

3rd QUARTER
MARCH 2018



Faith
Experience
Innovation
Growth

Ghani Gases Limited
Manufacturer of Industrial & Medical Gases

CORPORATE INFORMATION

BOARD OF DIRECTORS

Masroor Ahamd Khan
Atique Ahmad khan
Hafiz Farooq Ahmad
Ayesha Masroor
Rabia Atique
Saira Farooq
Tahir Bashir Khan
Mahmood Ahmad
Farzand Ali

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director
Director
Director

AUDIT COMMITTEE

Tahir Bashir Khan - Chairman
Masroor Ahmad Khan
Rabia Atique
Saira Farooq

HR & R COMMITTEE

Mahmood Ahmad - Chairman
Atique Ahmad Khan
Ayesha Masroor
Saira Farooq

COMPANY SECRETARY

Farzand Ali, FCS

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

AUDITORS

Rizwan & Company
Chartered Accountants
Member Firm of DFK International

SHARE REGISTRAR

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

LEGAL ADVISORS

Barrister Ahmed Pervaiz, Ahmed & Pansota, Lahore
DSK Law, Lahore

GGL-II Plant

53-A, Chemical Area, Eastern Industrial Zone,
Port Qasim, Karachi.
Ph: Ph: +92-21-34016152, Fax: +92-21-34016142
E-mail: ggl2plant@ghaniglobal.com

GGL-I Plant

52-K.M. Multan Road,
Phool Nagar Bypass Distt. Kasur
Ph: +92-42-4510349-549, Fax: +92-49-4510749
E-mail: ggl1plant@ghaniglobal.com

GGL SITE

Main G.T. Road, Tarnol, Islamabad
E-mail: sales.west@ghaniglobal.com

REGIONAL MARKETING OFFICE

215, Block C, Gulshan-e-Jamal
Rashid Minhas Road, Karachi.
Ph: (021) 34330595
E-mail: sales.south@ghaniglobal.com

REGISTERED/CORPORATE OFFICE

10-N, Model Town, Lahore-54000, Pakistan
UAN: (042) 111-Ghani 1 (442-641)
Ph: +92-42 35161424-5, Fax: +92-42-35160393
E-mail: info.gases@ghaniglobal.com
Web: www.ghaniglobal.com / www.ghanigases.com

DIRECTORS' REPORT

Dear Shareholders

Assalam-o-Alaikum Wa RehmatUllah Wa BarakatoH

The Directors of your Company (**Ghani Gases Limited**) are pleased to present the unconsolidated (un-audited) condensed interim financial statements of the Company for the period ended March 31, 2018, in compliance with the requirements of Companies Act, 2017.

OVERVIEW OF THE ECONOMY

Recent devaluations of the rupee have been a boon for exports, which surged most recently in March. That said, exports in the first nine months of FY 2018, which ends in June, were unable to keep pace with the crush of imports, likely weighing on economic growth and stressing the current account deficit. Imports have risen quickly on the strength of domestic demand, which has been benefiting from improved agricultural output and has shown resilience in the face of tepid remittance inflows. Meanwhile, risks of additional fiscal slippage have intensified in the run-up to upcoming general elections, threatening to further exacerbate pressures in the external sector. A recovery in the agricultural sector is expected to buoy household spending, which should, together with robust CPEC-linked investment, support upbeat growth next fiscal year. That said, surging imports will continue dragging on the external sector. Meanwhile, political risk is weighing on the outlook ahead of July's vote. Focus Economics panelists expect growth of 5.2% in FY 2018 and 4.8% in FY 2019.

FINANCIAL PERFORMANCE

Your Company's sales during the period have increased to Rs. 1,663 million against Rs. 1,273 million as compared to last period depicting increase of 30.64%. Gross profit has increased to Rs. 523 million against the gross profit of Rs. 399 million as compared to last period posting increase in gross profit rate to 35.67% from 35.60%. Distribution cost in terms of percentage of net sales is almost same, whereas administrative expenses have decreased comparatively. This period operating profit has increased to Rs. 287 million against profit of Rs. 201 million as compared to last period. During the period under reference, profit before taxation stands at Rs. 198 million as compared to last period's figure of Rs. 125 million. Profit after tax has also increased to Rs. 105 million from Rs. 103 million, along with earnings per share (EPS) of Rs. 0.79 against EPS of Rs. 0.78 if compared with the last period.

A comparison of the key financial results of your Company for the Nine Months ended March 31, 2018 with the same period of last year is as under:

Particulars	Rupees in '000' except EPS			
	March 2018	March 2017	Variance	%
Sales	1,663,000	1,272,924	390,076	30.64
Net Sale	1,465,176	1,122,461	342,715	30.53
Gross Profit	522,619	399,546	123,073	30.80
- As %age of net sales	35.67%	35.60%		
Distribution cost	146,576	118,755	27,821	23.43
- As %age of net sales	10.00%	10.58%		
Administrative expenses	83,754	87,375	(3,621)	-4.14
- As %age of net sales	5.72%	7.78%		
Operating profit	286,635	200,501	86,134	42.96
- As %age of net sales	19.56%	17.86%		
Profit before taxation	197,901	124,648	73,253	58.77
Net Profit	104,906	103,179	1,727	1.67
Earnings per share	0.79	0.78	0.01	1.67

FUTURE PROSPECTS

ALHAMDULILLAH management of your Company is seeing a continued recovery in core business in south and west region. To capture the projected increase in demand of industrial and medical gases in southern market, your Company has decided to setup another 100 tons per day ASU plant, by way of expansion plan. In addition to above Company has also decided to setup a calcium carbide manufacturing plant under the umbrella of subsidiary of Company. We are proving to be most reliable supplier in the market without compromising on quality and safety. The management of your Company has continuous focused on BMR based on its experience, research and updating of technology. Further being the energy is the only raw material of the manufacturing of industrial and medical gases, the management of the company has been looking for different means for uninterrupted and cheap energy solutions.

