
	Cash flows from operating activities before working capital changes	(3,176,713)	(2,137,827)

	2016	2015
	(Rupees)	
Cash flows from working capital charges		
<i>(Increase) / decrease in current assets:</i>		
Stores, spare parts and loose tools	(32,069,167)	(9,404,875)
Stock in Trade	(126,199,124)	(14,119,916)
Trade debts	(35,455,350)	-
Balance with statutory authorities	(38,229,542)	(51,596,797)
Loans and advances	6,624,565	(15,881,403)
Trade deposits and short term prepayments	3,448,510	4,886,055
Other receivables	51,696	(36,757)
<i>Increase / (decrease) in current liabilities:</i>		
Trade creditors, accrued and other liabilities	(4,400,804)	89,715,060
Net cash generated from / (used in) working capital changes	(226,229,216)	3,561,367
Cash generated from / (used in) operating activities	(229,405,929)	1,423,540
32 BUSINESS COMBINATION		
Detail of net assets acquired and goodwill are as follows:		
Fair value of shares issued	-	20,000,000
Fair value of net assets acquired		
Other assets	-	5,830,268
Cash and cash equivalents	-	122,490
Share deposit money	-	(5,510,000)
Other liabilities	-	(236,830)
	-	205,928
Goodwill	-	19,794,072

33 CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES' REMUNERATION

The aggregate amount charged to profit and loss in respect of chief executive, directors and executives on account of managerial remuneration, allowances and perquisites, post employment benefits and the number of such chief executive directors, and executives is as follows.

	2016	2015
	(Rupees)	
	Executives	
Managerial remuneration	5,514,558	-
Allowances and perquisites	342,614	-
Post employment benefits	262,436	-
	6,119,608	-
	5	Nil

33.1 No amount was provided as remuneration, allowances including all benefits to the Chief Executive Officer and Directors of the company during the year.

33.2 The aggregate amount charged in financial statements for the year against fees for four (4) Board meetings was Rupees Nil (2015: Nil).

34 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.

Transactions with related parties other than those disclosed elsewhere are as follows:

Name of Related Parties	Nature of Transaction	2016 (Rupees)	2015
Associated Companies / Undertaking			
Associated company	Services	14,300,000	12,900,000
Associated company	Guarantee Charges	2,600,000	2,600,000
Associated company	Disposal of Investment	45,132,754	-
Associated company	Gases purchase	32,835,711	117,158
Provident fund trust	Contribution	2,926,652	1,354,766
Sponsors	Loan received / (repaid)	440,360,638	45,206,780

34.1 All transactions with related parties are carried out at an arms length.

2016	2015
(Rupees)	

35 PROVIDENT FUND RELATED DISCLOSURES

The following information is based on un-audited financial statements of Ghani Global Glass Employees' Provident Fund as at 30 June 2016.

2016	2015
(Rupees)	

35.1 Information of Provident Fund

Size of the fund (total assets)	11,444,814	8,844,558
Cost of investments made	3,364,112	6,774,229
Fair value of investments made	3,501,028	6,813,558

(%)

Percentage of investments made

29

77

	2016 (%)	2015	2016 (Rupees)	2015
35.2 Breakup of cost of investments				
Investment plus deposit certificates	30	44	1,000,000	3,000,000
Investment in savings account in banks	70	56	2,364,112	3,774,229
	100	100	3,364,112	6,774,229

35.3 Investments out of provident fund trust have been made in accordance with the provisions of section 227 of Companies Ordinance, 1984 and the rules formulated for the purpose.

36 FINANCIAL RISK MANAGEMENT

36.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and Profit rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board) and Chief Financial Officer (CFO). The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, equity price risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is not exposed to currency risk at reporting date.

(ii) Profit rate risk

The Company has no significant long-term profit-bearing assets. The Company's profit rate risk arises from long term liabilities. Borrowings obtained at variable rates expose the Company to cash flow profit rate risk. Borrowings obtained at fixed rate expose the Company to fair value profit rate risk.

