CONTENTS

GHANI GLASS

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Aitzaz Ahmad Khan	Chairman
	Mr. Imtiaz Ahmad Khan	Chief Executive Officer
	Mr. Anwaar Ahmad khan	Deputy Chief Executive Officer
	Mr. Aftab Ahmad Khan	
	Mrs. Ayesha Aftab	
	Hafiz Farooq Ahmad	
	Hafiz Avais Ghani	
	Mr. Junaid Ghani	
	Mr. Jubair Ghani	
	Mr. Shahid khan	Nominee SJC Pakistan LLC
	Mr. Faysal Essam T. Hamza (Alternate)	
AUDIT COMMITTEE	Mr. Aftab Ahmad Khan	Chairman
	Mr. Jubair Ghani	
	Mrs. Ayesha Aftab	
CHIEF FINANCIAL OFFICER	Mr. Umer Farooq Khan	
COMPANY SECRETARY	Mr. Aamir Shahzad Mughal	
AUDITORS	KPMG Taseer Hadi & Co. Chartered Accountants	
LEGAL ADVISOR	Ally Law Associates	**CORPORATE CONSULTANTS** Syed Hussain & Consulting (Pvt) Ltd Muhammad Siddique Chaudhary
SHARE REGISTRAR	Corplink (Pvt) Ltd Wings arcade, 1-K Commercial Model Town, Lahore Phones : 042- 35839182 , 35887262 Fax : 042- 35869037	
BANKERS	Albaraka Islamic Bank Alied Bank of Pakistan Limited Bank Alfalah Limited,IBD Dawood Islamic Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited, IBD Meezan Bank Limited MCB Bank Limited, IBD National Bank of Pakistan Royal Bank of Scotland (ABN Amro) Soneri Bank Limited, IBD Standard Chartered Bank Limited, IBD	

HEAD OFFICE
40-L Model Town
Lahore,Pakistan
Phones :(042) 35172205, 35169025, 35169049
35169084 , 35169087
Fax:(042) 35172263
E-mail : ggc49@wol.net.pk
Http://www.ghanigroup.com

REGISTERED OFFICE
50-L Model Town
Lahore, Pakistan
Phones :(042) 35203975-76
Fax :(042) 35160314

MARKETING OFFICE
12 D/3,Chandni Chowk
KDA Scheme No. 7-8
Karachi - 74000
Phones : (021) 34911961-62 & 34852686-87
Fax :(021) 34941131
E-mail :marketing@ghanigroup.com

GGL PLANT-1 &REGIONAL MARKETING OFFICE-NORTH
22 km Haripur Taxila Road, (From Haripur)
The.& Dist. Haripur (NWFP)
Phones :(0995) 639236-40 & (0596) 539063-65
Fax :(0995) 639067
Email :gglplant@hrp.wol.net.pk

GGL PLANT-2
H- 15,Landhi Industrial Area
Karachi-74000
Phone :(021) 35020761-63
Fax :(021) 35020280
Email:purkml@khi.wol.net.pk

GGL PLANT-3
29-km Lahore Sheikhupura Road,
District Sheikhupura
Phones : (0563) 406796
Fax :(0563) 406795
Email :ghanifloat@ghanigroup.com

MISSION STATEMENT

To be successful by

effectively & efficiently

Utilizing our Philosophies,

so that We achieve & Maintain

constantly the High Standards of

Product Quality

&

Customer Satisfaction

VISION & PHILOSOPHY

Nothing in this earth or in the heavens

Is hidden from ALLAH

To indulge in honesty, integrity and self determination,

to encourage in performance and

most of all to put our trust in ALLAH,

so that we may, eventually through our efforts and belief,

become the leader amongst glass manufacturers

of South Asian Countries

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 17th Annual General Meeting of shareholders of Ghani Glass Limited will be held on Tuesday October 27, 2009 at 11:00 A.M at Avari Hotel, The Mall, Lahore. for transacting the following business:-

1. To confirm the minutes of 16th Annual General Meeting.
2. To receive and adopt the annual Audited Financial Statements of the company together with auditors and directors reports for the period ended June 30, 2009.
3. To approve the issuance of bonus shares @ 10% and payment of cash dividend @ 30% as recommended by the board.
4. To appoint auditors and fix their remuneration. Present auditors M/s KPMG Taseer Hadi & Co., Chartered Accountants being eligible offer themselves for reappointment.
5. To transact any other business with permission of the chair.

By order of the Board
Aamir Shahzad Mughal
Company Secretary

Lahore:
October 06, 2009

NOTES:

The share transfer books of the company will remain closed from Wednesday October 21,2009 to Tuesday October 27, 2009 (both days inclusive). The members whose names appear in the register of members as at the close of business on October 20, 2009 shall qualify for the payment of bonus shares, cash dividend and attendance of this meeting.

A member entitled to attend and vote at the meeting may appoint another member as his or her proxy to attend and vote. Proxies in order to be effective must be received at the Registered office of the company not less than 48 hours before the time of holding the meeting. A proxy must be a member of the company.

CDC account holders will have to follow the following guidelines for attending the meeting:

i) In case of individuals the account holders, sub account holders and the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing original I.D. Cards or passport at the time of attending the meeting. The shareholders registered on CDC are also requested to bring their participation I.D. numbers and account number in CDC.

ii) In case of corporate entity, Board of Directors resolution / power of attorney with specimen signature of nominee shall be produced (unless provided earlier) at the time of meeting.

Shares holders are requested to notify the change of their addresses, if any, to shares registrar, M/s Corplink (Pvt) Ltd., Wings Arcade, 1-K, Commercial, Model Town, Lahore, Phone No. 042-35839182, 35887262 Fax No. 042- 35869037.

DIRECTORS' REPORT TO THE SHARE HOLDERS

The Board of Directors of the company is pleased to present their Annual Report together with the Company's Audited Financial Statements for the year ended June 30, 2009.

ECONOMIC OVERVIEW

As you are aware the year under review was an unprecedented in the economic history of the World since the World War II. The economic meltdown has been very wide spread and intense and did not spare any segment or region of the Globe. Before the start of the meltdown in October 2008 the commodity prices as well as energy prices had scaled new heights with oil prices going past US$ 140 per barrel. Therefore, the input costs of manufacturing increased to levels not seen for decades. Post October 2008, uncertainty gripped the World with multinational giants falling like nine pins. This scenario appears to have improved somewhat, however, future is still uncertain.

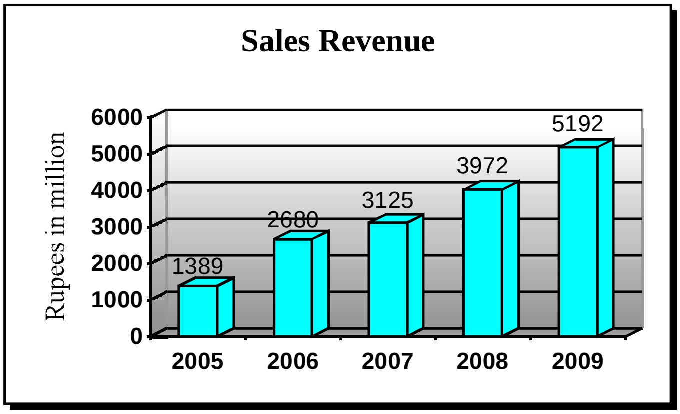
In Pakistan, in addition to a bleak World economic scenario we have had our own problems both political and economic; however, slow improvement has started.

COMPANY RESULTS

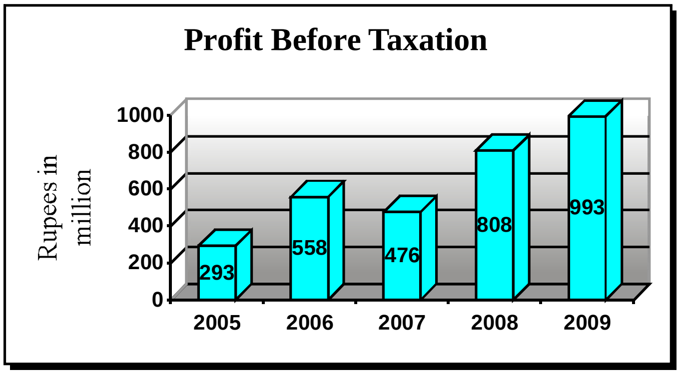
Alhamdolillah, your Company has done well even in these adverse economic conditions with focus on quality and costs and it has helped to achieve following healthy results for the period under review.

	2009	2008
	(Rupees in 000)	
NET SALES	5,191,729	3,972,224
GROSS PROFIT	1,526,090	1,183,272
PROFIT FROM OPERATIONS	1,143,042	878,761
FINANCE COST	93,098	70,960
OTHER INCOME	78,874	92,326
PROFIT BEFORE TAX	993,285	807,802
PROFIT AFTER TAX	**712,761**	**538,991**
EARNINGS PER SHARE	**8.08**	**6.11**

Net sales revenue increased to Rupees 5.192 billion as compared to Rupees 3.972 billion last year , 31% higher. The export sales also showed an improvement at 6% despite difficult market conditions. Overall productivity was higher by 3.63 % compared with last year despite closure of a furnace for rebuild for 100 days.



Your company earned a gross profit of Rupees 1.526 billion against Rupees 1.183 billion of the previous years and showed upward trend of 29%. The net profit after tax has gone up to Rupees 713 million as compared to Rupees 539 million of the last year and is 32% higher and consequently EPS has gone up to Rupees 8.02 as compared to Rupees 6.11 of the last year.



MAJOR PROJECTS COMPLETED

It gives us great pleasure that our joint venture project with RAK Investment Authority and Swicorp of Saudi Arabia to setup a 40 KTPA Container Glass Plant at Ras Al Khaima was successfully commissioned during the year and is in its successful operations. Your company's investment in RAK Ghani Glass reached Rs. **149** million as share of equity in RAK Ghani Glass LLC.

Your company keeps on accumulating its assets and during the year additions in fixed assets of around rupees 478 million were made. Major projects completed and commissioned successfully during the year include rebuild of Furnace 2 with annual production capacity of 35,000 tons at Hattar and restart of Furnace 3 at Karachi with annual production capacity of 10,000 tons.

FLOAT GLASS EXPANSION

As you are aware your Company was planning to expand the Float Glass Project last year, however, the Project was delayed in view of the prevailing economic conditions. The preliminary work on this Project has been completed and the required land has been procured and the work on this Project is expected to be restarted in the first half of 2010.

AUDITORS

The present auditors M/s KPMG Taseer Hadi & Company Chartered Accountants retire and offer themselves for reappointment. As suggested by the Audit Committee, the Board of Directors has recommended their reappointment as auditors of the company for the year ending June 30, 2010, at a mutually agreed fee.

HUMAN RESOURCE

Management and employee relations continued to remain congenial. Development of Human Resource has always been a priority area in the Company as the Directors consider human capital as the best asset of your Company. During the year, recruitment, training and performance management have been further strengthened to achieve higher employee motivation.

By the grace of Almighty Allah our employees' commitment, professionalism and focus on quality and customer care continue to help us achieve our growth targets.

STAFF RETIREMENT BENEFIT

The Company operates a funded contributory provident fund scheme for its employees and contributions based on salaries of the employees are made to the fund on monthly basis.

SHARE PRICE TREND

During the year under review minimum price of share of Rs. 10 each fell up to Rs. 50.07 and at one stage rose as high as Rs. 111.74 and close at Rs. 57 as on June 30, 2009.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The requirements of the Code of Corporate Governance set out by the Karachi, Lahore and Islamabad Stock Exchanges in their Listing Regulations, relevant for the year ended June 30, 2009 have been adopted by the company and have been duly complied with.

STATEMENT OF ETHICS AND BUSINESS PRACTICES

The board has adopted the statement of Ethics and Business Practices. All employees are informed of this statement and are required to observe these rules of conduct in relation to customers, suppliers and regulations.

SUBSEQUENT EVENTS (after June 30, 2009)

There have been no material changes since June 30, 2009 and the company has not entered into any commitment, which would materially affect its financial position at the date.