ACKNOWLEDGEMENTS

The board of directors wishes to express their gratitude to valued shareholders, banks/financial Institutions, customers and suppliers for their continuous support, cooperation and patronage. We also wish to place on record the dedication, hard work and diligence of executives, staff and workers of the company. Needless to mention, all growth in the business of the company is not possible without will and blessings of ALMIGHTY ALLAH.

For and behalf of Board of Directors

Lahore

Dated: April 27, 2018



ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)

اہم مالیاتی نتائج نو ماہی اکاؤنٹس کا موازنہ مندرجہ ذیل ہے

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Earnings per share	0.79	0.78	0.01	1.67

مستقبل کے امکانات

الحمد للہ آپکی کمپنی کی مینجمنٹ ساؤتھ اور ویسٹ ریجن میں اپنے اصل کاروبار میں مسلسل بہتری دیکھ رہی ہے۔ ساؤتھ ریجن میں انڈسٹریل، میڈیکل گیسز میں متوقع اضافہ کے پیش نظر آپکی کمپنی 100 ٹن کا ایک اور ASU پلانٹ لگا رہی ہے۔ اسکے علاوہ کمپنی کی ذیلی کمپنی ایک کیمیشیم کاربائیڈ مینوفیکچرنگ پلانٹ بھی لگا رہی ہے۔ کوالٹی اور سیفٹی پر سمجھوتہ کئے بغیر ہم ایک قابل بھروسہ سپلائر کے طور پر جانے جاتے ہیں۔ کمپنی کی مینجمنٹ نے اپنے تجربے، تحقیق اور ٹیکنالوجی میں جدت کے باعث BMR پر مسلسل توجہ دی ہے۔ چونکہ انرجی ہی انڈسٹریل اور میڈیکل گیسز کی پیداوار کا واحد خام مال ہے اس لئے آپکی کمپنی کی مینجمنٹ سستی اور بلا تعلق بجلی کی فراہمی کے مختلف ذرائع کے لئے کوشاں ہے۔

اعترافات

بورڈ آف ڈائریکٹرز اپنے شیئر ہولڈرز، بینک / فنانشل انسٹی ٹیوٹس، کسٹمرز اور سپلائرز کی مسلسل حمایت، ایس ای سی پی اور پاکستان سٹاک ایکسچینج کے تعاون اور سرپرستی پر شکر گزار ہیں۔ ہم اپنے اعلیٰ افسران، سٹاف اور ورکرز کی پیشہ ورانہ فرائض کی ادائیگی، سخت محنت اور جان فشانی کی قدر کرتے ہیں۔ یہاں یہ ذکر ضروری ہے کہ کمپنی کے کاروبار کی تمام ترقی اللہ تعالیٰ کی برکات اور مرضی کے بغیر ممکن نہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے



حافظ فاروق احمد

ڈائریکٹر



عتیق احمد خان

چیف ایگزیکٹو آفیسر

لاہور

مورخہ 27 اپریل 2018ء

Ghani Gases Limited | 04

ڈائریکٹرز رپورٹ

پیارے شیئر ہولڈرز

اسلام علیکم ورحمۃ اللہ وبرکات

آپ کی کمپنی کے ڈائریکٹران کمپنیز ایکٹ 2017 کی ضروریات کی تعمیل میں کمپنی (غنی گیسز لمیٹڈ) کے تخفیف شدہ آڈٹ کے بغیر عبوری نو ماہی حسابات بابت 31 مارچ 2018ء پیش کرنے میں خوشی محسوس کرتے ہیں۔

اکانومی کا جائزہ

روپے کی قدر میں حالیہ تخفیف ایکسپورٹ کے لئے عطیہ ہے جسکی بدولت مارچ میں اضافہ ہوا۔ یہ ایکسپورٹ فنانشل سال 2018 جسکا جون میں اختتام ہوگا پہلے نو ماہ سست روی کا شکار رہی اور ایمپورٹ کی بدولت اقتصادی ترقی اور کرنٹ اکاؤنٹ کا خسارہ دباؤ میں رہا۔ مقامی طلب میں اضافہ کی بدولت ایمپورٹ میں ہوا جسکی بنا پر زرعی پیداوار بہتر اور ترسیلات زر میں چلک نظر آئی۔

دوسری طرف جنرل الیکشن کی آمد کی بدولت مزید مالی مشکلات میں شدت متوقع ہے جو بیرونی شعبے پر مزید دباؤ کا سبب بن سکتا ہے۔ زرعی شعبے میں بہتری گھر کے اخراجات پورے کرنے میں مددگار ہوئے جو اگلے سال CPEC سے متعلق انوسٹمنٹ کی بدولت مزید بہتری متوقع ہے۔ ایمپورٹ میں اضافہ بیرونی شعبے پر دباؤ برقرار رہے گا۔ جولائی کے الیکشن سیاسی رسک نظر آ رہے ہیں۔ معاشی تجزیہ نگار فنانشل سال 2018 میں گروتھ 5.2 فیصد جبکہ 2019 میں 4.8 فیصد دیکھ رہے ہیں۔

مالیاتی کارکردگی

آپ کی کمپنی کی سیل گذشتہ عرصے کی نسبت 1,273 ملین روپے سے بڑھ کر 1,663 ملین روپے ہو گئی جو 30.64 فیصد زیادہ ہے۔ جسکی وجہ کاروباری سرگرمی اور مارکیٹ شیئر میں اضافہ ہے۔ پچھلے عرصے سے اگر موازنہ کیا جائے تو خالص منافع 399 ملین روپے سے بڑھ کر 523 ملین روپے ہو گیا اور اگر خالص منافع کو فیصد سے موازنہ کیا جائے تو 31.38 فیصد سے بڑھ کر 31.43 فیصد ہو گیا۔