At the balance sheet date the profit rate profile of the Company's profit bearing financial instruments was:

Floating rate instruments	2016	2015
	(Rupees)	
Financial assets		
Cash at bank - deposit accounts	29,706,904	5,276,870
Trade debts - unsecured	35,455,350	-
Financial liabilities		
Long term financing	606,991,398	553,570,760
Short term borrowings	84,451,613	27,868,467

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in profit rate at the balance sheet date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a reasonably possible change on profit rates, with all other variables held constant of the company's profit before tax. This analysis is prepared assuming the amounts of floating rate instruments outstanding at balance sheet dates were outstanding for the whole year.

		Changes in Interest Rate	Effects on Profit Before Tax
		(Rupees)	
Bank Balances - deposit accounts	2016	+1.50	445,604
		-1.50	(445,604)
	2015	+1.50	79,153
		-1.50	(79,153)
Trade debts-unsecured	2016	+1.50	531,830
		-1.50	(531,830)
	2015	+1.50	-
		-1.50	-
Long term financing	2016	+2.00	12,139,828
		-2.00	(12,139,828)
	2015	+2.00	11,071,415
		-2.00	(11,071,415)
Short term borrowings	2016	+2.00	1,689,032
		-2.00	(1,689,032)
	2015	+2.00	557,369
		-2.00	(557,369)

(ii) Other price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company does not have financial assets and liabilities whose fair value or future cash flows will fluctuate because of changes in market prices.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counter party limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counter parties is regularly monitored and assessed.

The Company is exposed to credit risk from its operating activities primarily for sundry receivables and other financial assets.

The Company's credit risk exposures are categorized under the following headings:

Counterparties

The Company conducts transactions with the following major types of counterparties:

Trade debts

Trade debts shall be essentially due from local customers against sale of glass products. Sales to the Company's customers are made on specific terms. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria. Credit quality of the customer is also being assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	2016 (Rupees)	2015
Long term deposits and prepayments	8	4,674,530	4,259,600
Trade debts	12	35,455,350	-
Loans to employees	14	99,306	641,089
Trade deposits	15	290,602	956,371
Other receivables	16	22,984	74,680
Bank balances	17	34,121,962	6,012,091
		74,664,734	11,943,831

Provision for trade debts

Based on age analysis, relationship with customers and past experience no provision for doubtful debts is required for the year ended 30 June 2016 and does not expect any party to fail to meet their obligation.

Cash at banks

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counter party default rate. The table below shows the bank balances held with some major counter parties at the balance sheet date:

Banks	Agency	Short term	Long term	2016	2015
				(Rupees)	
MCB Bank Limited	PACRA	A1+	AAA	13,117	1,145
United Bank Limited	JCR-VIS	A-1+	AAA	9,434	9,434
Habib Metropolitan Bank Limited	PACRA	A1+	AA+	13,296	720,129
BankIslami Pakistan Limited	PACRA	A1	A+	119	119
Meezan Bank Limited	JCR-VIS	A-1+	AA	5,375,843	1,719,283
Burj Bank Limited	JCR-VIS	A-2	BBB+	2,302,388	275,300
Al-Baraka Bank (Pakistan) Limited	PACRS	A1	A	2,028,118	3,283,204
The Bank of Khyber Limited	PACRA	A1	A	3,200	3,200
Bank Al Habib Limited	PACRA	A1+	AA+	277	277
Summit Bank Limited	JCR-VIS	A-1	A-	143,185	-
Askari Bank Limited	JCR-VIS	A-1+	AA	3,979,714	-
National Bank of Pakistan	PACRA	A1+	AAA	153,171	-
Bank Alfalah Limited	PACRA	A1+	AA	20,100,100	-
				34,121,962	6,012,091

Due to the Company's long standing business relationships with these counter parties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management believes the liquidity risk to be low.

The table below analysis the Company's financial liabilities into relevant maturity grouping based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual un discounted cash flows.

