



3rd Quarter
March 2017

Faith
Experience
Innovation
Growth

Ghani Global Group

Ghani Gases Limited
Manufacturer of Industrial & Medical Gases



CORPORATE INFORMATION

BOARD OF DIRECTORS

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

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director
Director

AUDIT COMMITTEE

Mian Zahid Said – Chairman
Masroor Ahmad Khan
Rabia Atique
Saira Farooq

HR & R COMMITTEE

Mian Zahid Said – Chairman
Atique Ahmad Khan
Ayesha Masroor
Saira Farooq

COMPANY SECRETARY

Farzand Ali, FCS

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

LEGAL ADVISOR

DSK Law, Lahore

AUDITORS

Rizwan & Company
Chartered Accountants
Member Firm of DFK International

SHARE REGISTRAR

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

BANKERS

Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Burj Bank Limited
Bank Islami Pakistan Limited
Bank Al Habib
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited
Habib Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank
Summit Bank Limited
Soneri Bank
The Bank of Punjab
The Bank of Khayber
United Bank Limited

GGL-I PLANT

52-K.M. Lahore Multan Road,
Phool Nagar Distt. Kasur
Ph: (042) 37006353-54, Fax: (042) 37006356
E-mail: ggl1plant@ghaniglobal.com

GGL-II PLANT

53-A, Chemical Area, Eastern Industrial Zone,
Port Qasim, Karachi.
Ph: (021) 34740540-41 Fax: (021) 34740542
E-mail: ggl2plant@ghaniglobal.com

GGL-III

Main G.T. Road, Tarnol, Islamabad
Email: sales.west@ghaniglobal.com

REGIONAL MARKETING OFFICE

215, Block C, Gulshan-e-Jamal
Near Al Hilal Masjid, Rashid Minhas
Road, Karachi.
Phone: 021-34330595
Email: sales.south@ghaniglobal.com

REGISTERED/CORPORATE OFFICE

10-N, Model Town Ext. Lahore-54000, Pakistan
UAN: (042)111-ghani1(442-641)
Phone: 042-35161424-5, Fax: 042-35160393
Email: info@ghaniglobal.com
Website: www.ghaniglobal.com
www.ghanigases.com



DIRECTORS' REPORT

Dear Members

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The Directors of your Company are pleased to present the unaudited condensed interim financial statements of the Company for the period ended March 31, 2017, in compliance with the requirements of Companies Ordinance, 1984.

OVERVIEW OF THE ECONOMY

As Pakistan continues its march from being a frontier economy to becoming an emerging market, 2017 may be the best year in the country's 70-year-long history. From increase in foreign investment, creation of Export-Import Bank to likely changes in the auto industry, here's what we predict will happen to Pakistan's economy this year. Although gross domestic product (GDP) growth forecasts by International Monetary Fund, World Bank and federal budget vary, Pakistan's GDP is likely to grow by 4.7 per cent this year. The annual GDP may increase from \$270 billion to around \$300 billion and for the first time, the Purchasing Power Parity may cross the \$1 trillion mark. Pakistan is currently 40th largest economy in the world and our ranking may improve by a point or two. Pakistan will enter MSCI's Emerging Markets category in May, meaning larger amounts will inflow. MSCI is a leading provider of international investment decision support tools. In 2016, Pakistan Stock Exchange (PSX) provided 46 per cent returns. KSE-100 benchmark index is also likely to cross 55,000 points from current nearly 49,000 points. Forty per cent stakes in PSX will go to Chinese consortium and this is likely to bring large institutional investors from other countries. More large shopping malls will be built or become operational across major urban centres. Superstore chains will open new stores in unprecedented three-digit numbers. The ongoing and planned investments under the flagship economic corridor project between Pakistan and the People's Republic of China, as well as other regional cooperation initiatives, are spurring development activity and some market optimism. Sustained economic reforms and an improvement in the security environment should further boost business confidence and foster increased private investment.

FINANCIAL PERFORMANCE:

Your Company's sales during the period have very increased to Rs. 1,273 million against Rs. 1,264 million as compared to last period depicting increase of 0.65%. Gross profit has increased to Rs. 400 million against the gross profit of Rs. 385 million as compared to last period posting increase in gross profit rate to 35.60% from 34.60% of Net Sales. Distribution cost and administrative expenses increased in absolute term and in terms of percentage of net sales. This period operating profit has decreased to Rs. 201 million against profit of Rs. 274 million as compared to last period. During the period under reference, profit before taxation stands at Rs. 120 million as compared to last period's figure of Rs. 183 million. Profit after tax has also decreased to Rs. 98 million from Rs. 119 million, along with earnings per share (EPS) also decreased to Rs. 0.79 against EPS of Rs. 1.53 if compared with the last period.

A comparison of the key financial results of your Company for the Quarter ended March 31, 2017 with the same period of last year is as under:



Particulars	Rupees in '000' except EPS	
	March 2017	March 2016
Sales	1,272,924	1,264,731
Net Sales	1,122,461	1,113,508
Gross Profit	399,546	385,294
- As %age of net sales	35.60%	34.60%
Distribution cost	118,755	100,413
- As %age of net sales	10.58%	9.02%
Administrative expenses	87,375	71,680
- As %age of net sales	7.78%	6.44%
Operating profit	200,501	273,738
- As %age of net sales	17.86%	24.58%
Profit before taxation	119,645	183,150
Net Profit	98,176	118,897
Earnings per share	0.79	1.53

FUTURE OUTLOOK

Future outlook is seemingly quite positive owing to enhancement of our production capacity and recent development in industrial and medical gases manufacturing sector. As our product is directly related to growth in industrial sector so CPEC activities and establishment of Industrial Estates throughout the country envisage a rise in demand of industrial and medical gases.

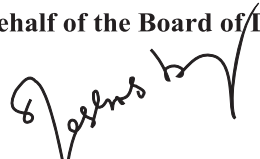
Work on set up of another 110 tons per day ASU plant is in progress in accordance with the planned targets. Selection process of plant and machinery has been completed. Shortly we will be in position to place import orders. On the other hand, subsidiary of your company in the name of Ghani Chemical Industries (Pvt) Limited is setting up import substitute chemical project. Land for this purpose has already acquired. Selection of plant and machinery and prerequisites for set up of the project are under process.