تقسیم کاری کی لاگت میں اضافہ اور انتظامی اخراجات میں معمولی اضافہ ہوا۔ آپریٹنگ منافع 201 ملین روپے سے بڑھ کر 287 ملین روپے ہو گیا اگر گذشتہ سال سے موازنہ کیا جائے تو اس مدت کے دوران قبل از ٹیکس منافع 125 ملین روپے سے بڑھ کر 198 ملین روپے ہو گیا۔ زیر جائزہ مدت کے دوران بعد از ٹیکس منافع 105 ملین روپے اور فی شیئر منافع 0.79 روپے رہا جبکہ پچھلے عرصے کے دوران یہ منافع 103 ملین روپے اور فی شیئر منافع 0.78 روپے تھا۔

CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2018

	Note	UN-AUDITED March 31, 2018 (Rupees '000)	AUDITED June 30, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,959,510	2,939,108
Intangible assets - goodwill		70	70
Long term investments	6	617,000	593,000
Long term deposits		57,664	57,756
		3,634,244	3,589,934
Current assets			
Stores, spares and loose tools		153,652	107,236
Stock in trade		52,804	37,740
Trade debts		476,206	529,520
Loans and advances		295,767	134,803
Trade deposits and prepayments		46,268	42,771
Other receivables		90	80
Tax refunds due from government		31,920	23,419
Advance income tax - net		308,919	265,336
Cash and bank balances		123,185	234,156
		1,488,811	1,375,061
		5,123,055	4,964,995
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital 200,000,000 (2017: 200,000,000) ordinary shares of Rs. 10 each		2,000,000	2,000,000
Issued, subscribed and paid up share capital	7	1,322,682	1,247,813
Capital reserve - share premium		460,198	535,067
Unappropriated profit		671,342	566,436
Loan from sponsors		351,150	638,500
		2,805,372	2,987,816
Non-current liabilities			
Long term financing		29,803	11,772
Redeemable capital - Sukuk	8	866,666	1,029,166
Long term security deposits payable		32,705	26,620
Deferred taxation		344,585	254,448
		1,273,759	1,322,006
Current liabilities			
Trade and other payables		130,120	105,675
Accrued profit on financing		23,024	16,535
Short term borrowings		618,061	273,000
Current portion of long term liabilities		239,076	229,179
Provision for taxation		33,643	30,784
		1,043,924	655,173
		2,317,683	1,977,179
		5,123,055	4,964,995
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	9		

The annexed notes from 1 to 16 form an integral part of this condensed interim unconsolidated financial information.


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)


ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	Note	NINE MONTHS ENDED		QUARTER ENDED	
		March 31, 2018 (Rupees '000)	March 31, 2017	March 31, 2018 (Rupees '000)	March 31, 2017
Gross sales - local		1,663,000	1,272,924	621,053	513,686
Sales tax		(197,824)	(150,463)	(74,130)	(62,163)
Net sales		1,465,176	1,122,461	546,923	451,523
Cost of sales	10	(942,557)	(722,915)	(400,896)	(280,492)
Gross profit		522,619	399,546	146,027	171,031
Distribution cost		(146,576)	(118,755)	(38,300)	(40,525)
Administrative expenses		(83,754)	(87,375)	(23,962)	(40,257)
Other operating expenses		(18,568)	(10,215)	(4,156)	(5,743)
		(248,898)	(216,345)	(66,418)	(86,525)
		273,721	183,201	79,609	84,506
Other income		12,914	17,300	4,331	5,673
Profit from operations		286,635	200,501	83,940	90,179
Finance cost		(88,734)	(75,853)	(30,068)	(27,705)
Profit before taxation		197,901	124,648	53,872	62,474
Taxation		(92,995)	(21,469)	(22,974)	(22,109)
Profit after taxation		104,906	103,179	30,898	40,365
Earnings per share					
- basic and diluted (Rupees)	11	0.79	0.78	0.23	0.31

The annexed notes from 1 to 16 form an integral part of this condensed interim unconsolidated financial information.


ATIQUE AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	NINE MONTHS ENDED		QUARTER ENDED	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(Rupees '000)		(Rupees '000)	
Profit before taxation	104,906	103,179	30,898	40,365
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	104,906	103,179	30,898	40,365

The annexed notes from 1 to 16 form an integral part of this condensed interim unconsolidated financial information.


ATIQUE AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	Share capital	Capital reserve - Share premium	Unappropri- ated profit	Loan from sponsors	Total
	(Rupees '000)				
Balance as at July 01, 2016 (audited)	1,247,813	535,067	429,333	501,200	2,713,413
Total comprehensive income	-	-	103,179	-	103,179
Loan received during the period	-	-	-	254,800	254,800
Balance as at March 31, 2017 (un-audited)	1,247,813	535,067	532,512	756,000	3,071,392
Balance as at June 30, 2017 (audited)	1,247,813	535,067	566,436	638,500	2,987,816
Total comprehensive income	-	-	104,906	-	104,906
Issue of Bonus shares during the period	74,869	(74,869)	-	-	-
Loan paid during the period	-	-	-	(287,350)	(287,350)
Balance as at March 31, 2018 (un-audited)	1,322,682	460,198	671,342	351,150	2,805,372

The annexed notes from 1 to 16 form an integral part of this condensed interim unconsolidated financial information.


ATIQUE AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT

FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

		NINE MONTHS ENDED	
		March 31, 2018	March 31, 2017
		(Rupees '000)	
Note			
CASH FLOWS FROM OPERATING ACTIVITIES			
	Cash generated from operating activities	208,688	42,023
	Finance cost paid	(82,245)	(84,755)
	Income tax paid	(43,583)	(31,888)
		(125,828)	(116,643)
	Net cash generated from / (used in) operating activities	82,860	(74,620)
CASH FLOWS FROM INVESTING ACTIVITIES			
	Additions in property, plant and equipment	(100,771)	(198,950)
	Proceeds from disposal of operating fixed assets	1,624	2,363
	Long term investments	(24,000)	(497,000)
	Long term deposits - net	92	11,931
	Net cash used in investing activities	(123,055)	(681,656)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Long term financing	27,928	(1,068,174)
	Proceeds against redeemable capital - Sukuk	-	1,300,000
	Repayments of redeemable capital - Sukuk	(162,500)	-
	Loan from sponsors	(287,350)	254,800
	Short term borrowings	345,061	(365,533)
	Dividend paid	-	(92)
	Proceeds from long term security deposits	6,085	3,475
	Liabilities against assets subject to ijarah financing	-	(78,737)
	Net cash (used in)/generated from financing activities	(70,776)	45,739
	Net decrease in cash and cash equivalents	(110,971)	(710,537)
	Cash and cash equivalents at the beginning of the period	234,156	1,089,641
	Cash and cash equivalents at the end of the period	123,185	379,104

The annexed notes from 1 to 16 form an integral part of this condensed interim unconsolidated financial information.