	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years
2016				
(Rupees)				
Long term financing	606,991,398	606,991,398	78,822,646	528,168,752
Long from security deposits payable	368,057	368,057	-	368,057
Trade and other payables	93,477,018	93,477,018	93,477,018	-
Accrued profit on financing	5,687,537	5,687,537	5,687,537	-
Short term borrowings	84,451,613	84,451,613	84,451,613	-
	790,975,623	790,975,623	262,438,814	528,536,809
2015				
(Rupees)				
Long term financing	553,570,760	553,570,760	-	553,570,760
Long from security deposits payable	-	-	-	-
Trade and other payables	97,877,822	97,877,822	97,877,822	-
Accrued profit on financing	15,927,596	15,927,596	15,927,596	-
Short term borrowings	27,868,467	27,868,467	27,868,467	-
	695,244,645	695,244,645	141,673,885	553,570,760

The contractual cash flows relating to the above financial liabilities have been determined on the basis of profit rates effective as at balance sheet dates. The rates of profit have been disclosed in respective notes to the financial statements.

36.2 Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

36.3 Financial instruments by categories

Assets as per balance sheet

Long term deposits
Trade debts
Loans and advances
Trade deposits
Other receivables
Cash and bank balances

2016	
Loans and advances	Total
(Rupees)	
4,674,530	4,674,530
35,455,350	35,455,350
9,633,200	9,633,200
290,602	290,602
22,984	22,984
34,915,385	34,915,385
84,992,051	84,992,051

Liabilities as per balance sheet

Long term financing
Long term security deposits payable
Trade and other payables
Accrued profit on financings
Short term borrowings

2016	
Financial Liabilities at amortized cost	
(Rupees)	
606,991,398	
368,057	
93,477,018	
5,687,537	
84,451,613	
790,975,623	

Assets as per balance sheet

Long term deposits
Trade debts
Loans and advances
Trade deposits
Other receivables
Cash and bank balances

2015	
Loans and advances	Total
(Rupees)	
4,259,600	4,259,600
-	-
16,257,765	16,257,765
956,371	956,371
74,680	74,680
6,813,728	6,813,728
28,362,144	28,362,144

	2015
	Financial Liabilities at amortized cost (Rupees)
<i>Liabilities as per balance sheet</i>	
Long term financing	553,570,760
Long term security deposits payable	-
Trade and other payables	97,877,822
Accrued profit on financings	15,927,596
Short term borrowings	27,868,467
	<u>695,244,645</u>

36.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain healthier capital ratios in order to support its business and maximize shareholders value. The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to the shareholders, return on capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes from the previous year. The Company monitors capital using gearing ratio, which is debt divided by equity plus net debt. Debt represents long term financing obtained by the Company as referred to in notes 19. Total capital employed includes 'total equity' as shown in the balance sheet plus debt. The Company's strategy, which was unchanged from last year, was to maintain optimal capital structure in order to minimize cost of capital.

The gearing ratio as at year ended 30 June 2016 and 30 June 2015 is as follows:

	Note	2016 (Rupees)	2015
Debt	19	606,991,398	553,570,760
Equity		924,992,284	535,867,384
Total capital employed		<u>1,531,983,682</u>	<u>1,089,438,144</u>
Gearing ratio		40%	51%

37 SEGMENT INFORMATION

The financial statements have been prepared on single reportable segment basis. All non current assets of the company are presently located in pakistan.

38 NUMBER OF EMPLOYEES

	2016	2015
Total number of employees at year end	121	74
Average number of employees during the year	105	50

39 PLANT CAPACITY AND ANNUAL PRODUCTION

The production capacity and the actual packed production achieved during the year are as follows:

		2016 M.Tons	2015
<i>Capacity of production</i>			
Neutral glass tubing clear and amber	39.1	1,820	-
<i>Actual packed production</i>			
Neutral glass tubing clear and amber	39.1	851	-

39.1 As commercial production is started on 1st April 2016, therefore actual and packed production is taken for last three months on number of days basis.

39.2 The efficiency of 47% in neutral glass tubing is under utilized mainly due to initial startup and test of plant.

40 DATE OF AUTHORIZATION

These financial statements have been authorized for issue by Board of Directors of the Company on 08 OCT 2016.