BOARD OF DIRECTORS

The Board of Directors, which consist of Ten members and one alternate member, 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 meetings. A total of six meetings of the Board of Directors were held during the period of one year, from July 01, 2008 to June 30, 2009. The attendance of the Board members was as follows:

S. #	NAME OF DIRECTOR	MEETINGS ATTENDED
1.	Mr. Aitzaz Ahmad Khan	6
2.	Mr. Imtiaz Ahmad Khan	6
3.	Mr. Anwaar Ahmad Khan	6
4.	Mr. Aftab Ahmad Khan	4
5.	Mr. Masroor Ahmad Khan (Retired)	3
6.	Mrs. Reema Anwaar (Retired)	4
7.	Mrs. Ayesha Aftab	6
8.	Mr. Hafiz Avais Ghani	6
9.	Mr. Hafiz Farooq Ahmad	3
10.	Mr. Junaid Ghani	5
11.	Mr. Jubair Ghani	3
12.	Mr. Faysal Essam T. Hamza	5
	Mr. Shahid Khan (Alternate)	

Leave of absence was granted to directors who could not attend some of the meetings.

AUDIT COMMITTEE

An audit committee of the Board has been in existence since the enforcement of the Code of Corporate Governance, which comprises of one executive and two non executive directors (including its Chairman). During the year 4 meetings of the Audit Committee were held. The Audit Committee has its terms of reference which were determined by the Board of Directors in accordance with the guidelines provided in the Listing Regulations.

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 results of its operations, cash flow and changes in equity.

Proper books of account have been maintained by the company.

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

The International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.

The system of internal control is sound in design and has been effectively implemented and monitored.

There are no doubts upon the company's ability to continue as a going concern.

There has been no 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.

The key operating and financial data for the last six years is annexed.

Information about taxes and levies is given in the notes to the accounts.

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

Provident Fund	**Rs. 74.963 million**

The value of investment includes accrued interest.

Trading of Shares by Chief Executive, Directors, Chief Financial Officer, Company Secretary and their spouses and minor children:

PURCHASE OF SHARES		**NO. OF SHARES**
Mr. Anwaar Ahmad Khan	Deputy CEO	63,810
Mrs. Reema Anwaar	Director	247,846
Mr. Jubair Ghani	Director	138,622

PATTERN OF SHARE HOLDINGS

A statement of the pattern of shareholding of certain class of shareholders as at June 30, 2009, whose disclosure is required under the reporting framework, is included in the annexed shareholder's information. The directors, CEO, CFO, Company Secretary and their spouses or minor children did not carry out any trade in shares of the company during the year, except as noted above.

On behalf of the Board of Directors

Lahore
September 29, 2009

Imtiaz Ahmed Khan
Chief Executive Officer

GHANI GLASS

DETAIL OF PATTERN OF SHARE HOLDING

AS PER REQUIREMENTS OF CODE OF CORPORATE GOVERNANCE

		HOLDING
ASSOCIATED COMPANIES:		
1	JAMIA-TUL-GHANI TRUST	91,568
2	GHANI MINES (PVT) LIMITED - (CDC)	662,527
		754,095
NIT & ICP:		
1	NATIONAL BANK OF PAKISTAN, TRUSTEE DEPARTMENT- (CDC)	1,712,703
2	NBP TRUSTEE - NI(U)T (LOC) FUND - (CDC)	436,136
3	IDBP (ICP UNIT) - (CDC)	695
4	INVESTMENT CORPORATION OF PAKISTAN	525
		2,150,059
DIRECTORS, CEO THEIR SPOUSES & MINOR CHILDREN:		
1	MR. IMTIAZ AHMAD KHAN	7,935,959
	MR. IMTIAZ AHMAD KHAN - (CDC)	1,930,649
2	MR. ANWAAR AHMAD KHAN	7,609,785
	MR. ANWAAR AHMAD KHAN - (CDC)	3,829,494
3	MR. AFTAB AHMAD KHAN	7,396,127
	MR. AFTAB AHMAD KHAN - (CDC)	3,476,033
4	MRS. AYESHA AFTAB	2,316,717
5	MR. JUNAID GHANI	948,106
	MR. JUNAID GHANI - (CDC)	393,453
6	MR. AITZAZ AHMED GHANI - (CDC)	2,819,150
7	HAFIZ AVAIS GHANI - (CDC)	2,134,546
8	MR. FAROOQ AHMAD KHAN (CDC)	2,293,058
9	MR JUBAIR GHANI	691,685
10	MR. FAISAL ESSAM T. HAMZA (Nominee Director)	-
11	MRS. RUBINA IMTIAZ W/O IMTIAZ AHMAD KHAN	1,320,201
12	MRS. REEMA ANWAAR W/O ANWAAR AHMAD KHAN	2,190,484
13	MRS. REEMA ANWAAR W/O ANWAAR AHMAD KHAN	247,846
14	MRS.ZAHIDA AITZAZ W/O AITZAZ AHMED	4,990
		47,538,283
PUBLIC SECTOR COMPANIES & CORPORATIONS:		
1	SINACO ENGINEERS (PVT) LIMITED	79,071
2	AKHAI SECURITIES (PVT) LIMITED - (CDC)	26
3	AL-ASAR SECURITIES (PVT) LIMITED - (CDC)	81
4	AMCAP SECURITIES (PVT) LIMITED - (CDC)	50
5	AMCAP SECURITIES (PVT) LIMITED - (CDC)	745
6	AMIN TAI SECURITIES (PVT) LIMITED - (CDC)	390,000
7	AZEE SECURITIES (PVT) LIMITED - (CDC)	110
8	BEAMING INVESTMENT & SECURITIES (PVT) LIMITED - (CDC)	1,247
9	CAPITAL VISION SECURITIES (PVT) LIMITED - (CDC)	1,050
10	CAPITAL VISION SECURITIES (PVT) LIMITED - (CDC)	443
11	DARSON SECURITIES (PVT) LIMITED - (CDC)	1,518
12	DARSON SECURITIES (PVT) LIMITED - (CDC)	3,150
13	ENERGY INFRASTRUCTURE HOLDING (PVT) LIMITED - (CDC)	3,848,900
14	FDM CAPITAL SECURITIES (PVT) LIMITED - (CDC)	52
15	FDM CAPITAL SECURITIES (PVT) LIMITED - (CDC)	5,000
16	GENRAL INVESTMENT & SECURITIES (PVT) LIMITED - (CDC)	369
17	HARVEST SMARTREND SECURITIES (PVT) LIMITED - (CDC)	1,100

18	HUM SECURITIES LIMITED - (CDC)	6,000
19	HIGHLINKCAPITAL (PVT) CDC	700
20	ISMAIL ABDUL SHKOOR SECURITIES (PVT) LIMITED - (CDC)	57
21	JAHANGIR SIDDIQUI & CO. LIMITED (CDC)	1,000,000
22	KAI SECURITIES (PVT) LIMITED - (CDC)	6
23	M.R. SECURITIES (SMC-PVT) LIMITED (CDC)	2,024
24	MAAN SECURITIES (PVT.) LTD. (CDC)	5,700
25	MAM SECURITIES (PVT) LIMITED - (CDC)	11
26	MAZHAR HUSSAIN SECURITIES (PVT) LIMITED - (CDC)	10,605
27	MONEYLINE SECURITIES (PVT) LIMITED - (CDC)	200
28	MONEYLINE SECURITIES (PVT) LIMITED - (CDC)	5,000
29	NH SECURITIES (PVT) LIMITED	5
30	PROGRASSIVE SECURITIES (PVT) LIMITED - (CDC)	2,000
31	PROGRASSIVE INVESTMENT MANAGMENT (PVT) LIMITED - (CDC)	2,386
32	PRODENTIAL SECURITIES LIMITED. (CDC)	250
33	RAFI SECURITIES (PVT.) LTD. (CDC)	13
34	SJC PAKISTAN LLC - (CDC)	17,633,574
35	SNM SECURITIES (PVT) LIMITED - (CDC)	36
36	STOCK MASTER SECURITIES (PVT) LIMITED - (CDC)	2
37	TARIQ SAYEED SECURITIES (PVT) LIMITED - (CDC)	66
38	UNIVERSAL EQUITIES (PVT.) LTD. (CDC)	3,200
39	UNIVERSAL EQUITIES (PVT.) LTD. (CDC)	50
40	VALUE STOCK SECURITIES (PVT) LIMITED - (CDC)	105
41	Y.S. SECURITIES & SERVICES (PVT) LIMITED - (CDC)	233
		23,005,135

BANKS, DEVELOPMENT FINANCE INSTITUTIONS,
NON BANKING FINANCE INSTITUTIONS:

1	BANK ALFALAH LIMITED - (CDC)	32,800
2	BANK ALFALAH LIMITED - ISLAMIC DIVISION - (CDC)	395,768
3	HABIB METROPOLITAN BANK LIMITED - (CDC)	47,955
		476,523

INSURANCE COMPANIES:

1	EFU GENRAL INSURANCE LIMITED - (CDC)	85,050
2	EFU LIFE ASSURANCE LIMITED - (CDC)	170,625
3	HABIB INSURANCE CO. LIMITED - (CDC)	6,825
		262,500

MODARABAS & MUTUAL FUNDS:

1	AL - MEEZAN MUTUAL FUND LIMITED - (CDC)	36,922
		36,922

OTHERS COMPANIES:

1	TRUSTEES GHANI GLASS LTD EMPLOYEES PROVIDENT (CDC)	15,600
2	CDC - TRUSTEE JS PENSIN SAVINGS FUND- EQUITIES (CDC)	10,000
3	CDC - TRUSTEE JS ISLAMIC PENSION SAVINGS FUND. (CDC)	25,500
4	CDC - TRUSTEE UNITED COMMPOSITE ISLAMIC FUND - (CDC)	85,838
5	CDC - TRUSTEE UNITED STOCK ADVANTAGE FUND - (CDC)	42,950
6	TRUSTEES MUHAMMAD AMIN WAKF ESTATE - (CDC)	37,208
7	TRUSTEES SAEEDA AMIN WAKF - (CDC)	13,781
		230,877

FOREIGN COMPAINIES:

1	BROWN BROTHERS HARRIMAN & CO. [776-6] - (CDC)	6,354
		6,354

SHARES HELD BY THE GENERAL PUBLIC:		13,707,122
		88,167,870

SHAREHOLDERS HOLDING 10% OR MORE OF TOTAL CAPITAL

1	MR. IMTIAZ AHMAD KHAN	9,866,608
2	MR. ANWAAR AHMAD KHAN	11,439,279
3	MR. AFTAB AHMAD KHAN	10,872,160
4	SJC PAKISTAN LLC - (CDC)	17,633,574
		49,811,621

During the financial year the trading in shares of the company by the Directors, CEO, CFO, Company Secretary and their spouses and minor children is as follows:

Sr.No	NAME	SALE	BONUS	PURCHASE
1	MR. IMTIAZ AHMAD KHAN		377,902	
	MR. IMTIAZ AHMAD KHAN - (CDC)		91,935	
2	MR. ANWAAR AHMAD KHAN		362,370	
	MR. ANWAAR AHMAD KHAN - (CDC)		179,318	63810
3	MR. AFTAB AHMAD KHAN		352,196	
	MR. AFTAB AHMAD KHAN - (CDC)		165,524	
4	MRS. AYESHA AFTAB		110,319	
5	MR. JUNAID GHANI		45,147	
	MR. JUNAID GHANI - (CDC)		18,735	
6	MR. AITZAZ AHMED GHANI - (CDC)		134245	
7	HAFIZ AVAIS GHANI - (CDC)		101645	
8	HAFIZ FAROOQ AHMAD - (CDC)		165993	
9	MR JUBAIR GHANI		26336	138622
10	MRS. RUBINA IMTIAZ W/O IMTIAZ AHMAD KHAN		62,866	
11	MRS. REEMA ANWAAR W/O ANWAAR AHMAD KHAN		104,308	
12	MRS. REEMA ANWAAR W/O ANWAAR AHMAD KHAN			247846
13	MRS. ZAHIDA AITZAZ W/O AITZAZ AHMED		237	