In addition to above ventures your company has invested Rs. 450 million in Ghani Global Glass Limited an associated undertaking in shape of equity by acquiring 25,000,000 ordinary shares (equal to 25% of total capital). This project has commenced the production of import substitute in April 2016. Further this associated company has just commenced the value addition products.

After completion of expansion projects sales as well as profitability of your company are expected to be improve.

Keeping in view the company's performance and upcoming developments, your directors look forward a bright future of your company. Insha Allah.

For and behalf of the Board of Directors


MASROOR AHMAD KHAN
(CHAIRMAN)

Lahore
April 28, 2017



ڈائریکٹرز رپورٹ

پیارے ممبران

السلام علیکم ورحمۃ اللہ وبرکات

آپ کی کمپنی کے ڈائریکٹران کمپنیز آرڈیننس 1984 کی ضروریات کی تعمیل میں کمپنی (غنی گیسز لمیٹڈ) کے تخفیف شدہ آڈٹ کے بغیر عبوری نو ماہی حسابات بابت 31 مارچ 2017 پیش کرنے میں خوشی محسوس کرتے ہیں۔

اکانومی کا جائزہ

ملکی 70 سالہ تاریخ میں موجودہ پاکستان ایک ابھرتی ہوئی اکانومی کی طرف مارچ کرتا نظر آتا ہے۔ فارن انوسٹمنٹ میں اضافہ سے لیکرا ایکسپورٹ اپورٹ بینک کا قیام اور آٹو انڈسٹری میں تبدیلی سے ہم اندازہ لگا سکتے ہیں کہ اس سال پاکستان کی اکانومی میں کیا ہونے والا ہے۔ اگرچہ انٹرنیشنل مونیٹری فنڈ، ورلڈ بینک اور فیڈرل بجٹ کے اندازے کے خلاف اس سال پاکستان کا جی ڈی پی گروتھ 4.7 فیصد ہونا چاہیے۔ سالانہ جی ڈی پی گروتھ 270 بلین ڈالر سے تقریباً 300 بلین ڈالر ہو جائے گا اور پہلی مرتبہ قوت خرید ایک ٹریلین ڈالر کے نشان کو عبور کر جائے گی۔ پاکستان اس وقت دنیا کی چالیسویں بڑی اکانومی ہے اور ہماری درجہ بندی میں ایک سے دو پوائنٹ کا اضافہ ہو سکتا ہے۔ MSCI مئی میں پاکستان کو ابھرتی ہوئی معیشت کی کیٹیگری میں شامل کرے گا، اس کا مطلب ہے زیادہ رقوم کا بہاؤ ہوگا۔ MSCI انٹرنیشنل انوسٹمنٹ کے فیصلوں میں ایک اہم فورم مانا جاتا ہے۔ 2016 میں پاکستان کی سٹاک مارکیٹ (PSX) نے 46 فیصد ریٹرن دیا۔ KSE-100 بیچ مارک موجودہ 49000 پوائنٹس سے 55000 پوائنٹس کر اس کر سکتا ہے۔ PSX کا 40 فیصد چائنیز کنسورشیم نے لے لیا اور یہ دوسرے ممالک سے بہت بڑی انسٹی ٹیوشنل انوسٹمنٹ ہے۔ بڑے شہروں میں مزید شاپنگ مال تعمیر ہونگے۔ سپرسٹورز چین بے مثال نئے سٹورز کھول رہے ہیں۔ موجودہ اور منصوبہ بندی کے تحت انوسٹمنٹ موجودہ اور عوامی جمہوریہ چین کے درمیان منصوبوں کی انوسٹمنٹ اور اس طرح رجسٹریشن کو آپریشن کے اقدامات ترقی کی سرگرمیوں اور مارکیٹ رجائیت کا باعث ہیں۔ اکنامک اصلاحات اور سیکورٹی کے ماحول میں اضافہ پرائیوٹ انوسٹمنٹ کو فروغ اور کاروبار میں اعتماد کا باعث ہیں۔

مالیاتی کارکردگی

اس عرصہ میں آپ کی کمپنی کی سیل 1,273 ملین روپے رہی جو پچھلے عرصے میں 1,264 ملین روپے تھی جو پچھلے عرصے سے 0.65 فیصد زیادہ ہے۔ کل منافع 400 ملین روپے جو پچھلے عرصے میں 385 ملین روپے تھا اس طرح کل منافع کی شرح بہتر ہو کر 34.60 فیصد کے مقابلے میں 35.60 فیصد رہی۔ تقسیم کاری کی لاگت اور انتظامی اخراجات میں اضافہ خالص سیل کے تناسب سے بڑھا اس مدت کے دوران آپریٹنگ منافع 201 ملین روپے سے کم ہو کر 274 ملین روپے رہا۔ اسی طرح اس مدت کے دوران ٹیکس سے قبل منافع 120 ملین روپے رہا جبکہ پچھلے عرصے میں یہ رقم 183 ملین روپے تھی۔ بعد از ٹیکس منافع کم ہو کر 98 ملین روپے رہا جبکہ پچھلے عرصے میں یہ رقم 119 ملین روپے تھی۔ اس طرح فی حصص آمدنی (EPS) کم ہو کر 0.79 پیسے جبکہ پچھلے عرصے میں یہ آمدن 1.53 روپے فی حصص تھی۔



اہم مالیاتی نتائج بابت نو ماہی حسابات 31 مارچ 2017 کا موازنہ مندرجہ ذیل ہے

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Net Profit	98,176	118,897
Earnings per share	0.79	1.53

مستقبل کے امکانات

اندازہ ہے کہ مستقبل میں انڈسٹریل میڈیکل گیسز سیکٹر کی نشوونما، بہتری اور پیداواری استعداد میں اضافہ متوقع ہے۔ چونکہ ہماری مصنوعات براہ راست انڈسٹریل سیکٹر کی نشوونما سے متعلقہ ہیں، اس لئے سی پیک کی سرگرمیوں اور پورے ملک میں انڈسٹریل اسٹیٹس کے قیام کی بدولت انڈسٹریل میڈیکل گیسز کی کھپت میں اضافہ ہوگا۔