ATIQUÉ AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)


ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

SELECTED NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

1 LEGAL STATUS AND OPERATIONS

Ghani Gases Limited ("the Company") was incorporated in Pakistan as a private limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017) on November 19, 2007, converted into public limited company on February 12, 2008 and became listed on Pakistan Stock Exchange formerly known as Karachi Stock Exchange (Guarantee) Limited 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 & industrial gases and chemicals.

Separate interim financial statements

These financial statements are separate condensed interim financial statements of the Company. Consolidated condensed interim financial statements of the Company are prepared separately. The Company has following major investments:

Name of company	Shareholding
<i>Subsidiary</i>	
Ghani Chemical Industries Limited	95.33%
<i>Associate</i>	
Ghani Global Glass Limited	25.00%

2 STATEMENT OF COMPLIANCE

2.1 These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard 34, Interim Financial Reporting, issued by the International Accounting Standards Board as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim unconsolidated financial statements are unaudited and being submitted to shareholders, as required by Section 237 of the Companies Act, 2017.

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.

3 BASIS OF PREPARATION

3.1 This condensed interim unconsolidated financial information do 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, 2017.

3.2 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 unconsolidated financial statements of the Company for the year ended June 30, 2017.

3.3 The Company has adopted the following standards, amendments and interpretation of approved accounting standards will be effective for accounting periods beginning on or after January 2018 and are not expected to have significant impact on this condensed interim financial information:

	Effective date (accounting periods beginning on or after)
IFRS 2 - Share-based payment	1-Jan-18
IAS 40 - Investment Property	1-Jan-18
IFRIC 22 - Foreign Currency Transactions and Advance Consideration	1-Jan-18
IFRS 15 - Revenue from Contracts with customers	1-Jul-18
IFRS 9 - Financial Instruments	1-Jul-18
IFRIC 23 - Uncertainty over Income Tax Treatment	1-Jan-19
Amendment to IFRS 9 - Financial Instrument	1-Jan-19

The adoption of the above amendments and interpretation did not have any significant impact on this condensed interim financial information.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment 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 judgments 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 published financial statements of the Company for the year ended June 30, 2017.

				Un-audited March 31, 2018 (Rupees '000)	Audited June 30, 2017
5	PROPERTY, PLANT AND EQUIPMENT				
	Operating fixed assets - tangible	5.1		2,859,325	2,838,962
	Capital work in progress			100,185	100,146
				2,959,510	2,939,108
5.1	OPERATING FIXED ASSETS - TANGIBLE				
	Opening balance			2,838,962	2,529,455
	Additions and transfer during the period / year	5.1.1		100,732	397,166
	Book value of disposals during the period / year	5.1.2		(1,225)	(3,426)
				2,938,469	2,923,195
	Depreciation charged during the period / year			(79,144)	(84,233)
	Closing balance			2,859,325	2,838,962
5.1.1	Additions and transfer during the period / year				
	Land-Freehold			10,640	-
	Building on freehold land			737	153
	Plant and machinery			85,768	367,805
	Furniture and fixtures			331	3,125
	Office equipment			369	74
	Computers			722	2,671
	Vehicles			2,165	23,338
				100,732	397,166
5.1.2	Book value of disposals during the period / year				
	Plant and machinery			368	760
	Vehicles			857	2,666
				1,225	3,426
6	LONG TERM INVESTMENTS				
	Investment in associated company			450,000	450,000
	Investment in subsidiary			167,000	143,000
				617,000	593,000
7	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL				
				Un-audited March 31, 2018 (No. of Shares)	Audited June 30, 2017
				Un-audited March 31, 2018 (Rupees '000)	Audited June 30, 2017
	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
	9,298,452	1,811,575	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	92,985	18,116
	132,268,163	124,781,286		1,322,682	1,247,813

- 7.1 During the period, the Holding Company has issued 7,486,877 ordinary shares of Rupees 10 each as fully paid bonus shares against share premium account in accordance with provision of Sub-section (3) of Section 81 of the Companies Act, 2017.

8 Redeemable capital - Sukuk

Opening balance

Add: Addition/ (payments) during the period / year

Less: Current portion shown under current liabilities

Closing balance

Un-audited March 31, 2018	Audited June 30, 2017
(Rupees '000)	
1,245,833	-
(162,500)	1,245,833
1,083,333	1,245,833
216,667	216,667
866,666	1,029,166

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

- 9.1.1 There are no material changes in contingencies as disclosed in the notes to the financial statements for the year ended June 30, 2017.

9.2 Commitments

- 9.2.1 Commitments in respect of letter of credit amounted to Rupees 487.59 million (June 2017: Rupees 95.16 million).

- 9.2.2 Commitments for construction of building as at balance sheet date amounted to Rupees 20 million (June 2017: Rupees 9.2 million).

- 9.2.3 Bank guarantee amounting to Rupees 39.77 million (June 2017: Rupees 27.45 million) provided to various customers/institutions against supplies of products.