PATTERN OF HOLDING OF SHARES

Held by the share holders as at 30th June, 2009 Incorporation No: 0029265

No. of Shareholders	Shareholding From	Shareholding To	Total Shares Held
302	1	100	11,198
218	101	500	55,318
134	501	1,000	89,028
262	1,001	5,000	486,298
25	5,001	10,000	164,528
18	10,001	15,000	228,037
4	15,001	20,000	66,848
4	20,001	25,000	87,214
4	25,001	30,000	114,408
2	30,001	35,000	64,400
6	35,001	40,000	221,708
3	40,001	45,000	129,502
2	45,001	50,000	93,105
1	50,001	55,000	52,500
1	55,001	60,000	59,273
1	65,001	70,000	65,018
2	75,001	80,000	158,497
4	85,001	90,000	342,932
2	90,001	95,000	182,768
1	135,001	140,000	137,426
1	165,001	170,000	169,354
1	170,001	175,000	170,625
1	195,001	200,000	199,327
1	225,001	230,000	225,245
1	245,001	250,000	247,846
1	385,001	390,000	390,000
1	390,001	395,000	393,453
1	395,001	400,000	395,768
1	435,001	440,000	436,136
1	510,001	515,000	511,899
1	535,001	540,000	535,728
1	660,001	665,000	662,527
1	690,001	695,000	691,685
1	715,001	720,000	716,773
1	900,001	905,000	900,900
1	945,001	950,000	948,106
1	995,001	1,000,000	1,000,000
1	1,065,001	1,070,000	1,068,440
1	1,320,001	1,325,000	1,320,201
1	1,415,001	1,420,000	1,417,334
1	1,440,001	1,445,000	1,443,322
1	1,710,001	1,715,000	1,712,703
1	1,930,001	1,935,000	1,930,649
1	2,130,001	2,135,000	2,134,546
1	2,160,001	2,165,000	2,164,158

1	2,190,001	2,195,000	2,190,484
1	2,220,001	2,225,000	2,221,858
1	2,290,001	2,295,000	2,293,058
1	2,315,001	2,320,000	2,316,717
1	2,815,001	2,820,000	2,819,150
1	3,475,001	3,480,000	3,476,033
1	3,825,001	3,830,000	3,829,494
1	3,845,001	3,850,000	3,848,900
1	7,395,001	7,400,000	7,396,127
1	7,605,001	7,610,000	7,609,785
1	7,935,001	7,940,000	7,935,959
1	17,630,001	17,635,000	17,633,57 4
1,033			**88,167,870**

5. Categories of shareholders	**Share held**	**Percentage**
5.1 Directors, Chief Executive Officers, and their spouse and minor children	47,538,283	53.9179%
5.2 Associated Companies, undertakings and related parties.	754,095	0.8553%
5.3 NIT and ICP	2,150,059	2.4386%
5.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	476,523	0.5405%
5.5 Insurance Companies	262,500	0.2977%
5.6 Modarabas and Mutual Funds	36,922	0.0419%
5.7 Share holders holding 10%	49,811,621	56.4963%
5.8 General Public		
a. Local	13,707,122	15.5466%
b. Foreign	0	0.0000%
5.9 Others (to be specified)		
Joint Stock Companies	23,005,135	26.0924%
Foreign Companies	6,354	0.0072%
Other Companies	230,877	0.2619%

STAKEHOLDERS INFORMATION

SIX YEARS AT GLANCE

	2009	2008	2007	2006	2005	2004	
			(Rupees in thousnads)				
Operating Results							
Sale	5,191,729	3,972,224	3,124,633	2,745,108	1,389,107	817,742	
Gross profit	1,526,090	1,183,272	777,138	774,530	359,181	280,281	
Profit before tax	993,285	807,801	475,618	558,404	292,921	231,046	
Financial data							
Fixed assets	2,501,292	2,261,022	1,809,541	1,834,372	595,436	378,885	
Capital work-in-progress	135,229	-	143,854	58,105	1,238,723	92,427	
Negative goodwill	-	-	-	(22,345)	(40,152)	(60,075)	
Long term investment/ Advancs, and deposits	151,878	83,086	78,678	9,719	66,112		
Current assets	2,187,798	2,336,500	1,943,407	1,561,090	1,048,580	680,265	
Current liabilities	1,106,714		1,225,161	1,349,378796,130	752,243	234,542	
Assets employed	**6,082,911**	**3,331,230**	**2,750,319**	**2,644,811**	**2,156,456**	**861,806**	
Financed by:							
Ordinary capital	881,679	839,694	799,709	639,767	302,082	241,665	
Reserves	2,579,192	2,076,354	1,737,291	1,558,830	1,310,324	570,941	
Shareholders equity	3,460,871	2,916,048	2,537,000	2,198,597	1,612,406	812,606	
Finances and deposits	166,327	100,115	36,035	373,500		49,200	52,921
Deferred taxation	375,496	315,067	177,284	72,713	-	-	
Funds invested	**4,002,695**	**3,331,230**	**2,750,319**	**2,644,811**	**2,156,456**	**861,806**	
Earnings per share	8.08	6.11	4.79	6.07	6.30	9.09	
Break-up-value	39.26	34.73	31.72	34.37	33.51	33.63	
Dividend %							
- cash	30	20	20	30	25	10	
-Bonus shares	10	05	05	25	05	25	
Total	**40**	**25**	**25**	**55**	**30**	**35**	

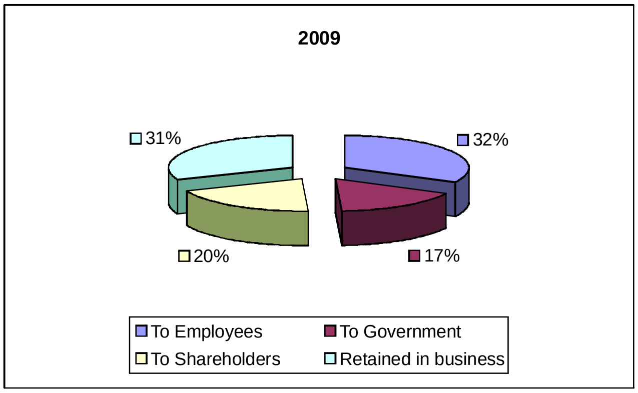
INVESTOR INFORMATION

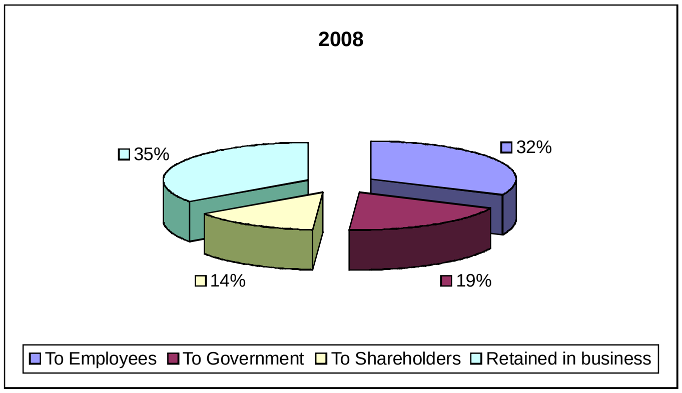
SIX YEARS AT GLANCE

	2009	2008	2007	2006	2005	2004
Gross profit rate	29	30	25	28	26	34
Profit before tax rate	19	20	15	20	21	28
Inventory turnover ratio	6.55	6.13	5.67	4.04	2.90	2.37
Total assets turnover ratio	1.04	0.86	0.79	0.78	1.04	0.75
Fixed assets turnover	1.86	1.78	1.6	1.45	2.68	1.74
Price earing ratio	7.05	18.49	15.87	13.51	12.06	8.14
Return on capital employed	25.65	18.48	15.86	22.06	23.80	27.61
Market value per share (at the end of year)	57	113	76	82	76	74
Debt:Equity ratio	1:18	1:5	1:4.6	1:8	1:4	1:17
Current ratio	1.98:1	1:73:1	1.59:1	1.96:1	1.4:1	3:1
Interest cover ratio	12.29	12.38	11.35	9.93	N/A	N/A

STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION

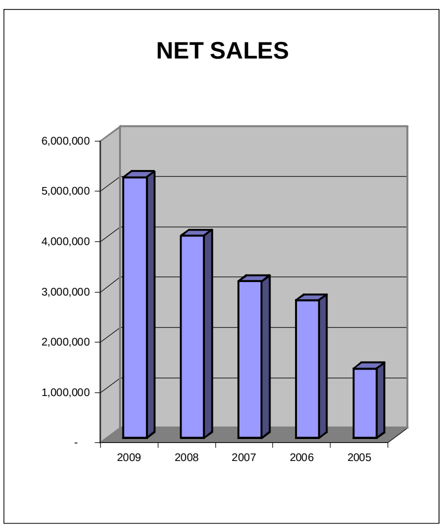
	2009		2008	
	(Rupees in thousand)			
Value Addition				
Net sales	5,191,700		3,972,224	
Material and services	(3,480,000)		(2,637,700)	
Other income	78,900		92,300	
	1,790,600		**1,487,800**	
Value Distribution				
To Employees				
Salaries, wages and amenities	529,000		431,800	
Workers profit participation fund	53,400		43,400	
	582,400	33%	**475,200**	32%
To Government				
Tax	280,000		268,800	
Workers welfare fund	20,300		16,500	
	300,300	17%	**285,300**	19%
To Shareholders				
Cash dividend	265,000		168,000	
Bonus shares	88,100		42,000	
	353,100	20%	**210,000**	14%
Retained in business				
Depreciation	229,000		188,300	
Retained profit	325,800		329,000	
	554,800	31%	**517,300**	35%
	1,790,600		**1,487,800**	

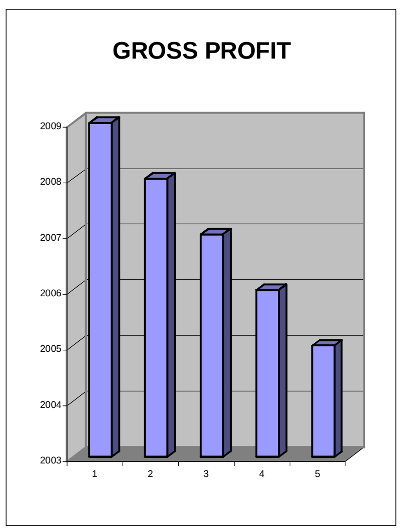


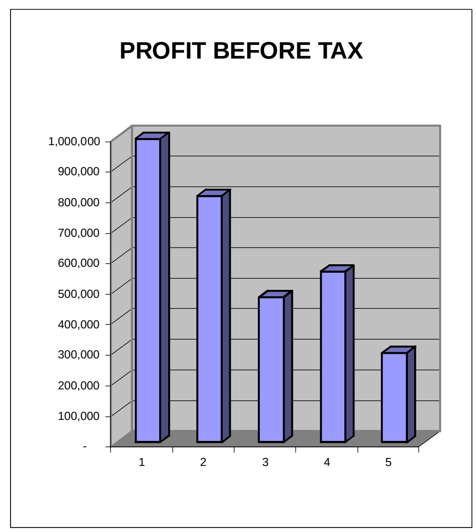


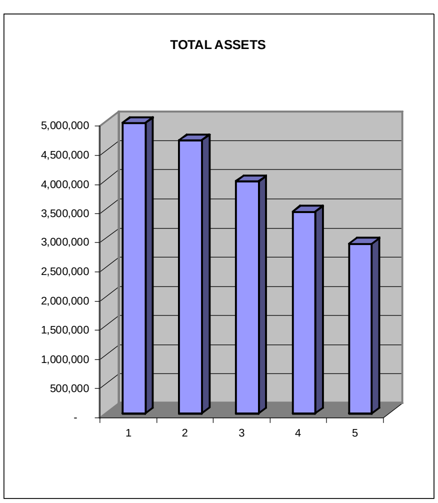
GRAPHIC REPRESENTATION

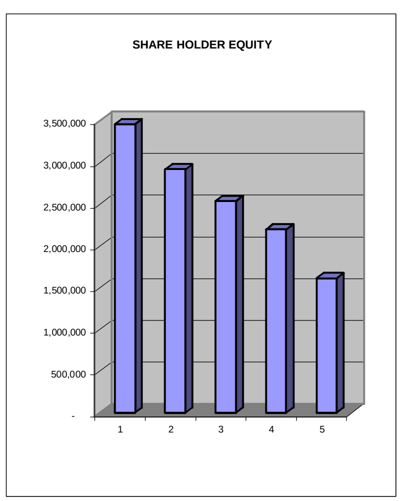
Contribution to National Excehequer
(Rs. in million)