41 GENERAL

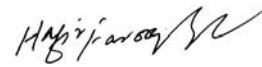
41.1 Corresponding figures have been re-arranged / re-classified wherever necessary to facilitate comparison. However, no significant reclassification has been made during the year.

41.2 Figures have been rounded off to the nearest rupees, unless otherwise stated.

41.3 Corresponding figures are not comparable because the Company has started its operations during the year.



MASROOR AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)



PATTERN OF SHARE HOLDING NOTICE & FORMS

PATTERN OF SHARE HOLDING

AS AT JUNE 30, 2016

FROM - 34

NUMBER OF SHARES		NO. OF SHAREHOLDERS	NUMBER OF SHARES HELD	% ON ISSUED
FROM	TO			
1	100	98	1029	0.00
101	500	254	118303	0.24
501	1000	286	283521	0.57
1001	5000	608	1937399	3.87
5001	10000	205	1753201	3.51
10001	15000	71	955632	1.91
15001	20000	53	1006770	2.01
20001	25000	35	842051	1.68
25001	30000	18	514500	1.03
30001	35000	14	467500	0.94
35001	40000	18	697625	1.40
40001	45000	4	174500	0.35
45001	50000	26	1291750	2.58
50001	55000	4	216000	0.43
55001	60000	8	470985	0.94
60001	65000	1	65000	0.13
65001	70000	1	70000	0.14
70001	75000	4	300000	0.60
75001	100000	13	1295097	2.59
95001	105000	1	100500	0.20
100001	115000	1	115000	0.23
110001	120000	1	117000	0.23
115001	125000	1	125000	0.25
120001	130000	1	130000	0.26
125001	145000	1	145000	0.29
140001	150000	3	448500	0.90
145001	165000	1	161000	0.32
160001	170000	1	170000	0.34
165001	180000	2	359000	0.72
175001	190000	1	190000	0.38
185001	200000	4	800000	1.60
195001	205000	1	202500	0.41
200001	240000	1	237500	0.48
235001	255000	1	255000	0.51
250001	270000	2	538300	1.08
265001	275000	1	272000	0.54
270001	300000	1	300000	0.60
295001	400000	1	400000	0.80
395001	560000	1	560000	1.12
555001	585000	1	583000	1.17
580001	700000	1	700000	1.40
695001	730000	2	1460000	2.92
725001	750000	1	750000	1.50
745001	1025000	1	1024837	2.05
1020001	1310000	1	1308000	2.62
1305001	2500000	1	2498000	5.00
2495001	3590000	2	7172700	14.35
3585001	4380000	1	4376300	8.75
4375001	1204000	1	12040000	24.08
		1760	50000000	100.00

CATAGORIES OF SHAREHOLDERS

as at June 30, 2016

Catagories of Shareholders	Number of Shareholders	Number of Shares held	Percentage %
Directors, Chief Executive Officer and their Spouce(s) and minor Children	7	13,011,100	26.022
Bank	1	2,498,000	4.996
Modaraba Companies	2	261,500	0.523
Provident Funds & Mutual Funds	3	123,000	0.246
Trust	1	5,000	0.010
ICP	1	15,250	0.031
Joint Stock Companies	13	2,717,000	5.434
Individuals	1,732	31,369,150	62.738
TOTAL	1,760	50,000,000	100.00