10 COST OF SALES

Fuel and power

Consumable spare

Salaries wages and other benefits

Communication

Repair and maintenance

Travelling, vehicle running and maintenance

Insurance

Depreciation

Staff welfare

Transportation

Other overheads

Finished goods

Opening stock

Purchases

Closing stock

	UN-AUDITED NINE MONTHS ENDED		UN-AUDITED QUARTER ENDED	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(Rupees '000)		(Rupees '000)	
	522,366	360,290	177,740	127,124
	29,060	19,677	13,289	6,297
	50,121	46,803	17,302	15,179
	526	476	181	205
	26,613	27,487	9,174	4,904
	6,766	5,187	4,127	1,997
	5,939	4,289	2,873	1,641
	68,899	51,079	21,082	19,502
	6,323	6,892	2,273	2,223
	7,481	5,970	2,941	2,980
	32,464	21,136	7,132	9,578
	756,558	549,286	258,114	191,630
	37,740	26,282	50,935	24,180
	201,063	181,300	144,651	98,635
	(52,804)	(33,953)	(52,804)	(33,953)
	185,999	173,629	142,782	88,862
	942,557	722,915	400,896	280,492

		UN-AUDITED NINE MONTHS ENDED		UN-AUDITED QUARTER ENDED	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		(Rupees '000)		(Rupees '000)	
11 EARNINGS PER SHARE - BASIC AND DILUTED					
Profit attributable to ordinary shareholders	Rupees (000)	104,906	103,179	30,898	40,365
Weighted average number of ordinary shares outstanding	Number (000)	132,268	132,268	132,268	132,268
Earnings per share - basic and diluted	(Rupees)	0.79	0.78	0.23	0.31

11.1 During the period, the company has issued 7,486,877 bonus shares out of share premium account which has resulted in restatement of basic and diluted earning per share for the quarter and nine months ended March 31, 2017.

	Note	UN-AUDITED NINE MONTHS ENDED	
		March 31, 2018	March 31, 2017
		(Rupees '000)	
12 CASH GENERATED FROM OPERATIONS			
Profit before taxation		197,901	124,648
Adjustments for:			
Depreciation		79,144	61,928
Finance cost		88,734	75,853
Gain on disposal of property, plant and equipment		(398)	(231)
Operating cash flows before working capital changes		365,381	262,198
Effect on cash flows due to working capital changes			
<i>(Increase) / decrease in current assets:</i>			
Stores and spares		(46,416)	12,721
Stock in trade		(15,064)	(7,671)
Trade debts		53,314	38,844
Loans and advances		(160,964)	(90,630)
Short term deposits and prepayments		(3,497)	15,998
Balances with statutory authorities		(8,501)	6,935
Other receivables		(10)	1,704
<i>Increase / (decrease) in current liabilities:</i>			
Trade and other payables		24,445	(198,076)
		208,688	42,023

13 SEGMENT INFORMATION

Segment results are as follows:

	NINE MONTHS ENDED (UN-AUDITED)					
	March 31, 2018			March 31, 2017		
	Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
(Rupees '000)			(Rupees '000)			
Net sales	1,332,017	133,159	1,465,176	947,250	175,211	1,122,461
Cost of sales	(839,364)	(103,193)	(942,557)	(575,685)	(147,231)	(722,915)
Gross profit	492,653	29,966	522,619	371,565	27,980	399,546
Distributions cost	(142,911)	(3,665)	(146,576)	(114,237)	(4,518)	(118,755)
Administrative Expenses	(79,566)	(4,188)	(83,754)	(83,006)	(4,369)	(87,375)
	(222,478)	(7,852)	(230,330)	(197,243)	(8,887)	(206,130)
Segment Profit	270,175	22,114	292,289	174,322	19,093	193,416

NINE MONTHS ENDED (UN-AUDITED)					
March 31, 2018			March 31, 2017		
Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
(Rupees '000)			(Rupees '000)		
Unallocated corporate expenses					
Other operating expenses		(18,568)			(10,215)
Other income		12,914			17,300
		286,635			200,501
Finance cost		(88,734)			(75,853)
Profit before taxation		197,901			124,648
Taxation		(92,995)			(21,469)
Profit after taxation		104,906			103,179

14 TRANSACTIONS WITH RELATED PARTIES

Name of related party	Nature of Transaction	UN-AUDITED NINE MONTHS ENDED	
		March 31, 2018	March 31, 2017
		(Rupees '000)	
Associated Company	Supplies	15,952	23,443
	Investment	-	450,000
	Guarantee charges	1,950	1,950
	Services	9,000	9,000
Subsidiary Company	Investment	24,000	47,000
Staff Provident Fund	Contribution	15,027	13,063
Sponsors	Loan received / (repaid)	(287,350)	254,800

15 DATE OF AUTHORIZATION

This financial information has been authorized for issue by the Board of Directors of the Company on April 27, 2018.

16 CORRESPONDING FIGURES

The condensed interim unconsolidated balance sheet has been compared with preceding balance sheet as at June 30, 2017, whereas the condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement and condensed interim unconsolidated statement of changes in equity have been compared with the corresponding period of the previous year.


ATIQUE AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)

Directors' Report

Dear Shareholders

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The Directors of your Company (**Ghani Gases Limited**) are pleased to present the condensed interim consolidated (un-audited) financial statements of the Company for the period ended March 31, 2018, in compliance with the requirements of Companies Act, 2017.

The consolidated financial statements have been prepared by consolidating the financial performance, assets and liabilities of Ghani Gases Limited (holding company) and its subsidiary namely Ghani Chemical Industries Limited.

The subsidiary is in the process of setting up a chemical project for manufacturing of import substitute Calcium Carbide and allied products. Land for this purpose has been acquired in Hattar Economic Zone and work for leveling, filling and back filling of land has been completed. Financial close for this project is expected shortly. After financial close, civil construction work will be commenced. Holding company Ghani Gases Limited has so far invested Rs.161.00 million in this subsidiary.

