




Annual Report
2015

Faith
Experience
Innovation
Growth



Ghani Global Glass Ltd.



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Company Overview





VISION

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

MISSION

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



CORE VALUES





CORPORATE INFORMATION

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

Mian Zahid Said – Chairman
Hafiz Farooq Ahmad
Farzand Ali

COMPANY SECRETARY

Farzand Ali, FCS

AUDITORS

Rizwan & Company,
Chartered Accountants
Member Firm of DFK International

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director

HR & R COMMITTEE

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

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

SHARE REGISTRAR

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

GLASS PLANT

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

REGIONAL MARKETING OFFICE

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

REGISTERED/CORPORATE OFFICE

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

LEGAL ADVISOR

DSK Law, Lahore

BANKERS

Al Baraka Bank (Pakistan) Limited
Bank Al-Habib Limited
Bank Islami Pakistan Limited
Burj Bank Limited
Bank of Khyber
Dawood Islamic Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Mezan Bank Limited
National Bank of Pakistan
United Bank Limited

CORPORATE SOCIAL RESPONSIBILITY



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

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

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

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

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

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

QUALITY MANAGEMENT SYSTEM

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

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

We are carrying out our activities in a manner which:

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

ISO - 9001 - 2008 Certified



Environment Management System



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

"Go green for a better tomorrow, go recycling"

ISO 14001: 2004 Certified



European Technical Support

THE PRODUCTS

NEUTRAL BOROSILICATE GLASS
USP TYPE - I



CAPABLE TO PRODUCE: 5MM - 38MM (outer dia), 0.45MM - 1.50MM (wall thickness)

GLASS TUBING FOR AMPOULES



GLASS TUBING FOR VIALS



National Economy

Decades of internal political disputes and low levels of foreign investment have led to slow growth and under-development in Pakistan. Agriculture accounts for more than one-fourth of output and two-fifths of employment. Textiles account for most of Pakistan's export earnings, and Pakistan's failure to diversify its exports has left the country vulnerable to shifts in world demand. Unemployment was 6.0% in 2015, but this fails to capture the true picture, because much of the economy is informal and underemployment remains high. Pakistan's human development continues to lag behind most of the region.

The present government has since made modest progress by implementing fiscal and energy reforms, and in December 2014 the IMF described Pakistan's progress as broadly on track. Pakistan remains stuck in a low-income, low-growth trap, with growth about 4.2% during 2015 some marginal increase from 2014 which was 4.03%. Whereas Bangladesh has been growing at over 6pc for the past few years while India and China have been able to maintain average growth of 7pc in the last few years.

Policy makers of the country need to address the long-standing issues related to the government revenues and the electricity and natural gas sectors in order to spur the economic growth that will be necessary to employ its growing and rapidly urbanizing population, more than half of which is under 22. Other long term challenges include expanding investment in education and healthcare, adapting to the effects of climatic changes and natural disasters, and reducing dependence on the foreign donors.

Pakistan has been a relatively fast growing economy in comparison to other developing countries but has lagged far behind the dynamic economies of East Asia and China. The speed at which Pakistan successfully integrates into the global goods, services, financial and labor markets will determine the extent of benefit to external sector. In the absence of both diversifications of exports in composition as well as market the chances are that other countries will overtake us. The mindset, focus and efforts of the exporters in Pakistan have to undergo a radical change whereby attention to labor productivity, efficiency within the firm and plant, aggressive market and research and development should replace the traditional mode of looking to the government for concessions and subsidies. Supply of critical infrastructural facilities such as power, natural gas, pipelines and storage, roads and railways, urban mass transit, water supply and sewerage, ports and civil aviation have not kept pace with the growing demands of the industry commerce and general public. Government, despite increased development expenditures, would not be able to meet this demand in any meaningful way.

Once the Gawadar Port is fully operational and linked with the transport network of Central Asia Republics and China, the accrual of additional Economic gains to Pakistan in the coming decade shall be determined. The sooner this network, becomes effective and the Pak-China Economic Corridor network, with Chinese investment of USD46 billion, is completed the economy should be able to extract benefits of at least another 2 percentage point of GDP. The on going public and private investment projects such as construction of new dams and reservoirs, rehabilitation of canals, barrages and lining of water courses , new power generations plants, Iran Pakistan gas pipeline, Liquefied Natural Gas, oil refinery at Khalifa point, extensive road network in Baluchistan, new science and engineering universities, up-gradation of the quality of technical and vocational education, mass transit systems in Karachi and Lahore, and other projects if completed on time would give a big boost to the economy bridging some of the supply demand gaps.

Pakistan's Stock Market has achieved enormous growth during the current fiscal year as demonstrated by a sharp and impressive rise in KSE-100 index which was at the level of 29,344 at the end of last financial year and was closed at 34,398 level by the end of June 2015.

Stability in law and order situation in the business and financial hub of the country, successful operations against terrorism, and somehow capturing of the financial culprits of the nation have enlivened hope for some betterment in the economy as well.