INFORMATION REQUIRED UNDER CODE OF CORPORATE GOVERNANCE

	Shares Held	Percentage %
Directors, CEO and their spouse and minor children		
1 Mr. Masroor Ahmad Khan	4,376,300	8.75
2 Mr. Atique Ahmad Khan	3,586,300	7.17
3 Hafiz Farooq Ahmad	3,586,400	7.17
4 Mian Zahid Said	100	0.00
5 Mrs. Rabia Atique	730,000	1.46
6 Mrs. Saira Farooq	730,000	1.46
7 Mr. Farzand Ali	2,000	0.00
Modaraba		
1 First Equity Moadaraba	161,000	0.32
2 First UDL Moadaraba	100,500	0.20
Banks, DFI & NBF		
1 United Bank Limited - Trading Portfolio	2,498,000	5.00
Provident Funds & Mutual Funds		
1 Trustee of First UDL Modaraba Staff Provident Fund	20,000	0.04
2 Trustee of D.G. Khan Cement Co. Ltd. Employees Provident Fund	100,000	0.20
3 Trustee-Rahim Iqbal Rafiq & Co. Employees Provident Fund	3,000	0.01
Trust		
1 Trustee Franciscans of St. John The Baptist Pakistan	5,000	0.01
ICP		
1 Investment Corp of Pakistan	15,250	0.03
Joint Stock Companies		
1 DJM Securities (Pvt) Ltd.	5,500	0.01
2 Growth Securities (Pvt) Ltd.	9,000	0.02
3 Fortress Textile (Pvt) Ltd.	9,500	0.02
4 Amcap Securities (Pvt) Ltd.	20,000	0.04
5 Saa Capital (Pvt) Ltd.	21,000	0.04
6 Fossil Energy (Pvt) Ltd.	36,000	0.07

7	Stanley House Industries (Pvt) Ltd.	50,000	0.10
8	FDM Capital Securities (Pvt) Ltd.	75,000	0.15
9	Premier Fashions (Pvt) Ltd.	148,500	0.30
10	Darson Securities (Pvt) Ltd.	202,500	0.41
11	Abbasi Securities (Pvt) Ltd.	272,000	0.54
12	Din Capital Ltd.	560,000	1.12
13	Mohammad Munir M. Ahmed Khanani Securities (Pvt) Ltd.	1,308,000	2.62

Shareholders holding 05% or more voting interest in the Company

*1	Mr. Masroor Ahmad Khan	4,376,300	8.75
*2	Mr. Atique Ahmad Khan	3,586,300	7.17
*3	Hafiz Farooq Ahmad	3,586,400	7.17
4	Mrs. Tahira Naheed	12,040,000	24.08

*These are also directors of the company

Trade in the shares of the company carried out by Directors, CEO, CFO, CS and their Spouses and minor Children

Nil

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **09th Annual General Meeting** of **Ghani Global Glass Limited** (the Company) will be held on Monday October 31, 2016 at 12:30 PM at registered office of the Company at 10-N, Model Town Ext., Lahore to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended June 30, 2016 together with Directors' and Auditors' Report thereon.
2. To appoint Auditors of the Company for the year ending June 30, 2017 and to fix their remuneration. The retiring auditors' M/S Rizwan & Company, Chartered Accountants, being eligible, have offered themselves for re-appointment.
3. Any other business with permission of the Chair.

SPECIAL BUSINESS

4. To consider and if deemed fit, to pass the following resolutions as special resolutions under section 208 of the Companies Ordinance, 1984, with or without modification(s), addition(s) or deletion(s) as recommended by the board of directors:

Resolved that pursuant to the requirements of section 208 of the Companies Ordinance, 1984, Ghani Global Glass Limited (the company) be and is hereby authorized to make investment upto PKR 200 million (Rupees Two hundred million only) in Ghani Gases Limited ("GGL") an associated company, by way of advances and loans, as and when required by GGL provided that the return on such advances and loans shall not be less than rate of 3 months KIBOR + 150 bps and that such advances and loans shall be repayable within three (3) years period starting from the date of payment of such advances and loans as per other terms and conditions mentioned in the statement under Section 160 (1) (b) of the Companies Ordinance, 1984.

Further Resolved that the above said resolution shall be valid for a period of 3 years and the Chief Executive Officer and/or Company Secretary of the Company be and are hereby singly empowered and authorized to undertake the decision of said investment as and when deemed appropriate and necessary in the best interest of the Company and its shareholders and to take all steps and actions necessary, incidental and ancillary including execution of any and all documents and agreements as may be required in this regard and to do all acts, matters, deeds and things as may be necessary or expedient for the purpose of giving effect to the spirit and intent of the special resolution for making investment from time to time.