Since the subsidiary has not commenced any operational activities, sales, gross profit and distribution expenses of both the companies (holding and subsidiary) in consolidated accounts remain unchanged as are reported in unconsolidated accounts of Ghani Gases Limited (holding company). The administrative expenses, profit before taxation and profit after tax have been consolidated to Rs. 83.970 million, Rs.177.849 million and Rs. 84.854 million respectively whereas in unconsolidated financial statements these figures are Rs. 83.754 million, Rs.197.901 million and Rs.104.906 million respectively. The decrease in profitability in consolidated financial statements are due to share of loss from associated company Rs. 19.895 million (2017: Rs. 5.003).

Consolidated earnings per share (EPS) has also decreased to Rs. 0.64 if compared with unconsolidated earnings per share Rs.0.79.

The directors express their deep appreciation to our valued customers who placed their confidence in the Company. We would like to express sincere appreciation to the dedication of Company's employees to their professional obligations and cooperation by the bankers, government agencies, which have enabled the Company to display good performance both in operational and financial fields.

We thank our shareholders who reposed their confidence on management of the Company, the officials of the SECP, the Pakistan Stock Exchange and all government functionaries as well as the commandments of Allah Subhanatallah and Sunnah of our Prophet Muhammad (peace be upon him).

For and behalf of Board of Directors



ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)

Lahore

Dated: April 27, 2018

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2018

	UN-AUDITED March 31, 2018	AUDITED June 30, 2017
Note	(Rupees '000)	
ASSETS		
Non-current assets		
Property, plant and equipment	5 3,125,679	3,058,562
Intangible assets - goodwill	70	70
Long term investments	6 416,964	436,859
Long term deposits	57,664	57,756
	3,600,377	3,553,247
Current assets		
Stores, spares and loose tools	153,652	107,236
Stock in trade	52,804	37,740
Trade debts	476,206	529,520
Loans and advances	299,580	135,403
Trade deposits and prepayments	46,268	42,771
Other receivables	90	80
Tax refunds due from government	32,219	23,419
Advance income tax - net	310,848	267,237
Cash and bank balances	123,715	262,303
	1,495,382	1,405,709
TOTAL ASSETS	5,095,759	4,958,956
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized share capital 200,000,000 (2017: 200,000,000) ordinary shares of Rs. 10 each	2,000,000	2,000,000
Issued, subscribed and paid up share capital	7 1,322,682	1,247,813
Capital reserve - share premium	460,198	535,067
Unappropriated profit	637,022	552,161
Loan from sponsors	351,150	639,700
Attributable to the equity holders of the holding company	2,771,052	2,974,741
Non - Controlling Interests	6,992	6,999
Total equity	2,778,044	2,981,740
Non-current liabilities		
Long term financing	8 29,803	11,772
Redeemable capital - Sukuk	866,666	1,029,166
Long term security deposits payable	32,705	26,620
Deferred taxation	344,585	254,448
	1,273,759	1,322,006
Current liabilities		
Trade and other payables	130,152	105,712
Accrued profit on financing	23,024	16,535
Short term borrowings	618,061	273,000
Current portion of long term liabilities	239,076	229,179
Provision for taxation	33,643	30,784
	1,043,956	655,210
Total liabilities	2,317,715	1,977,216
TOTAL EQUITY AND LIABILITIES	5,095,759	4,958,956
CONTINGENCIES AND COMMITMENTS		
9 The annexed notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.		


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)


ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

Note	NINE MONTHS ENDED		QUARTER ENDED	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(Rupees '000)		(Rupees '000)	
Gross sales - local	1,663,000	1,272,924	621,053	513,686
Sales tax	(197,824)	(150,463)	(74,130)	(62,163)
Net sales	1,465,176	1,122,461	546,923	451,523
Cost of sales	(942,557)	(722,915)	(400,896)	(280,492)
Gross profit	522,619	399,546	146,027	171,031
Distribution cost	(146,576)	(118,755)	(38,300)	(40,525)
Administrative expenses	(83,970)	(88,609)	(24,071)	(40,332)
Other operating expenses	(18,615)	(10,154)	(4,173)	(5,739)
	(249,161)	(217,518)	(66,544)	(86,596)
	273,458	182,028	79,483	84,435
Other income	13,023	17,300	4,399	5,673
Profit from operations	286,481	199,328	83,882	90,108
Finance cost	(88,737)	(75,855)	(30,068)	(27,707)
Share of loss from associate	(19,895)	(5,003)	(11,877)	(5,003)
Profit before taxation	177,849	118,470	41,937	57,398
Taxation	(92,995)	(20,916)	(22,974)	(21,745)
Profit after taxation	84,854	97,554	18,963	35,653
Attributable to:				
Owners of the Holding Company	84,861	97,554	18,965	35,653
Non - Controlling Interests	(7)	-	(2)	-
	84,854	97,554	18,963	35,653
Earnings per share				
- basic and diluted (Rupees)	0.64	0.74	0.14	0.27

The annexed notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.


ATIQUÉ AHMAD KHAN
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HAFIZ FAROOQ AHMAD
 (DIRECTOR)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	NINE MONTHS ENDED		QUARTER ENDED	
	March 31, 2018 (Rupees '000)	March 31, 2017	March 31, 2018 (Rupees '000)	March 31, 2017
Profit before taxation	84,854	97,554	18,963	35,653
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	84,854	97,554	18,963	35,653
Attributable to:				
Owners of the Holding Company	84,861	97,554	18,965	35,653
Non - Controlling Interests	(7)	-	(2)	-
	84,854	97,554	18,963	35,653

The annexed notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.


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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	Share capital	Capital reserve Share premium	Unappropri- ated profit	Loan from sponsors	Total	Non - Controlling Interests	Total equity
(Rupees '000)							
Balance as at July 01, 2016 (audited)	1,247,813	535,067	429,180	501,200	2,713,260	-	2,713,260
Total comprehensive income	-	-	97,554	-	97,554	-	97,554
Loan received during the period	-	-	-	256,000	256,000	-	256,000
Balance as at March 31, 2017 (un-audited)	1,247,813	535,067	526,734	757,200	3,066,814	-	3,066,814
Balance as at June 30, 2017 (audited)	1,247,813	535,067	552,161	639,700	2,974,741	6,999	2,981,740
Shares issued to Non - Controlling Interests	-	-	-	-	-	-	-
Loss attributable to non-controlling interest for the period	-	-	-	-	-	(7)	(7)
	-	-	-	-	-	(7)	(7)
Total comprehensive income attributable to holding company	-	-	84,861	-	84,861	-	84,861
Issue of Bonus shares during the period	74,869	(74,869)	-	-	-	-	-
Loan paid during the period	-	-	-	(288,550)	(288,550)	-	(288,550)
Balance as at March 31, 2018 (un-audited)	1,322,682	460,198	637,022	351,150	2,771,052	6,992	2,778,044

The annexed notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.