Operations & Performance

Alhamdulillah your company has set up a brand new state-of-the-art glass tubing plant for manufacturing of glass tubes.

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

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

After successful commissioning by the European experts the plant is under trial run operation and hopefully will commence commercial production shortly.

Expenses incurred and reflecting in profit and loss account are of administrative nature along with merger expenses. However due to better cash flow management these expenses have been set off with income generated from bank deposits. Accordingly we managed to earn the profit Rs. 1.475 million against loss Rs. 0.481 million during last year. A comparison of the key financial results of your company for the year ended June 30, 2015 is as under:

Rupees in '000		
	2015	2014
Administrative expenses	5,266	435
Other operating expense	1,583	93
Operating loss	(6,849)	(529)
Other income	4,234	53
Taxation	4,409	0
Profit/ loss after taxation	1,475	(481)

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



Sales & Marketing

At present, major share of the country's requirement is met through imports from different countries. Your company has envisaged to cater the import as well as local market and will supply international standard quality product with competitive prices.

Your company has hired the services of a highly qualified and experienced team of professionals to market and sale the products. Alhamdulillah we have received very positive response from the market for supply of local high quality products. In addition to local market our team of professionals have planned to cater export business from SAARC, Middle East and African countries.

How is 2016 looking?

Alhamdulillah the management of your company is committed to the projected results. Customers are waiting for products of your company and it is expected that import of glass tubing will be discouraged and the country will also be benefited by saving in import bill. After formal entry in the market we are seeing planned business and also expecting resistance from importers. However we are committed to be the most reliable supplier in the market without compromising on quality and safety. Our teams are committed to our ambition of becoming the recognized Pakistan leader in our industry.

The country has been experiencing continuous energy crisis, however, the situation is improving to some extent. To overcome energy crisis GGG has been utilizing multiple resources to ensure the continuity of production.

Overall economy seems to be on the right path after improvement of law and order situation in the wake of military and rangers operations. Government's concentration on economic reforms, startup of Pak-China Economic Corridor project and improvement in energy crisis will help improve the business activities.

Pay Out to the Shareholders

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

Riba-Free Business

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

Safety, Health, Environment & Quality (SHEQ)

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

Quality Management System

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

Environmental Quality Management System

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

Human Resource

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

Training and Development

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

Customer Satisfaction

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

Contribution to National Exchequer

During the year under review Ghani Global Glass has contributed Rs. 90.275 million (2014: Rs. 0.531 million) in shape of taxes, duties and levies paid to central, provincial government and local authorities.

Statutory Auditors of the Company

The present auditors M/s. Rizwan & Company, Chartered Accountants retire and offer themselves for re-appointment. As suggested by the Audit Committee, the Board of Directors has recommended their re-appointment as auditors of the Company for the year ending June 30, 2016.

Staff Retirement Benefit

Ghani Global Glass operates a funded contributory Provident Fund Scheme for its employees and contributions based on salaries of the employees are made to the fund on monthly basis.

Approval of Libaas Textile Limited

After unanimous approval of merger scheme by the shareholders of Libaas Textile Limited (LTL) and your company

in the extra-ordinary general meetings separately held on 12 December 2015, the Honourable Lahore High Court Lahore sanctioned the scheme for merger / amalgamation of LTL with and into your company. The merger has been effected from 01 July 2014. Accordingly 2,000,000 ordinary shares of your company have been allotted to the shareholders of LTL in compliance with the swap ratio (01 share of Ghani Global Glass Limited against every 10 shares of LTL) sanctioned by the Court. Alhamdulillah all post-merger formalities have been successfully completed.

Listing of Ghani Global Glass

After completion of all formalities of the CDC and the stock exchanges and issuance of shares to the shareholders of LTL, your company was formally listed at Karachi and Lahore stock exchanges on 27 May 2015.

Share Price Trend

After formal listing, share price of Rs.10 each of your company opened on May 27, 2015 at Rs. 15.00 and at one stage rose as high as Rs. 20.97 during June 2015 and closed at Rs. 18.74 as on June 30, 2015.

Compliance with the Code of Corporate Governance

Ghani Global Glass has adopted the requirements of the code of Corporate Governance set out by the Karachi Stock Exchange in their Rule Book, relevant for the year ended June 30, 2015 and have been duly complied with.

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

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

Code of Conduct

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

Audit Committee

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

After formal listing from 27 May 2015, one meeting of the audit committee was held during the year ended June 30, 2015.

Relations with Stakeholder

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

Corporate Social Responsibility

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

Your company has established Corporate Social Responsibility and guidelines for corporate governance. Customer relation management is a strategic business philosophy and processes will be ensured to be rooted through the ethical practice.

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

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

Board of Directors

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

Composition of the present board of directors is as under:

Independent director	01
Non-Executive directors	06
Executive directors	-
Total number of directors	07

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

The Board of Directors, have responsibility to independently and transparently monitor the performance of the company and take strategic decisions to achieve sustainable growth in the company value.