مصنوعات کا آغاز کر دیا ہے۔ اس ویلیو آڈیشن پر وجیکٹ کو لگانے کے لئے دنیا کی جانی پہچانی ایپوز اور وائلز بنانے والی OCMI اور SPAMI مشینری درآمد کر کے لگائی گئی ہے۔

اس ضمن میں یہ واحد کمپنی ہے جو آخر سے آخری حل (End to End Solution) یعنی ٹیوبنگ کی پروڈکشن سے آخری مصنوعات فراہم کر رہی ہے۔ امید ہے یہ ویلیو آڈیشن اپنے مطلوبہ اہداف کے مطابق 110 ٹن یومیہ کے ASU پلانٹ کی تنصیب کے توسیعی منصوبے پر کام جاری ہے۔ پلانٹ و مشینری کا انتخاب کر لیا گیا ہے اور بہت جلد ہم مشینری کی درآمد کے آرڈر جاری کرنے کی پوزیشن میں ہونگے۔ دوسری طرف آپ کی کمپنی کا ذیلی ادارہ بنام غنی کیمیکل انڈسٹریز (پرائیوٹ) لمیٹیڈ درآمد کے متبادل کیمیکل پر وجیکٹ کی تنصیب کر رہا ہے۔ اس مقصد کے لئے زمین خریدی جا چکی ہے۔ پلانٹ و مشینری کا انتخاب اور پلانٹ کی تنصیب کی دوسری شرائط کو پورا کرنے کا کام جاری ہے۔

اوپر بیان کئے گئے منصوبوں کے علاوہ آپ کی کمپنی نے غنی گلوبل گلاس لمیٹیڈ (جو کہ ایک ساتھی کمپنی ہے) کے 25,000,000 عمومی شیئرز (جو کل شیئرز کا 25 فیصد ہے) خریدنے کے لئے



450 ملین روپے کی سرمایہ کاری کی ہے۔ اس پراجیکٹ نے اپریل 2016 میں درآمد کے متبادل پروڈکشن شروع کی۔ اس کے علاوہ اس ساتھی کمپنی نے ابھی حال ہی میں ویلیو ایڈیشن پروڈکشن کی پروڈکشن کا آغاز کیا ہے۔

ان توسیعی منصوبوں کی تکمیل کے بعد آپ کی کمپنی کی سیلز اور منافع میں اضافہ متوقع ہے۔

کمپنی کی کارکردگی اور آئندہ پیش رفتوں کو مد نظر رکھتے ہوئے ڈائریکٹران کمپنی کا مستقبل روشن دیکھ رہے ہیں۔ انشاء اللہ

منجانب بورڈ آف ڈائریکٹرز

مسرور احمد خالی
چیئر مین

لاہور

28 اپریل 2017



CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017 (UN-AUDITED)

		UN-AUDITED March 31, 2017	AUDITED June 30, 2016		UN-AUDITED March 31, 2017	AUDITED June 30, 2016
	Note	(Rupees '000)			(Rupees '000)	
EQUITY AND LIABILITIES				ASSETS		
Share capital and reserves				Non-current assets		
Authorized share capital				Property, plant and equipment		
200,000,000 (June 2016: 125,000,000) ordinary shares of Rs. 10 each		2,000,000	1,250,000	Operating fixed assets - tangible	2,802,048	2,529,455
Issued, subscribed and paid up share capital	7	1,247,813	1,247,813	Assets subject to ijarah financing	683	152,851
Capital reserve - Share premium		535,067	535,067	Capital work in progress	93,875	79,409
Unappropriated profits		527,509	429,333		2,896,606	2,761,715
Loan from sponsors		756,000	501,200	Intangible assets	70	70
Total equity		3,066,389	2,713,413	Long term investment	492,497	500
Non-current liabilities				Long term deposits	56,978	68,909
Long term financing	8	1,097,983	399,408		3,446,151	2,831,194
Liabilities against assets subject to ijarah financing		-	40,554	Current assets		
Long term security deposits		23,275	19,800	Stores and spares	90,811	103,532
Deferred taxation		242,380	194,227	Stock in trade	33,953	26,282
		1,363,638	653,989	Trade debts	367,553	406,397
Current liabilities				Loans and advances	240,926	150,296
Trade and other payables		98,655	296,823	Trade deposits and short term prepayments	32,055	48,053
Accrued profit on financing		15,832	24,733	Balance with statutory authorities	17,141	24,076
Short term financing - secured		65,500	431,034	Other receivables	55	1,759
Current portion of long term liabilities		229,877	734,807	Advance income tax	252,481	220,593
Provision for taxation		20,339	47,024	Cash and bank balances	379,104	1,089,641
		430,203	1,534,421		1,414,079	2,070,629
Total liabilities		1,793,841	2,188,410	TOTAL ASSETS	4,860,230	4,901,823
CONTINGENCIES AND COMMITMENTS	9	-	-			
TOTAL EQUITY AND LIABILITIES		4,860,230	4,901,823			

The annexed notes from 1 to 18 form an integral part of this consolidated condensed interim financial information.

Statement under section 241(2) of the Companies Ordinance, 1984:

This condensed interim unconsolidated financial information has been signed by two Directors instead of Chief Executive Officer and one Director as the Chief Executive Officer is not for the time being in Pakistan.


MASROOR AHMAD KHAN
 (DIRECTOR)


FARZAND ALI
 (DIRECTOR)



CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)

	Note	NINE MONTHS ENDED		QUARTER ENDED	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
		(Rupees '000)		(Rupees '000)	
Gross Sales - Local		1,272,924	1,264,731	513,686	468,925
Less:					
Sales tax		150,463	151,223	62,163	58,081
Net sales		1,122,461	1,113,508	451,523	410,844
Cost of sales	10	722,915	728,214	280,492	257,091
Gross Profit		399,546	385,294	171,031	153,753
Distribution cost		118,755	100,413	40,525	37,807
Administrative expenses		87,375	71,680	40,257	25,149
Other operating expenses		10,215	8,142	5,743	3,412
		216,345	180,235	86,525	66,368
Other income		183,201	205,059	84,506	87,385
		17,300	68,679	5,673	4,851
		200,501	273,738	90,179	92,236
Finance cost		75,853	90,588	27,705	31,679
Share of loss - associated companies		5,003	-	5,003	-
Profit before taxation		119,645	183,150	57,471	60,557
Taxation		21,469	64,253	22,109	40,786
Profit after taxation		98,176	118,897	35,362	19,771
Earnings per share					
- basic and diluted	11	0.79	1.53	0.28	0.25

The annexed notes from 1 to 18 form an integral part of this condensed interim unconsolidated financial information.