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CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT

FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	Note	NINE MONTHS ENDED	
		March 31, 2018 (Rupees '000)	March 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operating activities	12	205,017	40,690
Finance cost paid		(82,248)	(84,754)
Income tax paid		(43,611)	(33,790)
		(125,859)	(118,544)
Net cash generated from / (used in) operating activities		79,158	(77,854)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property, plant and equipment		(147,486)	(244,220)
Proceeds from disposal of operating fixed assets		1,624	2,363
Long term investments		-	(450,000)
Long term deposits - net		92	11,931
Net cash used in investing activities		(145,770)	(679,926)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing		27,928	(1,068,174)
Proceeds against redeemable capital - Sukuk		-	1,300,000
Repayments of redeemable capital - Sukuk		(162,500)	-
Loan from sponsors		(288,550)	256,000
Short term borrowings		345,061	(365,533)
Dividend paid		-	(92)
Proceeds from long term security deposits		6,085	3,475
Liabilities against assets subject to ijarah financing		-	(78,737)
Net cash (used in) / generated from financing activities		(71,976)	46,939
Net decrease in cash and cash equivalents		(138,588)	(710,841)
Cash and cash equivalents at the beginning of the period		262,303	1,090,018
Cash and cash equivalents at the end of the period		123,715	379,177

The annexed notes from 1 to 16 form an integral part of this condensed interim consolidated financial information


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)


ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

1 THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company - Ghani Gases Limited

Subsidiary Company - Ghani Chemical Industries 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. Its registered office is situated at 10-N Model Town Extension, Lahore. The holding company is engaged in the manufacturing, sale and trading of medical & industrial gases and chemicals.

Ghani Chemical Industries Limited

Ghani Chemical Industries Limited was incorporated in Pakistan as a private limited company on November 23, 2015 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017), converted into public limited company on April 20, 2017. The principal activity of the Company is trading and manufacturing of chemical products and industrial raw materials. The Company has not started its commercial operations yet. Ghani Gases Limited has 95.33% ownership in Ghani Chemical Industries Limited.

2 STATEMENT OF COMPLIANCE

- 2.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard 34, Interim Financial Reporting, issued by the International Accounting Standards Board as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This consolidated condensed interim financial statements are unaudited and being submitted to shareholders, as required by Section 237 of the Companies Act, 2017.

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

3 BASIS OF PREPARATION

- 3.1 This consolidated condensed interim financial information do 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, 2017.
- 3.2 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 consolidated financial statements of the group for the year ended June 30, 2017.

3.3 The Group has adopted the following standards, amendments and interpretation of approved accounting standards will be effective for accounting periods beginning on or after January 2018 and are not expected to have significant impact on this condensed interim financial information:

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IFRS 15 - Revenue from Contracts with customers	1-Jul-18
IFRS 9 - Financial Instruments	1-Jul-18
IFRIC 23 - Uncertainty over Income Tax Treatment	1-Jan-19
Amendment to IFRS 9 - Financial Instrument	1-Jan-19

The adoption of the above amendments and interpretation did not have any significant impact on this condensed interim financial information.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment 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 condensed interim consolidated financial information, the significant judgments 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 published financial statements of the Group for the year ended June 30, 2017.

	Note	Un-audited March 31, 2018 (Rupees '000)	Audited June 30, 2017
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - tangible	5.1	2,993,705	2,957,732
Capital work in progress		131,974	100,830
		3,125,679	3,058,562
5.1 OPERATING FIXED ASSETS - TANGIBLE			
Opening balance		2,957,732	2,529,455
Additions and transfer during the period / year	5.1.1	116,342	515,936
Book value of disposals during the period / year	5.1.2	(1,225)	(3,426)
		3,072,849	3,041,965
Depreciation charged during the period / year		(79,144)	(84,233)
Closing balance		2,993,705	2,957,732

5.1.1 Additions and transfer during the period / year

Land-Freehold
 Building on freehold land
 Plant and machinery
 Furniture and fixtures
 Office equipment
 Computers
 Vehicles

Un-audited March 31, 2018 (Rupees '000)	Audited June 30, 2017
26,250	118,770
737	153
85,768	367,805
331	3,125
369	74
722	2,671
2,165	23,338
116,342	515,936

5.1.2 Book value of disposals during the period / year

Plant and machinery
 Vehicles

368	760
857	2,666
1,225	3,426

6 LONG TERM INVESTMENTS

Investment in associate - under equity method

Opening Carrying value
 Investment made during the period/year
 Share of loss from associate
 Closing balance

436,859	-
-	450,000
(19,895)	(13,141)
416,964	436,859

7 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un-audited March 31, 2018 (No. of Shares)	Audited June 30, 2017	
122,956,711	122,956,711	Ordinary shares of Rupees 10 each fully paid in cash
13,000	13,000	Ordinary shares of Rupees 10 each issued for consideration other than cash
9,298,452	1,811,575	Ordinary shares of Rupees 10 each issued as fully paid bonus shares
132,268,163	124,781,286	

Un-audited March 31, 2018 (Rupees '000)	Audited June 30, 2017
1,229,567	1,229,567
130	130
92,985	18,116
1,322,682	1,247,813

7.1 During the period, the Holding Company has issued 7,486,877 ordinary shares of Rupees 10 each as fully paid bonus shares against share premium account in accordance with provision of Sub-section (3) of Section 81 of the Companies Act, 2017.