5. To consider and if deemed fit, to pass the following resolutions as special resolutions for alteration of Articles of Association of the Company:

Resolved that pursuant to Section 28 and other applicable provisions, if any, of the Companies Ordinance, 1984 and any other law(s), the Articles of Association of Ghani Global Glass Limited (the Company) be and is hereby altered/ amended as follow:

- (a) by adding a new Article 39 (a) after existing Article 39:

"The provisions and requirements for e-voting as prescribed by the SECP from time to time shall be deemed to be incorporated in these Articles of Association, irrespective of the other provision of these Articles and notwithstanding anything contradictory therein."

(b) by altering/re-wording of existing Article 45:

“An instrument appointing a proxy shall be in the form specified in Regulation 39 of the Table 'A' in the First Schedule to the Ordinance or Schedule II of the Companies (E-Voting) Regulations, 2016 or in any other form which the directors may approve.”

Further Resolved that the Chief Executive Officer and Company Secretary of the Company shall be singly authorized to take all actions and to do all things, to complete any or all steps and actions necessary, incidental and ancillary as may be required for the purpose of amendment / alteration in Articles of Association of the Company.

6. To consider and if deemed fit pass the following ordinary resolution for getting shareholders' approval to circulate Annual Report through CD/DVD/USB:

“**Resolved** that approval be and is hereby granted to allow the Company (Ghani Global Glass Limited) to transmit the Annual Balance Sheet, Profit and Loss Account, Auditors' Report and Directors' Report etc. (Audited Financial Statements) along with notice of annual general meeting (Notice) to its members through CD/DVD/USB instead of hard copy at their registered addresses.

7. To consider and if deemed fit pass the following ordinary resolution for getting shareholders' approval to circulate Annual Financial Statements and notice of annual general meetings through e-mail:

“**Resolved** that approval be and is hereby granted to allow the Company (Ghani Global Glass Limited) to transmit the Annual Balance Sheet, Profit and Loss Account, Auditors' Report and Directors' Report etc. (Audited Financial Statements) along with notice of annual general meeting (Notice) to its members' e-mail through instead of hard copy at their registered addresses.

By order of the Board



FARZAND ALI

Director & Company Secretary

Place: **Lahore**
Dated: **October 10, 2016**

Notes:

1. The register of members of the Company will remain closed and no transfer of shares will be accepted, for registration from October 24, 2016 to October 31, 2016 (both days inclusive). Transfer received in order at the office of the share registrar

M/s Vision Consulting Limited, 1st Floor, 3-C, LDA Flats,
Lawrence Road, Lahore. Phone: 042-36375531,36375339
Fax No. 042-36312550, Email: shares@vcl.com.pk

at the close of business on October 22, 2016 will be in time for purpose of determination of entitlement to the transferee.

- A member entitled to attend, speak and vote at the annual general meeting is entitled to appoint a proxy to attend, speak and vote instead of him/her.

Proxies in order to be effective must be duly signed, witnessed and deposited at the Registered Office of the Company, along with the attested copies of National Identity Card (NIC) or Passport, not less than 48 hours before the meeting.

- Shareholders are requested to promptly notify the office of share registrar of any change in their addresses.
- CDC Account Holders will have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the SECP for attending the meeting.

STATEMENT UNDER SECTION 160 OF THE COMPANIES ORDINANCE, 1984

This statement set out the material facts concerning the special business, given in agenda item No 4 to 7 of the notice, to be transacted at the annual general meeting of the company to be held on October 31, 2016.

Item No 4:

Investment in Associated Company

The Board of Directors of the Company has proposed the investment of Rs. 200 million in Ghani Gases Limited (GGL) an associated company in shape of advances and loans. GGL is engaged in the manufacturing, sale and trading of medical & industrial gases and chemicals. GGL having two state-of-the-art manufacturing plants in Phool Nagar District Kasur and Port Qasim, Karachi. Major market of GGL are ship breaking, steel, oil & gas fields services, healthcare, pharmaceutical, glass making, rubber and plastic, automobile, lamp manufacturing, ampoule and vial manufacturing, lab, research and fertilizer sectors.