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MASROOR AHMAD KHAN
(DIRECTOR)


FARZAND ALI
(DIRECTOR)

3rd Quarter March 2017 | 08



**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)**

	NINE MONTHS ENDED		QUARTER ENDED	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Rupees '000)		(Rupees '000)	
Net profit for the period	98,176	118,897	35,362	19,771
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period	98,176	118,897	35,362	19,771

The annexed notes from 1 to 18 form an integral part of this condensed interim unconsolidated financial information.

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MASROOR AHMAD KHAN
(DIRECTOR)


FARZAND ALI
(DIRECTOR)



CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)

	Note	March 31, 2017	March 31, 2016
		(Rupees '000)	
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
Cash generated from operations	12	42,023	225,620
Finance cost paid		(84,755)	(88,085)
Income tax paid		(31,888)	(52,500)
		(116,643)	(140,585)
Net cash (used in) / generated from operating activities		(74,620)	85,035
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Property, plant and equipment purchased		(198,950)	(246,313)
Proceeds from disposal of property, plant and equipment		2,363	1,450
Long term investments		(497,000)	44,633
Long term deposits		11,931	(1,046)
Net cash used in investing activities		(681,656)	(201,276)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Long term Financing		231,826	7,834
Loan from sponsors		254,800	(22,708)
Short term financing		(365,533)	245,939
Dividend paid		(92)	(86,734)
Long term security deposits		3,475	(2,150)
Liabilities against assets subject to ijarah financing paid		(78,737)	(47,022)
Net cash generated from financing activities		45,739	95,159
Net decrease in cash and cash equivalents		(710,537)	(21,082)
Cash and cash equivalents at the beginning period		1,089,641	226,739
Cash and cash equivalents at the end of the period		379,104	205,657

The annexed notes from 1 to 18 form an integral part of this condensed interim unconsolidated financial information.

Statement under section 241(2) of the Companies Ordinance, 1984:

This condensed interim unconsolidated financial information has been signed by two Directors instead of Chief Executive Officer and one Director as the Chief Executive Officer is not for the time being in Pakistan.


MASROOR AHMAD KHAN
(DIRECTOR)


FARZAND ALI
(DIRECTOR)



CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)

	Share capital	Share premium	Un-appropriated profit	Loan from sponsors	Total
	(Rupees '000)				
Balance as at July 01, 2015 - (audited)	742,746	30,000	341,627	1,027,969	2,142,342
Loan received / (paid) during the period	-	-	-	(22,708)	(22,708)
Net profit for the period	-	-	118,897	-	118,897
Final dividend @ Rs 1 per share	-	-	(74,275)	-	(74,275)
Other comprehensive income for the period	-	-	-	-	-
	-	-	44,622	-	44,622
Balance as at March 31, 2016 - (Un-audited)	742,746	30,000	386,249	1,005,261	2,164,256
Balance as at July 01, 2016 - (audited)	1,247,813	535,067	429,333	501,200	2,713,413
Loan received during the period	-	-	-	254,800	254,800
Net profit for the period	-	-	98,176	-	98,176
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income	-	-	98,176	-	98,176
Balance as at March 31, 2017 - (Un-audited)	1,247,813	535,067	527,509	756,000	3,066,389

The annexed notes from 1 to 18 form an integral part of this condensed interim unconsolidated financial information.

Statement under section 241(2) of the Companies Ordinance, 1984:

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MASROOR AHMAD KHAN
(DIRECTOR)


FARZAND ALI
(DIRECTOR)



**SELECTED NOTES TO THE CONDENSED INTERIM
UNCONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)**

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a private limited company under the Companies Ordinance, 1984 on November 19, 2007, converted into public limited company on February 12, 2008 and became listed on Pakistan Stock Exchange on January 05, 2010. The registered office of the company is situated at 10-N Model Town Extension, Lahore. The Company is engaged in the manufacturing, sale and trading of medical and industrial gases and chemicals.

2. BASIS OF PREPARATION

2.1 *Statement of compliance*

This condensed interim unconsolidated financial information has been prepared in accordance with the International Accounting Standard (IAS) - 34 “Interim Financial Reporting” as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP) and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed.

This condensed interim unconsolidated financial information does not include the information reported for annual financial statements and should be read in conjunction with the audited annual published financial statements for the year ended June 30, 2016.

2.2 *Functional and presentation currency*

This condensed interim unconsolidated financial information is presented in Pak Rupees which is the functional and presentation currency for the Company.

2.3 *Changes in standards, interpretations and amendments to published approved accounting standards and IFRS*

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the period and are mandatory for accounting periods beginning on or after July 01, 2016 but are considered not to be relevant or have any significant effect on the company's operations and are, therefore, not disclosed in this condensed interim unconsolidated financial information.



2.4 *Standards, interpretations and amendments to published approved accounting standards and IFRS that are not yet effective*

There are other amendments to the standards and new interpretations that are mandatory for accounting periods beginning on or after January 01, 2016 but are considered not to be relevant or do not have any significant effect on company's operations and are, therefore, not detailed in this condensed interim unconsolidated financial information.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of this condensed interim unconsolidated financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended June 30, 2016.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

During preparation of this condensed interim unconsolidated financial information, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual financial statements of the Company for the year ended June 30, 2016.