8 Redeemable capital - Sukuk

Opening balance
 Add: Addition/ (payments) during the period / year
 Closing balance
 Less: Current portion shown under current liabilities

Un-audited March 31, 2018 (Rupees '000)	Audited June 30, 2017
1,245,833	-
(162,500)	1,245,833
1,083,333	1,245,833
216,667	216,667
866,666	1,029,166

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no material changes in contingencies as disclosed in the notes to the financial statements for the year ended June 30, 2017.

9.2 Commitments

9.2.1 Commitments in respect of letter of credit amounted to Rupees 487.59 million (June 2017: Rupees 95.16 million).

9.2.2 Commitments for construction of building as at balance sheet date amounted to Rupees 50 million (June 2017: Rupees 9.2 million).

9.2.3 Bank guarantee amounting to Rupees 39.77 million (June 2017: Rupees 27.45 million) provided to various customers/institutions against supplies of products.

	UN-AUDITED NINE MONTHS ENDED		UN-AUDITED QUARTER ENDED	
	March 31, 2018 (Rupees '000)	March 31, 2017	March 31, 2018 (Rupees '000)	March 31, 2017
10 COST OF SALES				
Fuel and power	522,366	360,290	177,740	127,124
Consumable spare	29,060	19,677	13,289	6,297
Salaries wages and other benefits	50,121	46,803	17,302	15,179
Communication	526	476	181	205
Repair and maintenance	26,613	27,487	9,174	4,904
Travelling, vehicle running and maintenance	6,766	5,187	4,127	1,997
Insurance	5,939	4,289	2,873	1,641
Depreciation	68,899	51,079	21,082	19,502
Staff welfare	6,323	6,892	2,273	2,223
Transportation	7,481	5,970	2,941	2,980
Other overheads	32,464	21,136	7,132	9,578
	756,558	549,286	258,114	191,630
Finished goods				
Opening stock	37,740	26,282	50,935	24,180
Purchases	201,063	181,300	144,651	98,635
Closing stock	(52,804)	(33,953)	(52,804)	(33,953)
	185,999	173,629	142,782	88,862
	942,557	722,915	400,896	280,492
11 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit attributable to ordinary shareholders	Rupees (000)			
	84,854	97,554	18,963	35,653
Weighted average number of ordinary shares outstanding	Number (000)			
	132,268	132,268	132,268	132,268
Earnings per share - basic and diluted	(Rupees)			
	0.64	0.74	0.14	0.27

11.1 During the period, the company has issued 7,486,877 bonus shares out of share premium account which has resulted in restatement of basic and diluted earning per share for the quarter and nine months ended March 31, 2017.

Note	UN-AUDITED NINE MONTHS ENDED	
	March 31, 2018	March 31, 2017
	(Rupees '000)	
12 CASH GENERATED FROM OPERATIONS		
Profit before taxation	177,849	118,470
Adjustments for:		
Depreciation	79,144	61,928
Finance cost	88,737	75,855
(Gain) / Loss on disposal of property, plant and equipment	(398)	(231)
Share of (profit) / loss of associated company	19,895	5,003
Operating cash flows before working capital changes	365,227	261,025
Effect on cash flows due to working capital changes		
<i>(Increase) / decrease in current assets:</i>		
Stores and spares	(46,416)	12,721
Stock in trade	(15,064)	(7,671)
Trade debts	53,314	38,844
Loans and advances	(164,177)	(90,730)
Trade deposits and prepayments	(3,497)	15,998
Tax refunds due from government	(8,800)	6,935
Other receivables	(10)	1,704
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	24,440	(198,136)
	205,017	40,690

13 SEGMENT INFORMATION

Segment results are as follows:

	NINE MONTHS ENDED (UN-AUDITED)					
	March 31, 2018			March 31, 2017		
	Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
	(Rupees '000)			(Rupees '000)		
Net sales	1,332,017	133,159	1,465,176	947,250	175,211	1,122,460
Cost of sales	(839,364)	(103,193)	(942,557)	(575,685)	(147,231)	(722,915)
Gross profit	492,653	29,966	522,619	371,565	27,980	399,545
Distributions cost	(142,911)	(3,665)	(146,576)	(114,237)	(4,518)	(118,755)
Administrative Expenses	(79,772)	(4,199)	(83,970)	(84,179)	(4,430)	(88,609)
	(222,683)	(7,863)	(230,546)	(198,416)	(8,948)	(207,364)
Segment Profit	269,970	22,103	292,073	173,149	19,032	192,181

NINE MONTHS ENDED (UN-AUDITED)					
March 31, 2018			March 31, 2017		
Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
(Rupees '000)			(Rupees '000)		
Unallocated corporate expenses					
Other operating expenses		(18,615)			(10,154)
Other income		13,023			17,300
		286,481			199,327
Finance cost		(88,737)			(75,855)
Share of loss from associate		(19,895)			(5,003)
Profit before taxation		177,849			118,469
Taxation		(92,995)			(20,915)
Profit after taxation		84,854			97,554

14 TRANSACTIONS WITH RELATED PARTIES

Name of related party	Nature of Transaction	UN-AUDITED NINE MONTHS ENDED	
		March 31, 2018	March 31, 2017
		(Rupees '000)	
Associated Company	Supplies	15,952	23,443
	Investment	-	450,000
	Guarantee charges	1,950	1,950
	Services	15,000	9,000
Staff Provident Fund	Contribution	15,027	13,063
Sponsors	Loan received / (repaid)	(288,550)	256,000

15 DATE OF AUTHORIZATION

This financial information has been authorized for issue by the Board of Directors of the Holding Company on April 27, 2018.

16 CORRESPONDING FIGURES

The condensed interim consolidated balance sheet has been compared with preceding balance sheet as at June 30, 2017, whereas the condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity have been compared with the corresponding period of the previous year.


ATIQUE AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)


ASIM MAHMUD
 (CHIEF FINANCIAL OFFICER)



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