The information required under SRO 27(1)/2102 dated 16 January 2012 are as under:

Ref. No.	Requirement	Information														
i.	Name of Associated Company	Ghani Gases Limited														
	Criteria of associated relationship	Common directorship														
ii.	Amount of loans and advances	Rs. 200 million														
iii.	Purpose	To earn profits on company's funds.														
iv.	Details of existing loans	None														
v.	Financial position, including main items of balance sheets and profit and loss accounts of the associated company or associated undertaking on the basis of its latest financial statements.	<p>Audited Financial Statements for the year ended June 30, 2016 showed:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: right;">Rs. In Million</th> </tr> </thead> <tbody> <tr> <td>Balance Sheet:</td> <td></td> </tr> <tr> <td>Operating fixed assets</td> <td style="text-align: right;">2,529</td> </tr> <tr> <td>Capital work in progress</td> <td style="text-align: right;">79</td> </tr> <tr> <td>Other non-current assets</td> <td style="text-align: right;">222</td> </tr> <tr> <td>Current assets</td> <td style="text-align: right;">2,071</td> </tr> <tr> <td>Total Assets</td> <td style="text-align: right;">4,901</td> </tr> </tbody> </table>		Rs. In Million	Balance Sheet:		Operating fixed assets	2,529	Capital work in progress	79	Other non-current assets	222	Current assets	2,071	Total Assets	4,901
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vi.	Average borrowing cost of the investing company	7.93%																											
vii.	Rate of interest, markup, profit, fees or commission etc to be charged	3 months KIBOR + 150 bps																											
viii.	Source of funds from where loans and advances will be given	Surplus funds of the Company																											
ix.	Where loans or advances are being granted using borrowed funds; justification for granting loan or advances out of borrowed fund; detail of guarantees/assets pledged for obtaining such funds, if any; and repayment schedules of borrowing of the investing company.	Not applicable																											
x.	Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any.	- Demand Promissory Note of associated company - Personal guarantees of sponsoring directors of associated company																											
xi.	If the loans or advances carry conversion features:	Not applicable																											
xii.	Repayment schedule and terms of loans or advances to be given to the investee company.	Repayment of loan will be within three years from the date of payment with payment of profit on quarterly basis.																											
xiii.	Salient features of all agreement entered or to be entered with its associated company or associated undertaking with regards to proposed investment.	Agreement will be executed before extending the advances and loans in accordance with the terms and conditions as approved by the shareholders.																											
xiv.	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives , if any, in the associates company or associated undertaking or the transaction under consideration:	<p>Currently shareholding position of the following directors of the Company (Ghani Global Glass Limited) in associated company is as under:</p> <table> <thead> <tr> <th>Name</th> <th>Number of Shares</th> <th>Holding %</th> </tr> </thead> <tbody> <tr> <td>Mr. Masroor Ahmad Khan</td> <td>15,965,866</td> <td>12.80</td> </tr> <tr> <td>Mr. Atique Ahmad Khan</td> <td>14,615,474</td> <td>11.71</td> </tr> <tr> <td>Hafiz Farooq Ahmad</td> <td>15,810,995</td> <td>12.67</td> </tr> <tr> <td>Mr. Zahid Said</td> <td>840</td> <td>0.001</td> </tr> <tr> <td>Mrs. Ayesha Masroor</td> <td>5,194,929</td> <td>4.16</td> </tr> <tr> <td>Mrs. Rabia Atique</td> <td>6,545,148</td> <td>5.25</td> </tr> <tr> <td>Mrs. Saira Farooq</td> <td>5,177,709</td> <td>4.15</td> </tr> <tr> <td>Mr. Farzand Ali</td> <td>1,722</td> <td>0.001</td> </tr> </tbody> </table>	Name	Number of Shares	Holding %	Mr. Masroor Ahmad Khan	15,965,866	12.80	Mr. Atique Ahmad Khan	14,615,474	11.71	Hafiz Farooq Ahmad	15,810,995	12.67	Mr. Zahid Said	840	0.001	Mrs. Ayesha Masroor	5,194,929	4.16	Mrs. Rabia Atique	6,545,148	5.25	Mrs. Saira Farooq	5,177,709	4.15	Mr. Farzand Ali	1,722	0.001
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xv.	Any other important details necessary for the member to understand the transaction.	None
xvi'	In case of investment in a project of an associated company or associated undertaking that has not commenced operations:	Not Applicable
	Starting date of work	Not Applicable
	Completion of work	Not Applicable
	Commercial operation date	Not Applicable
	Expected time by which the project shall start paying return on investment.	Not Applicable