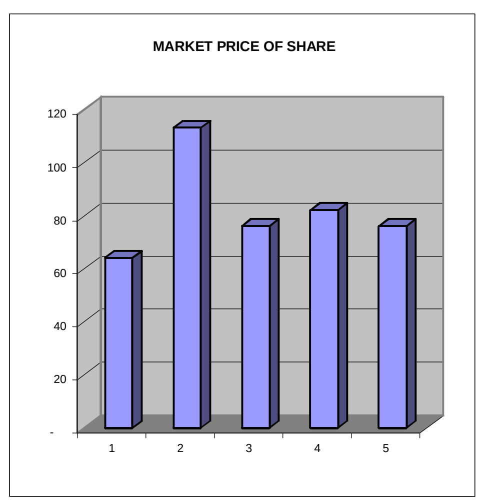












PRODUCT RANGE

BEVERAGE CONTAINERS - FLINT

BEVERAGE CONTAINERS - GREEN

FOOD CONTAINERS - FLINT

PHARMACEUTICAL CONTAINERS - AMBER

GHANI CLEAR

GHANI GREEN

GHANI REFLECTIVE

GHANI BROWN

TECHNICAL FACILITIES

GGL-I HATTAR
(CONTAINER GLASS
MANUFACTURING PLANT)

GGL-II LANDHI
(CONTAINER GLASS
MANUFACTURING PLANT)

Pakistan's first state-of-the-art Syno European Technology based Float Glass Plant having capacity of 350 tons / day, capable to produce 2mm to 12mm thickness Float Glass.

GGL-III SHEIKHUPURA
(FLOAT GLASS
MANUFACTURING PLANT)

Promotional Activities

Annual Dealers' Convention - 2008
Float Glass Division

GGL's Stall at Pak Pharma
Expo - 2008 (Pharmaceutical Glass Division)

GGL Float Glass Division's
Stall at Iapex - 2008

GGL's Dealers' International
Trip - 2008 (Omrah & Dubai)

Float Glass Sales Team's
International Tour To Dubai - 2008

GHANI GLASS

STATEMENT OF COMPLIANCE
WITH THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance contained in listing regulations of stock exchange in Pakistan 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 Code in the following manner:

1- The company encourages the representation of independent non-executive directors and the directors representing minority independent directors on its Board of Directors. Board comprise of five executive and five non-executive directors. However there is no representation of minority shareholders on the board.

2- The directors have confirmed that none of them is serving as director in more than ten listed companies, including this company.

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 NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4- During the year no casual vacancy occurred in the Board of directors.

5- The company has prepared a “Statement of Ethics and Business Practices” which has been signed by all the directors and employees up to the level of Managers of the company.

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 transaction, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive directors, have been taken by the Board.

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 fully conversant with their duties and responsibilities as Directors of corporate bodies through study of pamphlets issued by the SECP and discussion with corporate advisors. Some of the directors attended orientation courses.

10- The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, as determined by the CEO.

11- The director's report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclose.

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 Code.

15- The Board has formed an audit committee. It is comprised of three members, two of them are non-executive directors.

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 Code. The terms of reference of the committee have been formulated and advised to the committee for compliance.

17- The Board has earlier set up an internal audit function which is being further strengthened to enhance its effectiveness.

18- The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.

19- The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

20- We confirm that all other material principles contained in the Code have been complied with.

For and Behalf of the Board of Directors

Aftab Ahmad Khan	**Imtiaz Ahmad Khan**
Director	**Chief Executive Officer**

Lahore:
September 29, 2009

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CRPORATE GOVEREANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of GHANI GLASS LIMITED ("the Company") to comply with the Listing Regulations of Karachi and Lahore Stock Exchanges.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquires of the company personnel and review of various documents prepared by the company to comply 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 audit approach. We have not carried out any special review of the internal control system 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, Sub-Regulation (xiii a) of Listing Regulation No.35(previously Regulation No.37) notified by The Karachi Stock Exchange (Guarantee) Limited vide circular KSE/N-269 dated 19 January 2009 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 of requirement to the extent of approval of related party transactions by the Board of 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 under taken at arm's length.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance, as applicable to the Company for the year ended June 30, 2009.

LAHORE

(KPMG TASEER HADI & COMPANY)
CHARTERED ACCOUNTANTS
(Bilal Ali)

AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **GHANI GLASS LIMITED ("the company")** as at June 30, 2009 and the related profit and loss account, 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 misstatements. 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 account 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 account 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, 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 June 30, 2009 and of the profit, its cash flows and changes in equity for the year then ended; and

d. In our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that ordinance.

(KPMG TASEER HADI & COMPANY)
CHARTERED ACCOUNTANTS
(Bilal Ali)

LAHORE

Ghani Glass Limited
Balance Sheet
As at 30 June 2009

	Note	2009 Rupees	2008 Rupees
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised sharecapital			
142,500,000 (2008: 142,500,000) Ordinary shares of Rs. 10 each		**1,425,000,000**	1,425,000,000
Issued, subscribed and paid up capital	4	**881,678,700**	839,694,000
Reserves	5	**2,579,192,013**	2,076,354,301
		3,460,870,713	2,916,048,301
NON-CURRENT LIABILITIES			
Ijara finances	6	**18,625,545**	41,693,293
Diminishing musharika	7	**13,333,332**	-
Security deposits	8	**1,157,500**	58,422,269
Deferred taxation	9	**375,496,490**	315,066,533
		408,612,867	415,182,095
CURRENT LIABILITIES			
Current portion of non current liabilities	10	**42,269,521**	28,017,235
Short term morabaha finances	11	**109,567,030**	487,663,437
Loan from sponsors	12	**12,896,000**	35,277,933
Trade and other payables	13	**794,478,207**	720,596,460
Provision for taxation		**142,818,776**	58,406,128
Markup accrued		**4,684,126**	19,416,670
		1,106,713,660	1,349,377,863
Contingencies and commitments	14		
		4,976,197,240	4,680,608,259

	Note	2009 Rupees	2008 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	15	**2,636,520,926**	2,261,022,359
Investment in associate	16	**90,220,317**	6,592,000
Long term advance	17	**43,279,598**	59,328,000
Long term deposits	18	**18,378,563**	17,166,163
		2,788,399,404	2,344,108,522
CURRENT ASSETS			
Current maturity of long term deposits	18	**2,828,250**	523,500
Stores, spares and other consumables	19	**611,632,769**	767,460,286
Stock in trade	20	**792,308,879**	658,120,782
Trade debtors	21	**349,488,847**	427,309,558
Advances, deposits and prepayments	22	**387,271,034**	365,806,093
Other receivables	23	**9,785,689**	73,146,429
Cash and bank balances	24	**34,482,368**	44,133,089
		2,187,797,836	2,336,499,737
		4,976,197,240	4,680,608,259

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

Lahore:

Chief Executive

Director

GHANI GLASS

Ghani Glass Limited
Profit and Loss Account
For the year ended 30 June 2009

	Note	2009 Rupees	2008 Rupees
Sales - net	25	**5,191,729,144**	3,972,223,649
Cost of sales	26	**(3,665,638,916)**	(2,788,951,340)
Gross profit		**1,526,090,228**	1,183,272,309
General and administrative expenses	27	**(151,917,298)**	(115,543,208)
Selling and distribution expenses	28	**(234,398,219)**	(221,424,501)
Other operating expenses	29	**(75,606,111)**	(59,869,277)
Other operating income	30	**78,873,515**	92,325,980
		(383,048,113)	(304,511,006)
Operating profit		**1,143,042,115**	878,761,303
Finance cost	31	**(93,097,740)**	(70,959,910)
Share of loss of associate	16	**(56,659,683)**	-
Profit before taxation		**993,284,692**	807,801,393
Taxation	32	**(280,523,480)**	(268,811,006)
Profit after taxation		**712,761,212**	538,990,387
Earnings per share - Basic and diluted	33	**8.08**	6.11

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

Lahore: **Chief Executive** **Director**

Ghani Glass Limited
Cash Flow Statement
For the year ended 30 June 2009

	Note	2009 Rupees	2008 Rupees
Cash flows from operating activities			
Cash generated from operations	37	**1,585,885,142**	596,207,447
Finance cost paid		**(107,830,284)**	(59,715,555)
Provident fund payments		**(18,117,312)**	(13,859,685)
Workers profit participation fund paid		**(32,661,507)**	(45,841,980)
Income tax paid		**(121,085,926)**	(2,731,376)
		(279,695,029)	(122,148,596)
Net cash generated from operating activities		**1,306,190,113**	474,058,851
Cash flows from investing activities			
Fixed capital expenditure		**(613,499,591)**	(496,707,572)
Proceeds from sale of fixed assets		**12,750,000**	1,823,000
Investments		**(140,288,000)**	-
Long term deposits		**(3,517,150)**	(691,342)
Long term advance		**42,405,626**	-
Net cash used in investing activities		**(702,149,115)**	(495,575,914)
Cash flow from financing activities			
Loan from sponsors - net		**(22,381,933)**	(96,190,551)
Ijarah finances - net		**(15,482,130)**	(2,907,311)
Morabaha finances - net		**(378,096,407)**	143,909,039
Diminishing musharika		**20,000,000**	-
Dividend paid		**(160,466,480)**	(159,567,193)
Security deposits		**(57,264,769)**	47,227,263
Net cash used in financing activities		**(613,691,719)**	(67,528,753)
Net decrease in cash and cash equivalents		**(9,650,721)**	(89,045,816)
Cash and cash equivalents at the beginning of the year		**44,133,089**	133,178,905
Cash and cash equivalents at the end of the year	24	**34,482,368**	44,133,089

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

Lahore: **Chief Executive** **Director**

Ghani Glass Limited
Statement of Changes in Equity
For the year ended 30 June 2009

	Share capital	Capital reserve: Merger reserve	Capital reserve: Share premium	Revenue reserve: Uappropriated profit	Total
	(-------------------------	-------------------------	Rupees	-------------------------	-------------------------)
Balance as at 01 July 2007	799,708,570	427,419,290	75,000,000	1,234,871,768	**2,536,999,628**
Final cash dividend @ Rs. 2 per share for the year ended 30 June 2007	-	-	-	(159,941,714)	**(159,941,714)**
Bonus shares issued @ 5% for the year 2007	39,985,430	-	-	(39,985,430)	-
Net profit for the year	-	-	-	538,990,387	**538,990,387**
Balance as at 30 June 2008	839,694,000	427,419,290	75,000,000	1,573,935,011	**2,916,048,301**
Final cash dividend @ Rs. 2 per share for the year ended 30 June 2008	-	-	-	(167,938,800)	**(167,938,800)**
Bonus shares issued @ 5% for the year 2008	41,984,700	-	-	(41,984,700)	-
Net profit for the year	-	-	-	712,761,212	**712,761,212**
Balance as at 30 June 2009	881,678,700	427,419,290	75,000,000	2,076,772,723	**3,460,870,713**

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

Lahore: **Chief Executive** **Director**

Ghani Glass Limited
Notes to the financial statements
For the year ended 30 June 2009

1 Legal status and nature of business

Ghani Glass Limited ('the Company') was incorporated in Pakistan in 1992 as a limited liability company under the Companies Ordinance, 1984 and is listed on Karachi and Lahore Stock Exchanges. The registered office of the Company is located at 50 - L, Model Town Extention, Lahore. The Company is engaged in the business of manufacturing and sale of glass containers and sheet glass of different types.