		Un-audited March 31, 2017	Audited June 30, 2016
		(Rupees '000)	
5	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets		
	Opening book value	2,529,455	2,293,837
	Additions & transfer during the period/year	333,310	306,717
	Deletions during the period/year	(2,132)	(4,150)
		2,860,633	2,596,404
	Less:		
	Depreciation charged for the period/year	58,585	66,949
		2,802,048	2,529,455
5.1	Additions during the period/year		
	Land - Freehold hold	-	2,200
	Building on freehold land	27	6,909
	Plant and machinery	309,936	283,440
	Furniture and fixtures	2,477	2,740
	Office equipments	74	1,331
	Computers	2,328	1,862
	Vehicles	18,468	8,235
		333,310	306,717
5.2	Deletions during the period/year		
	Vehicles	2,132	4,150
		2,132	4,150
6	LONG TERM INVESTMENTS		
	Investment in wholly owned subsidiary	47,500	500
	Investment in associated company	450,000	-
	Share of loss of associated company	(5,003)	-
		444,997	-
		492,497	500

6.1 The wholly owned subsidiary company was incorporated in Pakistan as private limited company on November 23, 2015 under Companies Ordinance, 1984.

6.2 The company has made investment in its associated company i.e. Ghani Global Glass Limited, 25,000,000 shares at the rate Rs. 18 per share.

6.3 Share of loss of associated company is based on unaudited financial information for the period ended March 31, 2017.



7 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un-audited March 31, 2017 (NUMBER OF SHARES)	Audited June 30, 2016		Un-audited March 31, 2017 (Rupees '000)	Audited June 30, 2016
122,956,711	122,956,711	Ordinary shares of Rupees 10 each fully paid in cash	1,229,567	1,229,567
13,000	13,000	Ordinary shares of Rupees 10 each issued for consideration other than cash	130	130
1,811,575	1,811,575	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	18,116	18,116
<u>124,781,286</u>	<u>124,781,286</u>		<u>1,247,813</u>	<u>1,247,813</u>

8 LONG TERM FINANCING

Opening balance	1,095,717	641,715
Add: Addition during period / year	231,827	454,002
Closing balance	<u>1,327,544</u>	<u>1,095,717</u>
Less: Current portion shown under current liabilities	229,561	696,309
	<u>1,097,983</u>	<u>399,408</u>

8.1 During the quarter ended March 31, 2017, the Company issued Rated, Privately Placed and Secured Long Term Islamic Certificates (Sukuk) of Rs. 1,300 million divided into 13,000 certificates of Rs. 100,000 each for a period of 6 years under an agreement dated December 22, 2016. The said certificates are redeemable in 24 equal quarterly installments starting from May 03, 2017 ending no later than February 3, 2023. The rate of rental payment is 3 month KIBOR plus 1 percent per annum payable on quarterly basis in arrears on outstanding principal amount. These certificates are secured against first pari passu charge over present and future fixed assets of the Company inclusive of a 20% margin. These Certificates have been inducted into Central Depository System (“CDS”) of the Central Depository Company of Pakistan Ltd (“CDC”).

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no material changes in contingencies as disclosed in the note to the financial statements for the year ended June 30, 2016.



9.2 Commitments

9.2.1 Commitment in respect of letter of credit amounted to Rupees 223.55 million (June 2016: Rupees 140.97 million).

9.2.2 Commitment for construction of building as at balance sheet date amounted to Rupees 7.0 million (June 2016 : Rupees 8.0 million)

10 COST OF SALES

	(Un-Audited)		(Un-Audited)	
	Nine Months ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Rupees '000)		(Rupees '000)	
Stores and spare parts consumed	19,677	15,842	6,297	6,139
Fuel and power	360,290	331,138	127,124	97,057
Salaries, wages and other benefits	46,803	47,827	15,179	15,569
Communication	476	699	205	301
Repair and maintenance	27,487	25,076	4,904	8,674
Travelling, vehicle running and maintenance	5,187	3,395	1,997	1,053
Insurance	4,289	4,105	1,641	1,291
Depreciation	51,079	44,911	19,502	15,458
Staff welfare	6,892	4,222	2,223	2,375
Transportation	5,970	2,846	2,980	1,714
Other factory overheads	21,136	26,282	9,578	6,329
Cost of goods manufactured	549,286	506,343	191,630	155,960
Finished goods:				
Opening stock	26,282	36,206	24,180	36,438
Purchases	181,300	216,319	98,635	95,347
Closing stock	(33,953)	(30,654)	(33,953)	(30,654)
	173,629	221,871	88,862	101,131
	722,915	728,214	280,492	257,091

11 EARNING PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share.



12 CASH GENERATED FROM/ (USED IN) OPERATIONS

Profit before taxation

Adjustments For:

Depreciation

Finance cost

Gain on disposal of assets

Share of loss of associated company

Working capital changes (Note 12.1)

(Un-Audited)		
Nine Months ended		
March 31, 2017	March 31, 2016	
(Rupees '000)		
119,645	183,150	
61,928	57,570	
75,853	90,588	
(231)	(688)	
5,003	-	
(220,175)	(105,000)	
42,023	225,620	

12.1 Working capital changes

Cash flows generated from/(used in) working capital changes

(Increase) / decrease in current assets:

Stores, spare parts and loose tools

Stock in trade

Trade debts

Loans and advances

Trade deposits and short term prepayments

Balance with statutory authorities

Other receivables

Increase/(decrease) in current liabilities:

Trade and other payables

(Un-Audited)		
Nine Months ended		
March 31, 2017	March 31, 2016	
(Rupees '000)		
12,721	(13,914)	
(7,671)	5,552	
38,844	15,504	
(90,630)	(127,246)	
15,998	4,236	
6,935	(6,421)	
1,704	(4)	
(22,099)	(122,293)	
(198,076)	17,293	
(220,175)	(105,000)	

13 RELATED PARTY TRANSACTIONS

Transaction with related parties and associated undertakings are as follows:

<u>Name</u>	<u>Nature of transaction</u>		
<i>Associated companies / undertakings</i>			
Associated Companies	Supplies	23,443	35,575
	Investment	450,000	(45,133)
	Guarantee Charges	1,950	1,950
	Services	9,000	5,000
Subsidiary Company	Investment	47,000	500
Staff Provident fund	Contribution	13,063	10,956
Sponsors	Loan received / (repaid)	254,800	(22,708)



14 SEGEMENT INFORMATION

Segment results are as follows:

	NINE MONTHS ENDED					
	MARCH 31, 2017			MARCH 31, 2016		
	Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
	(Rupees '000)					
Net Sales	947,250	175,211	1,122,461	894,289	219,219	1,113,508
Cost of Sales	(575,685)	(147,231)	(722,915)	(546,399)	(181,815)	(728,214)
GROSS PROFIT	371,565	27,980	399,546	347,890	37,404	385,294
Distributions Cost	(114,237)	(4,518)	(118,755)	(99,293)	(1,120)	(100,413)
Administrative Expenses	(83,006)	(4,369)	(87,375)	(70,785)	(896)	(71,680)
	(197,243)	(8,887)	(206,130)	(170,077)	(2,016)	(172,093)
Segment Profit	174,322	19,093	193,416	177,813	35,388	213,201
<i>Unallocated corporate expenses</i>						
Other Operating Expenses			(10,215)			(8,142)
Other Income			17,300			68,679
			200,501			273,738
Finance Cost			(75,853)			(90,588)
Share of profit from associated companies			(5,003)			-
PROFIT BEFORE TAXATION			119,645			183,150
Taxation			(21,469)			(64,253)
PROFIT AFTER TAXATION			98,176			118,897

15 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended June 30, 2016.

16 FAIR VALUE ESTIMATION

IFRS - 13 requires fair value measurement disclosures using following three levels fair value hierarchy that reflects the significance of the inputs used in measuring fair value of financial instruments.

Information about fair value hierarchy and assets classified under the hierarchy is as follows:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derive from prices).



- Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

The Company has no items to report in these levels.

There were no changes in valuation techniques during the period. The carrying values of all financial assets and liabilities reflected in this condensed interim unconsolidated financial information approximates their fair values.

17 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim unconsolidated financial information was approved by the Board of Directors of the Company and authorized for issue on April 28, 2017.

18 GENERAL

18.1 Figures have been rounded off to the nearest thousand of rupees.

18.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim unconsolidated balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended June 30, 2016 and the corresponding figures in the condensed interim unconsolidated profit and loss account, condensed interim unconsolidated cash flow statement, condensed interim unconsolidated statement of other comprehensive income and condensed interim unconsolidated statement of changes in equity comprise of balances of comparable period as per the condensed interim unconsolidated financial information of the Company for the nine months ended March 31, 2016.

Statement under section 241(2) of the Companies Ordinance, 1984:

This condensed interim unconsolidated financial information has been signed by two Directors instead of Chief Executive Officer and one Director as the Chief Executive Officer is not for the time being in Pakistan.

MASROOR AHMAD KHAN
(DIRECTOR)

FARZAND ALI
(DIRECTOR)



CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)

	Note	NINE MONTHS ENDED		QUARTER ENDED	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
		(Rupees '000)		(Rupees '000)	
Gross Sales - Local		1,272,924	1,264,731	513,686	468,925
Less:					
Sales tax		150,463	151,223	62,163	58,081
Net sales		1,122,461	1,113,508	451,523	410,844
Cost of sales	10	722,915	728,214	280,492	257,091
Gross Profit		399,546	385,294	171,031	153,753
Distribution cost		118,755	100,413	40,525	37,807
Administrative expenses		88,609	71,803	40,332	25,153
Other operating expenses		10,154	8,142	5,739	3,412
		217,518	180,358	86,596	66,372
		182,028	204,936	84,435	87,381
Other income		17,300	68,679	5,673	4,851
		199,328	273,615	90,108	92,232
Finance cost		75,855	90,588	27,707	31,679
Share of loss - associated companies		5,003	-	5,003	-
Profit before taxation		118,470	183,027	57,398	60,553
Taxation		20,916	64,253	21,745	40,786
Profit after taxation		97,554	118,774	35,653	19,767
Earnings per share					
- basic and diluted	11	0.78	1.53	0.29	0.25

The annexed notes from 1 to 18 form an integral part of this consolidated condensed interim financial information.

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MASROOR AHMAD KHAN
 (DIRECTOR)


FARZAND ALI
 (DIRECTOR)



**CONDENSED CONSOLIDATED INTERIM
STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)**

	NINE MONTHS ENDED		QUARTER ENDED	
	March 31, 2017 (Rupees '000)	March 31, 2016	March 31, 2017 (Rupees '000)	March 31, 2016
Net profit for the period	97,554	118,774	35,653	19,767
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period	<u>97,554</u>	<u>118,774</u>	<u>35,653</u>	<u>19,767</u>

The annexed notes from 1 to 18 form an integral part of this consolidated condensed interim financial information.

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MASROOR AHMAD KHAN
(DIRECTOR)


FARZAND ALI
(DIRECTOR)



CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)

	March 31, 2017	March 31, 2016
Note	(Rupees '000)	
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Cash generated from operations	12 40,690	225,497
Finance cost paid	(84,754)	(88,085)
Income tax paid	(33,790)	(52,500)
	(118,544)	(140,585)
Net cash (used in)/generated from operating activities	(77,854)	84,912
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Property, plant and equipment purchased	(244,220)	(246,313)
Proceeds from disposal of property, plant and equipment	2,363	1,450
Long term investments	(450,000)	45,133
Long term deposits	11,931	(1,046)
Net cash used in investing activities	(679,926)	(200,776)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Long term financing	231,826	7,834
Loan from sponsors	256,000	(22,708)
Short term financing	(365,533)	245,939
Dividend paid	(92)	(86,734)
Long term security deposits	3,475	(2,150)
Liabilities against assets subject to ijarah financing paid	(78,737)	(47,022)
Net cash generated from financing activities	46,939	95,159
Net decrease in cash and cash equivalents	(710,841)	(20,705)
Cash and cash equivalents at the beginning period	1,090,018	226,739
Cash and cash equivalents at the end of the period	379,177	206,034

The annexed notes from 1 to 18 form an integral part of this consolidated condensed interim financial information.