In pursuance to Regulation No. 3 (3) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012 under SRO 27(1)/2012 dated 16 January 2012, the directors of the Company have carried out due diligence for the proposed investment in Ghani Gases Limited. Undertaking in this respect shall be made available to the members of the Company for inspection in the general meeting to be held on October 31, 2016.

All the directors of Ghani Global Glass Limited are interested in the investment in associated undertaking and the special resolutions to the extent of shares held by them. The directors have no other interest in the above special business and/ or resolution except as specified above.

Item No. 5

Amendments in the Articles of Association of the Company

Securities and Exchange Commission of Pakistan has issued Companies (E-Voting) Regulation 2016 on January 22, 2016 vide S.R.O 43(1)/2016. The directors have recommended the alteration/amendments in the Articles of Association of the Company by adding new paragraphs in Article 39(a) and re-wording the existing Article 45 which will give members the option to be part of the decision making by appointing both members and no-members as proxy in case of E-voting in the general meeting of the Company through electronic means.

Item No. 6

Transmission of Annual Accounts to shareholders through CDC/DVD/USB.

SECP vide its SRO NO. 470(I)/2016 has allowed the companies to circulate the Annual Balance Sheet, Profit and Loss Account, Auditors' Report and Directors' Report etc. (Audited Financial Statements) along with notice of annual general meeting (Notice) to its members through CD/DVD/USB instead of hard copy at their registered addresses. The Company shall however, shall place on its website a standard request form for the shareholders to demand hard copies of annual audited accounts. In case, any member request for the hard copy of Audited Financial Statements the same shall be provided free of cost.

Item No. 7

Transmission of Annual Accounts to shareholders through e-mail.

SECP vide its SRO NO. 787(I)/2014 has allowed the companies to circulate the Annual Balance Sheet, Profit and Loss Account, Auditors' Report and Directors' Report etc. (Audited Financial Statements) along with notice of annual general

meeting (Notice) to its members through e-mail instead of hard copy at their registered addresses, a cost effective way of circulation of Audited Financial Statements. The Company shall however, shall place on its website a standard request form for the shareholders that may use to communicate their e-mail address and consent for electronic transmission of Audited Financial Statements and Notice along with postal and e-mail address of Company Secretary/ Share Registrar to whom such request shall be sent. In case, any member request for the hard copy of Audited Financial Statements the same shall be provided free of cost within seven days of receipt of such request.

Note:

All the directors of Ghani Global Glass Limited are interested in the special business agenda items (4 to 7) to the extent of shares held by them. The directors have no other interest in the special business(s) and/or special/ ordinary resolutions except as specified above.

FORM OF PROXY
9th Annual General Meeting
GHANI GLOBAL GLASS LIMITED

I/We _____
of _____
being a member of GHANI GLOBAL GLASS LIMITED _____
hereby appoint _____
of _____
failing him _____

as my / our Proxy to attend act and vote for me/us on my/our behalf at 9th Annual General Meeting of the members of the Company to be held at Lahore on Monday, October 31, 2016 at 12:30 PM and at any adjournment(s) thereof.

Signed this _____ day of October 2016.

Sign by the said Member

Signed in the presence of:

- | | |
|--|--|
| <p>1. Signature: _____
 Name: _____
 Address: _____
 CNIC/Passport No. _____</p> | <p>2. Signature: _____
 Name: _____
 Address: _____
 CNIC/Passport No. _____</p> |
|--|--|

Information required		For Member (Shareholder)	For Proxy	For alternate Proxy (*)
			(If member)	
Number of shares held				
Folio No.				
CDC Account No.	Participant I.D.			
	Account No.			

Affix
Revenue
Stamp of
Rs.5/

(*) Upon failing of appointed Proxy.