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 (IFRSs) issued by the International Accounting Standards Board as are notified under the provisions of the Companies Ordinance, 1984. Wherever, the requirements of the Companies Ordinance, 1984 or directives issued under the Companies ordinance, 1984 differ, the provision or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Standards, Interpretations and amendments to published approved accounting standards

Effective in current year

IFRS 7 - "Financial Instrument : Disclosures", requires extensive disclosures about the significance of the financial instruments for the Company's financial position and performance, and nature and extent of risk arising from financial instruments to which the company is exposed during the year and at the end of the reporting period, and how the company manages those risks. Adoption of this standard has resulted in additional disclosures given in note 41 to the financial statements.

Relevant but not yet effective

IAS 1 “Presentation of Financial Statements” effective for annual periods beginning on or after January 01, 2009 revises the existing IAS 1 and requires apart from changing the names of certain components of financial statements, presentation of transactions with owners in statement of changes in equity and with non-owners in comprehensive Income Statement. Adoption of the above standard will only effect the presentation of financial statements.

Amendment to IFRS 7 - Improving disclosures about Financial Instruments (effective for annual periods beginning on or after 1 January 2009). The amendments introduce a three-level hierarchy for fair value measurement disclosures and require entities to provide additional disclosures about the relative reliability of fair value measurements. The amendment is not likely to have an effect on Company’s financial statements other than certain increased disclosures only.

Not Relevant and not yet effective

The following standards, amendments and interpretations to approved accounting standards, effective for accounting periods beginning on or after 1 July 2009 are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain increased disclosures only:

- Revised IAS 23 - Borrowing costs
- IFRS 2 (amendment) - Share based payments
- IFRS 3 (amendment) - Business Combinations
- IFRS 8 - Operating Segments
- IAS 27 - Consolidated and separate financial statements
- IAS 32 (amendment) - Financial instruments: Presentation and consequential amendment to IAS 1- Presentation of Financial Statements
- IFRIC 15 - Agreements for the Construction of Real Estate
- IFRIC 16 - Hedges of a Net Investment in a Foreign Operation

In addition to above, International Accounting Standards Board made certain amendments to existing standards and interpretations as part of its first and second annual improvements projects. These amendments are unlikely to have impact on the company's financial statements.

3 Significant accounting policies

These financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are re-measured at their fair values and foreign currency translations.

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of polices and reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are

	Note
- residual value and useful lives of depreciable assets	*3.1*
- provision for taxation	*3.13*
- retirement and other benefits	*3.17*
- provisions and contingencies	*3.18*

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Property, plant and equipment

Property, plant and equipment except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss.

Depreciation on all property, plant and equipment is charged to income using "reducing balance method" so as to write off the historical cost of an asset over its estimated useful life at the rates mentioned in note 15.1.

Depreciation methods, residual values and the useful lives of the assets are reviewed at least at each financial year end and adjusted if impact on depreciation is significant.

Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalised, while no depreciation is charged for the month in which the asset is disposed off.

Subsequent costs are included in the asset's carrying amount or recognised 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. All other repair and maintenance costs are charged to income during the period in which they are incurred.

Profit or loss on disposal of operating fixed assets represented by the difference between the sale proceeds and the carrying amount of the asset is recognized in income or expense.

3.2 Capital work in progress

Capital work in progress and stores held for capital expenditure are stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during the construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

3.3 Ijara finances

Ijara where the lessor has substantially transferred all the risks and rewards of ownership are classified as Ijara finance. At inception Ijara finances are capitalized at the lower of present value of minimum Ijara payments under the Ijara agreements and the fair value of the assets.

The rental obligation, net of finance costs, are included in liabilities against assets subject to Ijara finance as referred to in note 6. The liabilities are classified as current and long term depending upon the timing of the payment.

Each Ijara payment is allocated between the liability and the finance costs so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to profit over the Ijara term.

Assets acquired under a finance Ijara are depreciated over the useful life of the assets on reducing balance method at the rates given in note 15.1. Depreciation on Ijara assets is charged to profit and loss account.

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

Depreciation method, residual value and useful lives of ijara assets are reviewed atleast at each year end and adjusted if impact on depreciation is significant.

3.4 Investments

Investment in associate

Associates are all entities over which the Company has significant influence but not control. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Company's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition. The Company's share of its associates' post acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment

Investments at fair value through profit and loss account

Investments that are acquired principally for the purpose of generating profit from short term fluctuations in price or dealer's margin are classified as held for trading.

Investments at fair value through profit or loss are initially recognized at cost, being the fair value of the consideration given. Transaction costs are charged to profit and loss. Subsequent to initial recognition these are recognized at fair value unless fair value can not be reliably measured. The investments for which quoted market price is not available are measured at cost. Any surplus or deficit on revaluation of investments is charged to income currently.

3.5 Stores, spares and other consumables

These are valued at lower of cost and net realizable value. Cost is determined at weighted average except items in transit which are valued at cost comprising invoice value plus other charges paid thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred to make the sale. Provision is made in the financial statements for obsolete and slow moving items of stores and spares based on management estimates, if any. Items considered obsolete are carried at nil value.

3.6 Stock-in-trade

These are valued at the lower of cost and net realizable value except for stock in transit, which are valued at cost comprising invoice value plus other charges paid.

Cost is determined as follows:

Raw and packing materials	At weighted average cost
Work-in-process	At weighted average cost and related manufacturing expenses
Finished goods	At weighted average cost and related manufacturing expenses

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred to make the sale. Provision is made in the financial statements for obsolete and slow moving items of stock-in-trade based on management estimates, if any.

3.7 Financial instruments

Financial assets

Significant financial assets include advances and receivables, long term deposits and cash and bank balances. Finances and receivables from clients are stated at their nominal value as reduced by provision for doubtful finances and receivable, while other financial assets are stated at cost.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities include short and long term ijara finances, musharika and morahaba finances, trade and other payables and dividends payable. Markup based financial liabilities are recorded at gross proceeds received. Other liabilities are stated at their nominal value.

Recognition and derecognition

All the financial assets and financial liabilities are recognized at the time when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognized when the Company looses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income currently.

Offsetting of financial assets and financial liabilities

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

3.8 Trade debts

Trade debts are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

3.10 Cash and cash equivalents

Cash and cash equivalents are carried at cost in the balance sheet. For the purpose of cash flow statement cash and cash equivalents comprise cash in hand and with banks.

3.11 Impairment

The carrying amount of the assets except for inventories are reviewed at each balance sheet date to identify the circumstances indicating the occurrence of impairment loss or reversal of previously recognised impairment losses. If any such indication exists, the recoverable amount of such asset is estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Where an impairment loss subsequently reverses, the carrying amount of such asset is increased to the extent that it does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss has been charged. A reversal of the impairment loss is recognized in income.

3.12 Trade and other payables

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

3.13 Taxation

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to profit for the year if enacted after taking into account tax credits, rebates and exceptions, if any. The charge for the current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from 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 differences and deferred tax assets are recognized 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 assets and liabilities are calculated at the rates that are expected to apply to the period when the asset is realised or liability is settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statements except in the case of items credited or charged to equity in which case it is included in equity.

3.14 Revenue recognition

Revenue represents the fair value of the consideration received or receivable for goods sold, net of discounts and sales tax. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue, and the associated cost incurred, or to be incurred, can be measured reliably.

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer i.e. on the dispatch of goods to the customer.

Dividend income is recognized when right to receive such dividend is established

Technical fee is recognized on time proportionate basis.

3.15 Related party transactions

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods, except in extremely rare circumstances where, subject to approval of the Board of Directors, it is in the interest of the Company to do so.

3.16 Foreign currency transactions

All monetary assets and liabilities in foreign currencies are translated into rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into rupees at exchange rates prevailing at the date when fair values are determined. Exchange gains and losses are included in the income currently.

3.17 Employees retirement benefit

Defined contribution plan

The Company operates funded contribution provident fund scheme for all its permanent and eligible employees. For the purpose of scheme, a separate Trust has been established. Equal monthly contributions are made both by the Company and the employees at the rate of 8.33 percent of the gross salary.

3.18 Provision

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

3.19 Borrowing costs

Mark-up, interest and other charges on borrowings are capitalised upto the date of commissioning of the related property, plant and equipment acquired out of the proceeds of such borrowings. All other mark-up, interest and other charges are charged to profit in which they are incurred.

3.20 Dividend

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved.

	Note	2009 Rupees	2008 Rupees
4 Issued, subscribed and paid up capital			
14,950,000 (2008: 14,950,000) Ordinary shares of Rs. 10 each fully paid in cash		**149,500,000**	149,500,000
36,975,735 (2008: 32,777,265) Ordinary shares of Rs. 10 each issued as fully paid bonus shares		**369,757,350**	327,772,650
36,242,135 (2008: 36,242,135) Ordinary shares of Rs. 10 each issued under the scheme of amalgamation	*4.1*	**362,421,350**	362,421,350
		881,678,700	839,694,000

4.1 In accordance with the scheme of amalgamation, the Company has issued 3,984,064 ordinary shares of Rs. 10 each to the shareholders of former Ka'as ul Musaf'fa Private Limited and 32,258,071 ordinary shares of Rs. 10 each to the shareholders of the former Ghani Float Glass Limited in accordance with the scheme of amalgamation.

	Number of shares	
	2009	2008
4.2 Reconciliation of ordinary shares		
Opening balance of ordinary shares of Rs. 10 each	**83,969,400**	79,970,857
Bonus shares issued during the year	**4,198,470**	3,998,543
Closing balance of ordinary shares of Rs. 10 each	**88,167,870**	83,969,400

4.3 17,633,574 (2008: 16,793,880) ordinary shares of the Company are held by SJC Pakistan LLC and 87,209 (2008: 83,056) ordinary shares of the Company are held by Jamia Tul Ghani Ul Islam, associated undertakings.

	Note	2009 Rupees	2008 Rupees
5 Reserves			
Capital			
Merger reserves	*5.1*	**427,419,290**	427,419,290
Share premium	*5.2*	**75,000,000**	75,000,000
		502,419,290	502,419,290
Revenue			
Unappropraited profit		**2,076,772,723**	1,573,935,011
		2,579,192,013	2,076,354,301

5.1 This represents the amount arising under the scheme of amalgamation of Ghani Float Glass Limited with the Company.

5.2 This reserve can be utilised by the Company only for the purposes specified in section 83(2) of the Companies Ordinance, 1984.

	Note	2009 Rupees	2008 Rupees
6 Ijara finances - secured			
Present value of minimum lease payments		**54,228,398**	69,710,528
Less: current portion shown under current laibilities	*10*	**35,602,853**	28,017,235
		18,625,545	41,693,293

		2009	
	Minimum ijara payments	**Finance cost for future periods**	**Principal outstanding**
	(------------------------	**Rupees**	**------------------------)**
Not later than one year	**40,195,522**	**4,592,669**	**35,602,853**
Later than one year but not later than five years	**19,452,423**	**826,878**	**18,625,545**
	59,647,945	**5,419,547**	**54,228,398**

	Minimum ijara payments	Finance cost for future periods	Principal outstanding
	2008		
	(------------------------- Rupees	-------------------------	-------------------------)
Not later than one year	28,631,852	614,617	28,017,235
Later than one year but not later than five years	49,246,326	7,553,033	41,693,293
	77,878,178	8,167,650	69,710,528

Salient features of ijara financing are as follows:	**2009**	2008
Discounting factor	**10.36% - 16.18%**	6.25% to 14.10%
Period of ijara financing	**36 months**	36 months
Security deposit	**10%**	10%

The Company has executed Ijara agreements with various financial institutions. The liabilities are repayable in a mix of monthly and quarterly instalments. The markup rates are used as discounting factors to determine present value of minimum lease payments, These are secured against title of fixed assets under Ijara financing and personal guarantees of the directors of the Company.