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MASROOR AHMAD KHAN
(DIRECTOR)


FARZAND ALI
(DIRECTOR)



CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)

	Share capital	Share premium	Un-appropriated profit	Loan from sponsors	Total
	----- (Rupees '000) -----				
Balance as at July 01, 2015 - (audited)	742,746	30,000	341,627	1,027,969	2,142,342
Loan received during the period	-	-	-	(22,708)	(22,708)
Net profit for the period	-	-	118,774	-	118,774
Final dividend @ Rs. 1 per share	-	-	(74,275)	-	(74,275)
Other comprehensive income for the period	-	-	-	-	-
	-	-	44,499	-	44,499
Balance as at March 31, 2016 - (Un-audited)	742,746	30,000	386,126	1,005,261	2,164,133
Balance as at July 01, 2016	1,247,813	535,067	429,180	501,200	2,713,260
Loan received during the period	-	-	-	256,000	256,000
Net profit for the period	-	-	97,554	-	97,554
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income	-	-	97,554	-	97,554
Balance as at March 31, 2017 - (Un-audited)	1,247,813	535,067	526,734	757,200	3,066,814

The annexed notes from 1 to 18 form an integral part of this consolidated condensed interim financial information.

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MASROOR AHMAD KHAN
(DIRECTOR)


FARZAND ALI
(DIRECTOR)



**SELECTED NOTES TO THE CONSOLIDATED CONDENSED
INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)**

1. THE GROUP AND ITS OPERATIONS

The group consists of:

Holding Company - *Ghani Gases Limited*

Subsidiary Company - *Ghani Chemical Industries (Private) Limited*

Ghani Gases Limited

Ghani Gases Limited ("the Company") was incorporated in Pakistan as a private limited company under the Companies Ordinance, 1984 on November 19, 2007, converted into public limited company on February 12, 2008 and became listed on Pakistan Stock Exchange on January 05, 2010. The registered office of the company is situated at 10-N Model Town Extension, Lahore. The Company is engaged in the manufacturing, sale and trading of medical and industrial gases and chemicals.

Ghani Chemical Industries (Private) Limited

Ghani Chemical Industries (Private) Limited ("the Company"), wholly owned subsidiary of Ghani Gases Limited, is a private limited company incorporated in Pakistan under the Companies Ordinance, 1984 on November 23, 2015. The registered office of the Company is situated at 10-N, Model Town Extension, Lahore. The principal activity of the Company is trading and manufacturing of chemical products and industrial raw materials.

2. BASIS OF PREPARATION

2.1 *Statement of compliance*

This consolidated condensed interim financial information of the group has been prepared in accordance with the International Accounting Standard (IAS) - 34 "Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP) and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This consolidated condensed interim financial information does not include the information reported for annual financial statements and should be read in conjunction with the audited annual published financial statements for the year ended June 30, 2016.



2.2 *Functional and presentation currency*

This consolidated condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency for the Group.

2.3 *Changes in standards, interpretations and amendments to published approved accounting standards and IFRS*

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the period and are mandatory for accounting periods beginning on or after July 01, 2016 but are considered not to be relevant or have any significant effect on the Group's operations and are, therefore, not disclosed in this consolidated condensed interim financial information.

2.4 *Standards, interpretations and amendments to published approved accounting standards and IFRS that are not yet effective*

There are other amendments to the standards and new interpretations that are mandatory for accounting periods beginning on or after January 01, 2016 but are considered not to be relevant or do not have any significant effect on the Group's operations and are, therefore, not detailed in this consolidated condensed interim financial information.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of this consolidated condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Group for the year ended June 30, 2016.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

During preparation of this consolidated condensed interim financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual financial statements of the Group for the year ended June 30, 2016.



		Un-audited March 31, 2017	Audited June 30, 2016
		(Rupees '000)	
5	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets		
	Opening book value	2,529,455	2,293,837
	Additions & transfer during the period/year	378,580	306,717
	Deletions during the period/year	(2,132)	(4,150)
		2,905,903	2,596,404
	Less:		
	Depreciation charged for the period/year	58,585	66,949
		2,847,318	2,529,455
		-	
5.1	Additions during the period/year		
	Land - Freehold hold	45,270	2,200
	Building on freehold land	27	6,909
	Plant and machinery	309,936	283,440
	Furniture and fixtures	2,477	2,740
	Office equipments	74	1,331
	Computers	2,328	1,862
	Vehicles	18,468	8,235
		378,580	306,717
5.2	Deletions during the period/year		
	Vehicles	2,132	4,150
		2,132	4,150
6.	LONG TERM INVESTMENTS		
	Investment in associated company	450,000	-
	Share of loss of associated company	(5,003)	-
		444,997	-

6.1 The Group has made investment in its associated company i.e. Ghani Global Glass Limited, 25,000,000 shares at the rate Rs. 18 per share.

6.2 Share of loss of associated company is based on unaudited financial information for the period ended March 31, 2017.



7 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un-audited March 31, 2017	Audited June 30, 2016		Un-audited March 31, 2017	Audited June 30, 2016
(NUMBER OF SHARES)			(Rupees '000)	
122,956,711	122,956,711	Ordinary shares of Rupees 10 each fully paid in cash	1,229,567	1,229,567
13,000	13,000	Ordinary shares of Rupees 10 each issued for consideration other than cash	130	130
1,811,575	1,811,575	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	18,116	18,116
<u>124,781,286</u>	<u>124,781,286</u>		<u>1,247,813</u>	<u>1,247,813</u>

8 LONG TERM FINANCING

Opening balance	1,095,717	641,715
Add: Addition/(Payments) during period / year	231,827	454,002
Closing balance	<u>1,327,544</u>	<u>1,095,717</u>
Less: Current portion shown under current liabilities	229,561	696,309
	<u>1,097,983</u>	<u>399,408</u>

8.1 During the quarter ended March 31, 2017, the Company issued Rated, Privately Placed and Secured Long Term Islamic Certificates (Sukuk) of Rs. 1,300 million divided into 13,000 certificates of Rs. 100,000 each for a period of 6 years under an agreement dated December 22, 2016. The said certificates are redeemable in 24 equal quarterly installments starting from May 03, 2017 ending no later than February 03, 2023. The rate of rental payment is 3 month KIBOR plus 1 percent per annum payable on quarterly basis in arrears on outstanding principal amount. These certificates are secured against first pari passu charge over present and future fixed assets of the Company inclusive of a 20% margin. These Certificates have been inducted into Central Depository System (“CDS”) of the Central Depository Company of Pakistan Ltd (“CDC”).