A written notice of the board meeting along with working papers was sent to the members seven days before meetings. A total of five meetings of the Board of Directors were held during the year ended June 30, 2015.



The attendance of the board members' is as follows:

Name of the Director	No. of meeting attended
Masroor Ahmad Khan	05
Atique Ahmad Khan	05
Hafiz Farooq Ahmad	05
Rabia Atique	04
Saira Farooq	03
Farzand Ali	05
Mazir Ahmad	05

Resigned on 19 September 2015. To fill the casual vacancy, Mian Zahid Said has been appointed as Independent Director with effect from 22 September 2015.

Remunerations to the CEO

During the year under review, no remuneration has been paid to the CEO of the Company.

Corporate and financial framework

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

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

Provident Fund Rs. 6.813 million (2014:Rs. NIL).

Pattern of shareholding under code of corporate governance

A statement of the pattern of shareholding of certain class of shareholders as at June 30, 2015, whose disclosure is required under the reporting framework, is included in the annexed shareholder's information.

Post balance sheet events

No material changes or commitments affecting the financial position of the company have occurred between the end of financial year of the company and date of this report except commencement of trial run operation by the company.


CODE OF CONDUCT

Acknowledgement

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

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

For and on behalf of the Board of Directors



Atique Ahmad Khan
Chairman

Lahore
October 03, 2015

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

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

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

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

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

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

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

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

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

On behalf of the Board of Directors

Atique Ahmad Khan
Chairman

STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 30 JUNE 2015

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

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

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

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



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


2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. A casual vacancy on the board is filled up by the directors within 90 days.
5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board/shareholders.

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

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

20. The statutory auditors or the persons associated with them have not been appointed to providing other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that all other material principles enshrined in the CCG have been complied with.

On behalf of the Board of Directors


 (ATIQUE AHMAD KHAN)
 Chairman

Lahore
October 03, 2015.

We have reviewed the Statement of Compliance (the Statement) with the best practices contained in the Code of Corporate Governance (the Code) for the year ended **30 June 2015** prepared by the Board of Directors of **GHAM GLOBAL GLASS LIMITED** (the Company) comply with the regulations of the respective Stock Exchanges, where the Company is listed.

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

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective's audit approach. We have not carried out any special review of the internal control systems to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Further, Listing Regulations of Karachi Stock Exchange requires the Company to place before the Board of Directors for their consideration and approval, related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price, recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance requirement to the extent of approval of related party transactions by the Board Directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code for the year ended **30 June 2015**.

Lahore: 03 OCT 2015


 Rizwan & Company
 Chartered Accountants

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

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

- a) Determination of appropriate measures to safeguard the company's assets;
- b) Review of preliminary announcements of results prior to publication;
- c) Review of quarterly, half-yearly and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on:
 - major judgmental areas;
 - significant adjustments resulting from the audit;
 - the going concern assumption;
 - any changes in accounting policies and practices;
 - compliance with applicable accounting standards;
 - compliance with listing regulations and other statutory and regulatory requirements; and
 - significant related party transactions
- d) Facilitating the external audit and discussion with the external auditors of major observations arising from the interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) Review of management letter issued by external auditors and managements response thereto;
- f) Ensuring coordination between the internal and external auditors;
- g) Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed;
- h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- i) Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and reporting structure are adequate and effective;
- j) Review of company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- k) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;
- l) Determination of compliance with relevant statutory requirements;
- m) Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof;
- n) Consideration of any other issue or matter as may be assigned by the Board of Directors; and
- o) Recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision by the external auditors of any service to the company in addition to audit of its financial statements.

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

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

The committee shall be responsible for:

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

SIX YEARS AT A GLANCE

	2015	2014	2013	2012	2011	2010
Profit and Loss Account						
Administrative and general expenses	(5,265,905)	(528,721)	(397,402)	(518,154)	(667,202)	(816,900)
Other operating expenses	-	(5,193)	(679)	(459)	(568)	(960)
Other income	4,233,666	53,375	486,565	407,026	1,717	5,737
Provision for taxation	4,409,434	-	(2,319)	-	-	-
Profit/ (loss) after taxation	1,475,041	(480,539)	66,165	111,587	666,053	812,123
Earning per share- basic and diluted	0.03	(0.02)	0.00	0.00	(0.02)	(0.03)
Balance Sheet						
Share Capital	500,000,000	480,000,000	310,000,000	310,000,000	310,000,000	300,000,000
Shareholders Equity	490,567,384	469,092,343	299,572,882	299,506,717	300,035,304	298,744,357
Fixed Assets including in process	1,106,509,355	314,943,695	303,492,770	299,809,026	300,733,112	299,529,691
Current Assets	124,602,674	161,854,200	1,567,872	1,262,245	795,916	650,390
Current Liabilities	141,673,885	7,925,932	928,140	921,334	850,921	865,724