	Note	**2009 Rupees**	**2008** Rupees
7 Diminishing Musharika			
Diminishing musharika		**20,000,000**	-
Less: current portion	*10*	**6,666,668**	-
		13,333,332	-

It represents diminishing musharika facility from Meezan Bank Limited for acquisition of land. The term of the agreement is 4 years with grace period of one year and the repayments shall be made in equal quarterly basis starting from 27 September 2009. It carries markup at the rate of 3 months KIBOR plus 1.5%. It is secured against exclusive charge over underlying asset with 25% margin and personal guarantees of Chairman and CEO of the Company

8 Security deposits

These are the interest free security deposits obtained from transport contractors and are being utilized in accordance with the terms of agreement.

	Note	2009 Rupees	2008 Rupees

9 Deferred taxation

Deferred tax liability comprises of the following:

	2009 Rupees	2008 Rupees
Deferred tax liability arising in respect of tax depreciation allowances	**315,389,745**	268,636,426
Deferred tax asset arising on provision for doubtful debts	**(2,210,359)**	(359,254)
Deferred tax liability arising on ijara assets	**67,983,072**	46,789,361
Deferred tax asset arising on share of loss of associate	**(5,665,968)**	-
	375,496,490	315,066,533

10 Current portion of non current liabilities

	Note	2009 Rupees	2008 Rupees
Ijara finances	*6*	**35,602,853**	28,017,235
Diminishing musharika	*7*	**6,666,668**	-
		42,269,521	28,017,235

11 Short term morabaha financing - secured

	Secured	Mark-up rate	2009 Rupees	2008 Rupees
I	Albaraka Bank Limited	Respective period KIBOR plus 2.5% with a floor of 16%	**6,184,912**	26,620,383
II	Bank Alfalah Limited	Six months KIBOR plus 1% to 3%	-	5,027,437
III	Bank Islami Pakistan Limited	Six months KIBOR plus 0.3%	-	171,367,728
IV	Habib Metropolitan Bank Limited	Respective period KIBOR plus 0.5% to 2.5% with a floor of 10.50%	**32,004,850**	43,636,100
V	MCB Bank Limited	One year KIBOR plus 0.4% to 1.15%	**54,691,268**	51,785,570
VI	Meezan Bank Limited	Respective period KIBOR plus 0.75% to 2.5%	-	96,526,054
VII	Soneri Bank Limited	Six month KIBOR plus 0.75%	**16,686,000**	92,700,165
			109,567,030	487,663,437

11.1 Total Morabaha finance facilities available amount to Rs. 1,320 million (2008: Rs. 1,275 million). These are secured by first pari passu charge over all present and future current assets, stocks, book debts and fixed assets and through personal guarantees of all directors of the Company.

12 Loan from sponsors

It represents interest free loan from sponsors and is repayable on demand.

	Note	2009 Rupees	2008 Rupees
13 Trade and other payables			
Creditors for goods and services	*13.1*	**448,330,796**	468,892,270
Advances from customers		**86,930,768**	93,349,025
Accrued expenses		**121,458,729**	88,853,106
Income tax deducted at source		**5,675,221**	1,670,444
Security deposits	*13.2*	**400,500**	400,500
Retention money		**3,719,005**	3,719,005
Workers' profit participation fund	*13.3*	**51,194,295**	30,510,759
Workers' welfare fund	*13.4*	**31,080,694**	16,485,743
Sales tax payable		**34,015,785**	9,274,857
Unclaimed dividend		**10,425,052**	2,952,732
Provident fund payable		**1,247,362**	4,488,019
		794,478,207	720,596,460

13.1 Creditors include an amount of Rs.2.560 million (2008: Rs. 0.31 million) payable to related parties. Particulars of the amounts due to related parties are as follow:

	Note	2009 Rupees	2008 Rupees
Ghani Value Glass Limited		**2,559,552**	-
Ahmad Brothers & Company		-	109,481
Ghani Mines (Private) Limited	*13.1.1*	-	203,977
		2,559,552	313,458

13.1.1 Ghani Mines (Private) Limited was a related party to the Company on the basis of common directorship. As at 30 June 2009, there are no common directors and therefore Ghani Mines (Private) Limited is not an associated undertaking.

13.2 These are the interest free security deposits obtained from various contractors and are being utilized in accordance with the terms of agreement.

		2009 Rupees	2008 Rupees
13.3	**Workers' profit participation fund**		
	Opening balance	**30,510,759**	32,969,205
	Provision for the year	**53,345,043**	43,383,534
	Less: Payments made during the year	**(32,661,507)**	(45,841,980)
		20,683,536	(2,458,446)
	Closing balance	**51,194,295**	30,510,759
13.4	**Workers' welfare fund**		
	Opening balance	**16,485,743**	9,615,591
	Allocation for the year	**20,271,116**	16,485,743
	Less: Payments made / reversed during the year	**(5,676,165)**	(9,615,591)
		14,594,951	6,870,152
	Closing balance	**31,080,694**	16,485,743

14 Contingencies and commitments

Contingencies

The Company has filed an appeal before the CIT (Appeals) against the assessment order passed by the taxation officer for the tax year 2006 raising an additonal tax demand of Rs. 93,925,504 on account of capital gane and amortisation of goodwill . No provision has been recorded in these financial statements against this tax demands as based on legal opionion of the tax advisor, the management expects favourable outcome.

Commitments

14.1 Aggregate amount of bank guarantees issued by banks outstanding as at balance sheet date amounted to Rs. 205.950 million (2008: Rs. 177.779 million).

14.2 Letters of credit for import of materials and stores outstanding as at balance sheet date amounted to Rs. 160.050 million (2008: Rs. 255.089 million).

15 Property, plant and equipment

	Note	**2009** **Rupees**	2008 Rupees
Operating assets	*15.1*	**2,501,292,267**	2,261,022,359
Capital work in progress	*15.4*	**135,228,659**	-
		2,636,520,926	2,261,022,359

15.1 Operating assets

	Cost					Depreciation				Net book
	As at 1 July 2008	**Additions during the year**	**Disposals during the year**	**As at 30 June 2009**	**Rate**	**As at 1 July 2008**	**For the year**	**On disposals**	**As at 30 June 2009**	**value as at 30 June 2009**
	(------Rupees------)				**%**	**(------Rupees------)**				
Owned										
Freehold land	97,171,528	9,616,606	-	106,788,134	-	-	-	-	-	**106,788,134**
Building on freehold land	314,685,081	8,471,691	-	323,156,772	10	119,196,142	19,994,011	-	139,190,153	**183,966,619**
Plant and machinery	1,764,516,272	190,838,762	(6,975,000)	1,948,380,034	10	475,709,585	130,698,146	(573,500)	605,834,231	**1,342,545,803**
Furnace	519,765,315	232,608,982	-	752,374,297	10	173,311,310	38,466,873	-	211,778,183	**540,596,114**
Tools and office equipment	11,709,851	1,895,999	-	13,605,850	10	3,549,543	917,081	-	4,466,624	**9,139,226**
Electrical equipment	7,304,282	-	-	7,304,282	10	3,406,333	389,795	-	3,796,128	**3,508,154**
Furniture and fixtures	9,308,789	1,326,840	-	10,635,629	10	3,225,053	636,998	-	3,862,051	**6,773,578**
Vehicles	49,523,757	16,323,052	(6,283,079)	59,563,730	20	26,939,853	5,113,393	(4,673,084)	27,380,162	**32,183,568**
	2,773,984,875	461,081,932	(13,258,079)	3,221,808,728		805,337,819	196,216,297	(5,246,584)	996,307,532	**2,225,501,196**
Ijarah										
Plant and machinery	304,095,918		14,482,000	318,577,918	10	80,361,306	22,955,620	-	103,316,926	**215,260,992**
Furnace	33,628,390	-	-	33,628,390	10	462,628	3,316,576	-	3,779,204	**29,849,186**
Vehicles	46,832,415	2,707,000	-	49,539,415	20	11,357,486	7,501,036	-	18,858,522	**30,680,893**
	384,556,723	17,189,000	-	401,745,723		92,181,420	33,773,232	-	125,954,652	**275,791,071**
2009	**3,158,541,598**	**478,270,932**	**(13,258,079)**	**3,623,554,451**		**897,519,239**	**229,989,529**	**(5,246,584)**	**1,122,262,184**	**2,501,2**

	Cost					Depreciation				Net book
	As at 1 July 2007	**Additions during the year**	**Disposals during the year**	**As at 30 June 2008**	**Rate**	**As at 1 July 2007**	**For the year**	**On disposals**	**As at 30 June 2008**	**value as at 30 June 2008**
	(------Rupees------)				**%**	**(------Rupees------)**				
Owned										
Freehold land	72,081,907	25,089,621	-	97,171,528	-	-	-	-	-	97,171,528
Building on freehold land	288,371,581	26,313,500	-	314,685,081	10	98,768,386	20,427,756	-	119,196,142	195,488,939
Plant and machinery	1,245,183,258		519,333,014	1,764,516,272	- 10	385,282,351	90,427,234	-	475,709,585	1,288,806,687
Furnace	519,765,315	-	-	519,765,315	10	134,816,420	38,494,890	-	173,311,310	346,454,005
Tools and office equipment	10,055,439	1,654,412	-	11,709,851	10	2,764,661	784,882	-	3,549,543	8,160,308
Electrical equipment	7,304,282	-	-	7,304,282	10	2,973,227	433,106	-	3,406,333	3,897,949
Furniture and fixtures	8,197,789	1,111,000	-	9,308,789	10	2,638,573	586,480	-	3,225,053	6,083,736
Vehicles	44,069,624	9,696,233	(4,242,100)	49,523,757	20	26,321,812	4,121,998	(3,503,957)	26,939,853	22,583,904
	2,195,029,195	583,197,780	(4,242,100)	2,773,984,875		653,565,430	155,276,346	(3,503,957)	805,337,819	1,968,647,056
Ijarah										
Plant and machinery	297,120,918		-6,975,000	304,095,918	10	55,824,821	24,536,485	-	80,361,306	223,734,612
Furnace	-	33,628,390	-	33,628,390	10	-	462,628	-	462,628	33,165,762
Vehicles	30,071,490	16,760,925	-	46,832,415	20	3,290,834	8,066,652	-	11,357,486	35,474,929
	327,192,408	57,364,315	-	384,556,723		59,115,655	33,065,765	-	92,181,420	292,375,303
2008	2,522,221,603	640,562,095	(4,242,100)	3,158,541,598		712,681,085	188,342,111	(3,503,957)	897,519,239	2,261,022,359

	Note	2009 Rupees	2008 Rupees
15.2 Depreciation charge for the year has been allocated as follows:			
Cost of sales	*26*	**212,556,323**	174,065,779
General and administrative expenses	*27*	**15,570,291**	12,750,761
Selling and distribution expenses	*28*	**1,862,915**	1,525,571
		229,989,529	188,342,111