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no material changes in contingencies as disclosed in the note to the financial statements for the year ended June 30, 2016.

9.2 Commitments

9.2.1 Commitment in respect of letter of credit amounted to Rupees 223.55 million (June 2016: Rupees 140.97 million).

9.2.2 Commitment for construction of building as at balance sheet date amounted to Rupees 7.0 million (June 2016 : Rupees 8.0 million)



10 COST OF SALES

	(Un-Audited)		(Un-Audited)	
	Nine Months ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Rupees '000)		(Rupees '000)	
Stores and spare parts consumed	19,677	15,842	6,297	6,139
Fuel and power	360,290	331,138	127,124	97,057
Salaries, wages and other benefits	46,803	47,827	15,179	15,569
Communication	476	699	205	301
Repair and maintenance	27,487	25,076	4,904	8,674
Travelling, vehicle running and maintenance	5,187	3,395	1,997	1,053
Insurance	4,289	4,105	1,641	1,291
Depreciation	51,079	44,911	19,502	15,458
Staff welfare	6,892	4,222	2,223	2,375
Transportation	5,970	2,846	2,980	1,714
Other factory overheads	21,136	26,282	9,578	6,329
Cost of goods manufactured	549,286	506,343	191,630	155,960
Finished goods:				
Opening stock	26,282	36,206	24,180	36,438
Purchases	181,300	216,319	98,635	95,347
Closing stock	(33,953)	(30,654)	(33,953)	(30,654)
	173,629	221,871	88,862	101,131
	722,915	728,214	280,492	257,091

11 EARNING PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share.

12 CASH GENERATED FROM/ (USED IN) OPERATIONS

Profit before taxation

Adjustments For:

	(Un-Audited)	
	Nine Months ended	
	March 31, 2017	March 31, 2016
	(Rupees '000)	
Profit before taxation	118,470	183,027
Adjustments For:		
Depreciation	61,928	57,570
Finance cost	75,855	90,588
Gain on disposal of assets	(231)	(688)
Share of loss of associated company	5,003	-
Working capital changes (Note 12.1)	(220,335)	(105,000)
	40,690	225,497



12.1 Working capital changes

Cash flows generated from/(used in) working capital changes

(Increase) / decrease in current assets:

Stores, spare parts and loose tools

Stock in trade

Trade debts

Loans and advances

Trade deposits and short term prepayments

Balance with statutory authorities

Other receivables

Increase/(decrease) in current liabilities

Trade and other payables

(Un-Audited)	
Nine Months ended	
March 31, 2017	March 31, 2016
(Rupees '000)	
12,721	(13,914)
(7,671)	5,552
38,844	15,504
(90,730)	(127,246)
15,998	4,236
6,935	(6,421)
1,704	(4)
(22,199)	(122,293)
(198,136)	17,293
(220,335)	(105,000)

13 RELATED PARTY TRANSACTIONS

Transaction with related parties and associated undertakings are as follows:

Name

Nature of transaction

Associated companies / undertakings

Associated Companies

Supplies

Investment

Guarantee Charges

Services

Staff Provident fund

Sponsors

Contribution

Loan received / (repaid)

(Un-Audited)	
Nine Months ended	
March 31, 2017	March 31, 2016
(Rupees '000)	
23,443	35,575
450,000	(45,133)
1,950	1,950
9,000	5,000
13,063	10,956
256,000	(22,708)



14 SEGEMENT INFORMATION

Segment results are as follows:

	NINE MONTHS ENDED					
	MARCH 31, 2017			MARCH 31, 2016		
	Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
	(Rupees '000)					
Net Sales	947,250	175,211	1,122,460	894,289	219,219	1,113,508
Cost of Sales	(575,685)	(147,231)	(722,915)	(546,399)	(181,815)	(728,214)
Gross Profit	371,565	27,980	399,545	347,890	37,404	385,294
Distributions Cost	(114,237)	(4,518)	(118,755)	(99,293)	(1,120)	(100,413)
Administrative Expenses	(84,179)	(4,430)	(88,609)	(70,908)	(896)	(71,803)
	(198,416)	(8,948)	(207,364)	(170,200)	(2,016)	(172,216)
Segment Profit	173,149	19,032	192,181	177,690	35,388	213,078
<i>Unallocated corporate expenses</i>						
Other Operating Expenses			(10,154)			(8,142)
Other Income			17,300			68,679
			199,327			273,615
Finance Cost			(75,855)			(90,588)
Share of profit from associated			(5,003)			-
Profit before taxation			118,469			183,027
Taxation			(20,915)			(64,253)
Profit after taxation			97,554			118,774

15 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Group for the year ended June 30, 2016.

16 FAIR VALUE ESTIMATION

IFRS - 13 requires fair value measurement disclosures using following three levels fair value hierarchy that reflects the significance of the inputs used in measuring fair value of financial instruments.

Information about fair value hierarchy and assets classified under the hierarchy is as follows:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derive from prices).
- Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).



The Group has no items to report in these levels.

There were no changes in valuation techniques during the period. The carrying values of all financial assets and liabilities reflected in this consolidated condensed interim financial information approximates their fair values.

17 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information was approved by the Board of Directors of the Company and authorized for issue on April 28, 2017.

18 GENERAL

18.1 Figures have been rounded off to the nearest thousand of rupees.

18.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the consolidated condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended 30 June 2016 and the corresponding figures in the consolidated condensed interim profit and loss account, consolidated condensed interim cash flow statement, consolidated condensed interim statement of other comprehensive income and consolidated condensed interim statement of changes in equity comprise of balances of comparable period as per the consolidated condensed interim financial information of the Group for the nine months ended March 31, 2016.

18.3 Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison.

Statement under section 241(2) of the Companies Ordinance, 1984:

This consolidated condensed interim financial information has been signed by two Directors instead of Chief Executive Officer and one Director as the Chief Executive Officer is not for the time being in Pakistan.


MASROOR AHMAD KHAN
(DIRECTOR)


FARZAND ALI
(DIRECTOR)