15.3 Disposal of property, plant and equipment

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Profit	Mode of disposal	Particulars of buyer
	(-----	-----	-----Rupees-----	-----	-----)		
Plant & Machinery							
Diesel Generator	6,975,000	573,500	6,401,500	9,500,000	3,098,500	Negotiation	Alhamd International
Vehicles							
Suzuki Khyber	459,600	369,930	89,670	135,000	45,330	Negotiation	Mr. Raheel Farooq Khan
Kia Spectra	786,500	482,655	303,845	335,000	31,155	Negotiation	Mr. Imran Ali
Honda Civic	656,200		180,401	475,799 490,000	309,599	Negotiation	Mr. Naseer Ahmed
Honda Civic	875,000		271,274	603,726 440,000	168,726	Negotiation	Mr. Mahmood Ali Siddiqui
Suzuki Margalla	403,175	361,428	41,747	175,000	133,253	Negotiation	Mr. Nauman Shaukat
Toyota Corolla	505,104	379,937	125,167	440,000	314,833	Negotiation	Mr. Ali Shan
Honda City	637,000	558,926	78,074	355,000	276,926	Negotiation	Mr. Fida Hussain
Toyota Corolla	930,000	575,112	354,888	450,000	95,112	Negotiation	Mr. M. Shahid
Honda Civic	1,030,500		164,929	865,571 430,000	265,071	Negotiation	Mr. Izhar Mian
	6,283,079	4,673,084	1,609,995	3,250,000	1,640,005		
2009	**13,258,079**		**8,011,495**	**5,246,584 12,750,000**	**4,738,505**		
Vehicles							
Hyundai Shehzore	535,000	456,813	78,187	265,000	186,813	Negotiation	Habib Ullah
Kia Spectra	764,000	523,553	240,447	290,000	49,553	Negotiation	M. Riaz
Mercedes Benz Van	1,550,000	1,299,500	250,500	525,000	274,500	Negotiation	M. Kashif
Suzuki Bolan	286,000		32,932	253,068 258,000	225,068	Negotiation	Mohammad Bashir
Suzuki Khyber	459,600	397,081	62,519	180,000	117,481	Negotiation	Naseer Ahmed
Suzuki Khyber	434,000	375,166	58,834	145,000	86,166	Negotiation	Meher M. Aslam
Suzuki Pickup	213,500		14,724	198,776 160,000	145,276	Negotiation	M. Ashraf
2008	4,242,100	3,503,957	738,143	1,823,000	1,084,857		

	Note	2009 Rupees	2008 Rupees
15.4 Capital work in progress			
Plant & machinery		**4,426,272**	-
Civil works		**323,494**	-
Stores held for capital expenditure		**130,478,893**	-
		135,228,659	-

		Note	2009 Rupees	2008 Rupees
16	**Investment in associate**			
	Rak Ghani Glass LLC			
	6800 (2008: 400) fully paid ordinary shares of AED 1,000 each	*16.1*	**90,220,317**	6,592,000

16.1 Movement in equity instruments of associated company is as follows:

	2009 Rupees	2008 Rupees
Balance as at 01 July	**6,592,000**	6,592,000
Purchase of equity investment	**140,288,000**	-
	146,880,000	6,592,000
Share of losses	**(56,659,683)**	-
Balance as at 30 June	**90,220,317**	6,592,000

The Company's share of the result of its associated company, which are unlisted and incorporated in UAE, and its share of the assets, liabilities and revenue is as follows:

	Rupees			
Percentage interest held	**Assets**	**Liabilities**	**Revenue**	**Loss**
25.00%	**2,438,825,929**	**1,450,258,918**	**54,469,188**	**56,659,683**

17 Long term advance

This represents the advance given to Rak Ghani Glass LLC, UAE ("the Associate") for purchase of shares.

		Note	2009 Rupees	2008 Rupees
18	**Long term deposits**			
	Ijara finances	*18.1*	**9,933,082**	12,154,413
	Others	*18.2*	**11,273,731**	5,535,250
			21,206,813	17,689,663
	Less: Current maturity		**2,828,250**	523,500
			18,378,563	17,166,163

18.1 These represents interest free security deposits for Ijara finances and are adjustable at the expiry of respective Ijara facilities.

18.2 These represent interest free security deposits to different entities.

		Note	2009 Rupees	2008 Rupees
19	**Stores, spares and other consumables**			
	Stores and spares [in transit Rs 159.30 million (2008: Rs 234.11 million)]		**550,497,784**	725,613,382
	Fuel and lubricants		**61,134,985**	41,846,904
			611,632,769	767,460,286
20	**Stock in trade**			
	Raw material [in transit Rs. Nil (2008: Rs. 12.55 million)]		**330,736,910**	288,859,887
	Packing materials		**50,745,818**	44,950,916
	Work in process		**56,695,560**	43,173,361
	Finished goods		**354,130,591**	281,136,618
			792,308,879	658,120,782
21	**Trade debtors**			
	Local - unsecured			
	Considered good		**315,114,485**	392,904,321
	Considered doubtful		**7,203,749**	1,227,392
			322,318,234	394,131,713
	Less: Provision for doubtful debts		**(7,203,749)**	(1,227,392)
			315,114,485	392,904,321
	Foreign - secured, considered good		**34,374,362**	34,405,237
			349,488,847	427,309,558
22	**Advances, deposits and prepayments**			
	Advances			
	Employees - secured		**55,759,321**	27,314,863
	Suppliers of goods and services - unsecured		**328,483,810**	330,833,524
	Due from related parties	*22.1*	**1,836,186**	2,601,888
	Trade deposits		**-**	3,817,500
	Excise duty receivable		**-**	46,601
	Freight subsidy refundable		**1,191,717**	1,191,717
			387,271,034	365,806,093
	22.1 Due from related parties			
	Ahmad Brothers		**815,820**	109,481
	Ghani Automobile Industries Limited		**1,020,366**	1,573,690
	Al-Muhandus Corporation		**-**	590,078
	Ghani Corporation		**-**	59,662
	Ghani Mines (Private) Limited		**-**	268,977
			1,836,186	2,601,888

These amounts are in the normal course of business and are interest free.

		Note	2009 Rupees	2008 Rupees
23	**Other receivables**			
	Technical fee receivable	*23.1*	-	54,111,931
	Receivable from RAK Ghani Glass LLC	*23.2*	**9,785,689**	19,034,498
			9,785,689	73,146,429

23.1 This represents amounts receivable from sponsors of Rak Ghani Glass LLC, UAE as consideration towards the transfer of technology, patent rights for design, engineering, procurement, construction, commissioning and management of the plant operations.

23.2 This represents expenses incurred by the Company on behalf of Rak Ghani Glass LLC, UAE.

		Note	2009 Rupees	2008 Rupees
24	**Cash and bank balances**			
	Cash in hand		**3,960,623**	9,525,107
	Cash at bank			
	- current accounts		**30,521,745**	33,303,065
	- saving account	*24.1*	-	1,304,917
			30,521,745	34,607,982
			34,482,368	44,133,089

24.1 The balances in saving account bear mark-up at the rate of 5% per annum (2008: 0.1% to 5% per annum).

			2009 Rupees	2008 Rupees
25	**Sales - net**			
	Local sales		**5,449,102,870**	3,960,868,164
	Export sales		**699,868,786**	660,330,093
			6,148,971,656	4,621,198,257
	Less:	Discount	**(71,631,828)**	(60,466,072)
		Sales tax and special excise duty	**(808,337,612)**	(527,513,787)
		Commission on sales	**(77,273,072)**	(60,994,749)
			(957,242,512)	(648,974,608)
			5,191,729,144	3,972,223,649

			2009 Rupees	2008 Rupees
26	**Cost of sales**			
	Raw material consumed	*26.1*	**1,477,661,474**	1,054,800,356
	Fuel, gas and electricity		**1,176,487,090**	912,411,352
	Packing material consumed		**277,126,675**	241,996,916
	Stores and spares consumed		**152,028,854**	97,154,549
	Salaries, allowances and other benefits	*26.2*	**410,894,302**	348,668,118
	Depreciation	*15.2*	**212,556,323**	174,065,779
	Rent, rates and taxes		**5,726,003**	3,254,949
	Repair and maintenance		**4,844,143**	3,948,161
	Travelling and motor running		**13,621,837**	10,716,590
	Communication and stationery		**3,971,405**	3,832,178
	Other manufacturing expenses		**17,236,982**	9,951,013
			3,752,155,088	2,860,799,961
	Work in process			
	Opening balance		**43,173,361**	22,121,306
	Closing balance		**(56,695,560)**	(43,173,361)
			(13,522,199)	(21,052,055)
			3,738,632,889	2,839,747,906
	Finished goods			
	Opening balance		**281,136,618**	230,340,052
	Closing balance		**(354,130,591)**	(281,136,618)
			(72,993,973)	(50,796,566)
			3,665,638,916	2,788,951,340

26.1 Raw materials consumed

	2009 Rupees	2008 Rupees
Opening balance	**276,314,186**	263,256,828
Purchases	**1,532,084,198**	1,067,857,714
Closing balance	**(330,736,910)**	(276,314,186)
	1,477,661,474	1,054,800,356

26.2 Salaries, allowances and other benefits include Rs. 10.16 million (2008: Rs. 7.17 million) in respect of retirement benefits.

		Note	**2009 Rupees**	2008 Rupees
27	**Administration and other expenses**			
	Salaries, allowances and other benefits	*27.1*	**73,160,537**	56,615,862
	Communication, stationery and supplies		**10,233,016**	9,198,645
	Utilities		**1,361,533**	1,399,582
	Rent, rates and taxes		**3,798,000**	1,099,150
	Travelling and conveyance		**18,963,010**	13,827,398
	Auditors' remuneration	*27.2*	**945,000**	490,000
	Depreciation	*15.2*	**15,570,291**	12,750,761
	Legal and professional expenses		**5,916,661**	6,301,794
	Charity and donation	*27.3*	**7,231,200**	819,934
	Other expenses		**14,738,050**	13,040,082
			151,917,298	115,543,208

27.1 Salaries, allowances and other benefits include Rs. 2.80 million (2008: Rs. 4.1 million) in respect of retirement benefits.

		2009 Rupees	2008 Rupees
27.2	**Auditor’s Remuneration**		
	Statutory audit fee	**750,000**	295,000
	Half yearly review	**125,000**	125,000
	Code of corporate governance review	**30,000**	30,000
	Out of pocket expenses	**40,000**	40,000
		945,000	490,000

27.3 None of the directors and their spouses had any interest in any of the donees during the year.

	Note	2009 Rupees	2008 Rupees
28 Selling and distribution expenses			
Salaries, allowances and other benefits	*28.1*	**44,555,181**	26,510,334
Communication, stationery and supplies		**4,732,739**	2,472,201
Utilities		**406,429**	295,600
Rent, rates and taxes		**1,082,450**	1,819,816
Travelling and conveyance		**5,958,114**	6,935,698
Advertisement and sale promotion		**37,400,532**	33,940,962
Depreciation	*15.2*	**1,862,915**	1,525,571
Provision for bad debts		**5,976,357**	1,227,392
Transportation and handling		**131,056,641**	145,845,576
Other expenses		**1,366,861**	851,351
		234,398,219	221,424,501

28.1 Salaries, allowances and other benefits include Rs 1.92 million (2008: Rs. 0.77 million) in respect of retirement benefits.

	Note	2009 Rupees	2008 Rupees
29 Other operating expenses			
Workers' profit participation fund	*13.3*	**53,345,043**	43,383,534
Workers' welfare fund	*13.4*	**20,271,116**	16,485,743
Loss on sale of investment		**1,989,952**	-
		75,606,111	59,869,277
30 Other operating income			
Income from financial assets			
Gain on sale of investment		**-**	2,058,777
Profit on savings account		**193,431**	313,942
Exchange gain		**26,357,224**	-
		26,550,655	2,372,719
Income from non-financial assets			
Gain on sale of fixed assets		**4,738,505**	1,084,857
Technical fee from Rak Project		**-**	61,902,407
Breakage recovery from packing contractor		**2,775,904**	1,238,065
Scrap sales		**44,808,451**	25,727,932
		52,322,860	89,953,261
		78,873,515	92,325,980

		2009 Rupees	2008 Rupees
31	**Finance cost**		
	Profit on Ijara finances	**7,707,734**	7,428,250
	Profit on diminishing musharika	**3,101,912**	-
	Profit on short term morabaha finances	**73,338,329**	57,613,858
	Bank charges	**8,949,765**	5,917,802
		93,097,740	70,959,910
32	**Taxation**		
	Income tax		
	Current year	**248,100,016**	131,028,895
	Prior year	**(28,006,493)**	-
		220,093,523	131,028,895
	Deferred tax	**60,429,957**	137,782,111
		280,523,480	268,811,006

32.1 The current year's provision for taxation represents tax chargeable under normal and final tax regime.

32.2 Tax charge reconciliation

Numerical reconciliation between the average effective tax rate and the applicable tax rate.

	2009 %	2008 %
Applicable tax rate	**35.00**	35.00
Tax effect on separate block of income (taxable at reduced rate)	**(4.75)**	(1.72)
Tax effect of permanent differences	**0.81**	-
Tax effect of prior years provisions / reversals	**(2.82)**	-
	28.24	33.28

			2009	2008 Restated
33	**Earnings per share - basic and diluted**			
	Basic			
	Profit after taxation	*Rupees*	**712,761,212**	538,990,387
	Weighted average number of ordinary shares	*Number of shares*	**88,167,870**	88,167,870
	Earnings per share	*Rupees*	**8.08**	6.11

Diluted

There is no dilution in earnings per share as the Company has no such commitments.

34 Remuneration of Directors, Chief executive and Executives

The aggregate amounts charged in the financial statements for the year for remuneration, including all benefits to the chief executive, directors and executives of the Company are as follows:

	Chief Executive		Directors		Executives	
	2009	2008	**2009**	2008	**2009**	2008
	Rupees	Rupees	**Rupees**	Rupees	**Rupees**	Rupees
Managerial remuneration	**9,453,000**	8,220,000	**30,594,600**	23,864,000	**40,328,486**	28,279,584
Bonus	**3,308,550**	2,466,000	**7,981,200**	7,159,200	**5,570,087**	4,333,180
Medical expenses	**156,655**	-	**1,021,846**	376,480	**625,058**	507,463
Retirement benefits	**787,750**	685,000	**2,549,550**	1,988,667	**3,360,707**	2,356,632
House rent	**1,920,000**	-	**5,760,000**	-	**-**	-
	15,625,955	11,371,000	**47,907,196**	33,388,347	**49,884,338**	35,476,859
Number of persons	**1**	1	**5**	4	**42**	8

34.1 The chief executive, certain directors and executives are provided with free use of the Company maintained cars and mobile phones for official use as well as medical facility.

34.2 The aggregate amount charged in the financial statements in respect of remuneration to key management personnel is Rs. 113.417 million (2008: Rs. 80.236 million) out of which Rs. 6.698 million (2008: Rs 5.03 million) relates to retirement benefits.

35 Transactions with related parties

The related parties comprise of associated undertakings, staff retirement funds, directors and key management personnel. Amounts pertaining to related parties are disclosed in note 13 and 22 and remuneration to key management personnel are disclosed in note 34.

Related party	Relationship	Basis of relationship	Nature of transactions	2009	2008
				Rupees	Rupees
Ahmad Brothers and Company	Associated undertaking	Partners of firm are directors in the Company	Commercial purchases	**14,457,422**	6,030,929
Al-Muhandus Corporation	-do-	Partners of firm are directors in the Company	Reimbursement of utility expenses	-	276,222
			Purchase of vehicle	-	-
Ghani Automobile Industries Limited	-do-	Common directorship	Reimbursement of utility expenses	**2,339,315**	381,738
			Purchase of vehicle	-	231,034
Ghani Corporation	-do-	Partners of firm are directors in the Company	Reimbursement of utility expenses	-	25,240
Ghani Mines (Private) Limited	-do-	Common directorship	Reimbursement of utility expenses	-	249,233
			Other expenses	-	2,304,847
Ghani Value Glass Limited	-do-	Common directorship	Sales	**192,147,977**	-
Rak Ghani Glass LLC	-do-	Common directorship	Technical fee	-	61,902,407
			Other expenses	**11,887,611**	15,172,310

Ghani Mines (Private) Limited was a related party to the Company on the basis of common directorship. As at 30 June 2009, there are no common directors and therefore Ghani Mines (Private) Limited is not an associated undertaking.

36 Financial instruments

The Company has exposure to the following risks from its use of financial instruments.:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company's, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly.

36.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans to/due from related parties.Out of the total financial assets of Rs. 411.86 million (2008: Rs. 503.67 million) financial assets which are subject to credit risk amount to Rs. 407.90 million (2008: Rs. 494.14 million).

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage exposure to credit risk in respect of trade receivables, management reviews credit worthiness, references, establish purchase limits taking into account the customer's financial position, past experience and other factors. Export sales are secured through letters of credit. The management has set a maximum credit period of 60 days to reduce the credit risk. Limits are reviewed periodically and the customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date is:

	2009 Rupees	2008 Rupees
Long term deposits	**11,273,731**	5,535,250
Trade debts	**349,488,847**	427,309,558
Advances, deposits and prepayments	**3,027,903**	7,657,706
Other receivables	**9,785,689**	19,034,498
Cash and bank balances	**34,482,368**	44,133,089
	408,058,538	503,670,101

The trade debts as at the balance sheet date are classified as follows:

	2009 Rupees
Foreign	**34,374,362**
Domestic	**315,114,485**
	349,488,847

The aging of trade receivables at the reporting date is:

Not past due	**263,673,389**
Past due 30 days	**23,206,999**
Past due 60 days	**18,239,634**
Past due 90 days	**20,520,624**
Past due 180 days	**23,848,201**
Past due above one year	**-**
	349,488,847

Based on past experience the management believes that no impairment allowance is necessary except for the allowance provided in respect of trade receivables past due as some receivables have been recovered subsequent to the year end and for other receivables there are reasonable grounds to believe that the amounts will be recovered in short course of time.

36.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. 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. For this purpose the Company has sufficient running finance facilities available from various commercial banks to meet its liquidity requirements. Further liquidity position of the Company is closely monitored through budgets, cash flow projections and comparison with actual results by the Board.

Following is the maturity analysis of financial liabilities:

	Less than 6 months	**Between 6 to 12 months**	**Between 1 to 5 years**	**Total**
Ijarah finances	**17,801,427**	**17,801,427**	**18,625,545**	**54,228,399**
Diminishing musharika	**3,333,334**	**3,333,334**	**13,333,332**	**20,000,000**
Short term morabaha finances	**109,567,030**	**-**	**-**	**109,567,030**
Loan from sponsors	**12,896,000**	**-**	**-**	**12,896,000**
Trade and other payables	**591,106,665**	**-**	**-**	**591,106,665**
Markup accrued	**4,684,126**	**-**	**-**	**4,684,126**
2008-2009	**739,388,582**	**21,134,761**	**31,958,877**	**792,482,220**

	Less than 6 months	Between 6 to 12 months	Between 1 to 5 years	Total
Ijarah finances	14,008,618	14,008,618	41,693,293	69,710,529
Diminishing musharika	-	-	-	-
Short term morabaha finances	487,663,437	-	-	487,663,437
Loan from sponsors	35,277,933	-	-	35,277,933
Trade and other payables	570,976,076	-	-	570,976,076
Markup accrued	19,416,670	-	-	19,416,670
2007-2008	625,670,679	-	-	1,183,044,645

36.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

36.4 Currency risk

The Company is exposed to currency risk on foreign trade debts that are denominated in a currency other than the functional currency primarily U.S. Dollars (USD). The Company believes that it is not exposed to material currency risks.

36.5 Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	2009	2008	**2009**	2008
	Effective rate (in Percentage)		**Carrying amount (Rupees)**	
Ijarah finances	**10.36 to 16.18**	10.36 to 13.72	**54,228,399**	69,710,529
Diminishing musharika	**13.75 to 17**	-	**20,000,000**	-
Short term morabaha finances	**13.36 to 14.56**	10.27 to 14.33	**109,567,030**	487,663,437

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rates at the reporting date would not affect profit and loss account.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2008.

	100 bps	
	Increase	**Decrease**
	Rupees	
Effect on profit - 30 June 2009	**(1,837,954)**	**1,837,954**
Effect on profit - 30 June 2008	(5,573,740)	5,573,740

The sensitivity analysis prepared is not necessarily indicative of the effects on loss for the year and assets / liabilities of the Company.

36.6 Other price risk

Other price risk is 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). The Company is not exposed to any material price risk.

36.7 Fair value of financial instruments

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

36.8 Capital management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

(i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, arrange new lines of credit or sell assets to reduce debt.

The Company monitors capital on the basis of the debt-to-equity ratio - calculated as a ratio of total debt to equity.

The debt-to-equity ratios as at 30 June 2009 and at 30 June 2008 were as follows:

	2009 Rupees	2008 Rupees
Total debt	**196,691,428**	627,929,831
Total equity and debt	**3,657,562,141**	3,508,700,199
Debt-to-equity ratio %age	**5%**	18%

The decrease in the debt-to-equity ratio in 2009 resulted primarily from the reduction in borrowings during the year. This is due to the reason that the Company's management is trying to maintain the minimum borrowings level and to keep the Comapny borrowing free.

Neither there were any changes in the Company's approach to capital management during the year nor the Company is subject to externally imposed capital requirements.

	2009 Rupees	2008 Rupees
37 Cash generated from operations		
Profit before taxation	**993,284,692**	807,801,393
Adjustments for non cash and other items:		
Depreciation	**229,989,529**	188,342,111
Financial charges	**93,097,740**	70,959,910
Contribution to provident fund	**14,876,657**	10,985,051
Provision for WPPF	**53,345,043**	43,383,534
Provision for doubtful trade debts	**5,976,357**	1,227,392
Exchange gain	**(26,357,224)**	-
Share of loss of associate	**56,659,683**	-
Gain on sale of property, plant and equipment	**(4,738,505)**	(1,084,857)
	422,849,280	313,813,141
Operating profit before working capital changes	**1,416,133,972**	1,121,614,534
(Increase)/decrease in operating activities		
Store, spares loose tools and other consumable	**155,827,517**	(303,929,562)
Stock in trade	**(134,188,097)**	(42,374,921)
Trade debtors	**71,844,354**	(47,614,633)
Advances, deposits and prepayments	**(21,464,941)**	(119,394,798)
Other receivables	**63,360,740**	(42,809,397)
Trade and other payables	**34,371,597**	30,716,224
	169,751,170	(525,407,087)
Cash generated from operations	**1,585,885,142**	596,207,447

38 Plant capacity and annual production

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

	Production capacity (Tons)		Actual production (Tons)	
	2009	2008	**2009**	2008
Float glass	**127,750**	127,750	**106,089**	92,272
Hollow glass	**133,315**	115,355	**98,077**	96,068
	261,065	243,105	**204,166**	188,340

The actual production is lower than the production capacity mainly due to shut down of two furnaces at Hattar plant for a period of 3 months and 40 days for enhancement of plant capacity.

39 Date of authorization for issue

The financial statements were approved and authorized for issue on 29 September 2009 by the board of directors of the Company.

40 Subsequent event

The Board of Directors has proposed a final dividend of Rs. 3 per share (2008: Rs. 2 per share) amounting to Rs. 264,503,610 million (2008: 167.939 million) and issuance of bonus share @ 10% (2008: 5%) for the year ended 30 June 2009 at their meeting held On 29 September 2009for approval of the members at the Annual General Meeting to be held on 27 October 2009 . These financial statements do not reflect these appropriations.

41 General

Figures have been rounded off to nearest rupee.

- Loan from sponsors amounting to Rs. 35.278 million has been reclassified to interest free loan. It was previously shown under current maturities of non current liability.

- Commission on sales amounting to Rs. 60.995 million has been reclassified as a deduciton from sales. It was previously classfied in selling and distribution expenses.

Lahore:	**Chief Executive**	**Director**

GHANI GLASS LIMITED
40-L, Model Town, Lahore

FORM OF PROXY

Folio No. ______________________

No. of Shares ______________________

I/WE ____

of ____

Being a member of GHANI GLASS LIMITED ______________________

Hereby appoint Mr. ____________________________________

of ____

failing him Mr. ______________________ of ______________________

(Being a member of the company) as my/our proxy to attend, act and vote for me/us on my/our behalf at 17th ANNUAL GENERAL MEETING of the members of the Company to be held at Avari Hotel, The Mall, Lahore on Tuesday October 27, 2009 at 11:00 AM and at every adjournment thereof.

As witness my/our hand(s) this ______________________ day of ______________ 2009

Witness's Signature

Signature ______________________

Name: ______________________

Address: ______________________

Signature and Revenue Stamp

NOTES:
Proxies, in order to be effective, by the company not later than 48 hours before the meeting and must be duly stamped, signed and witnessed.