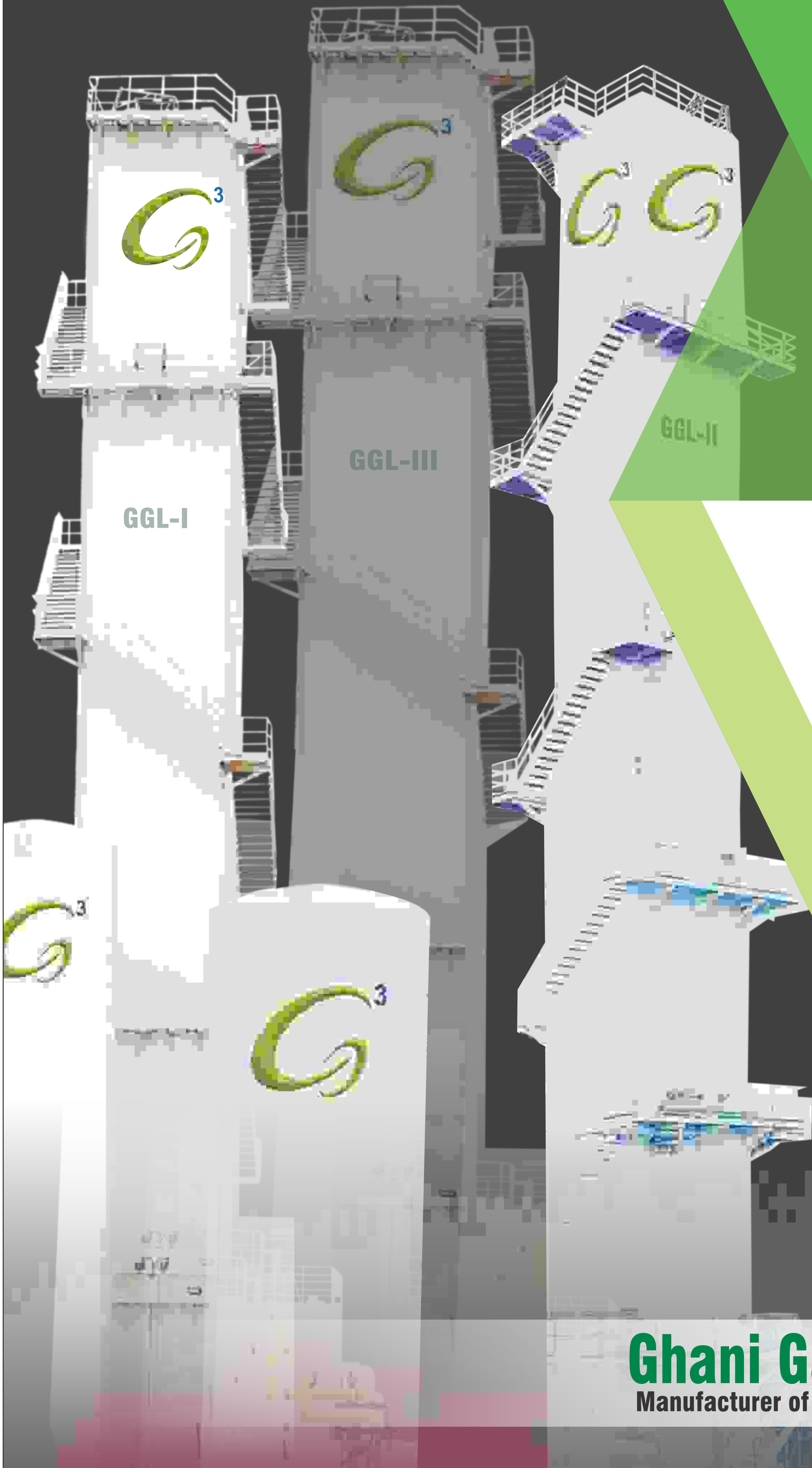
ANNUAL REPORT 2018



Ghani Global Group

Faith

Experience

Innovation

Growth

Ghani Gases Limited

Manufacturer of Industrial & Medical Gases

CONTENTS

COMPANY OVERVIEW

02 Corporate Information
04 Vision & Mission
05 Corporate Social Responsibility
06 Quality Management System
07 Environment Management System
08 SHEQ
09 Customer Satisfaction
11 Key Locations Around Pakistan
12 Customer Segments
13 Products & Service

DIRECTORS REPORTS

16 Chairman's Review
17 Directors' Report
138 Directors' Report in Urdu Language

CORPORATE GOVERNANCE

27 Statement of Compliance
29 Auditor's Review Report to the Members
30 Six years at a Glance

UNCONSOLIDATED FINANCIAL STATEMENTS

32 Auditor's Report
39 Balance Sheet
40 Statement of Profit or Loss
41 Statement of Comprehensive Income
42 Statement of Changes in Equity
43 Cash Flow Statement
44 Notes to the Financial Statements

CONSOLIDATED FINANCIAL STATEMENTS

79 Directors' Report
81 Auditor's Report on Financial Statements
87 Financial Statements

PATTERN OF SHAREHOLDING & NOTICE

126 Pattern of Shareholding
128 Notice of Annual General Meeting

139 Form of Proxy

CORPORATE INFORMATION

BOARD OF DIRECTORS

Masroor Ahamd Khan	Chairman
Atique Ahmad khan	Chief Executive Officer
Hafiz Farooq Ahmad	Director
Ayesha Masroor	Director
Rabia Atique	Director
Saira Farooq	Director
Tahir Bashir Khan	Director
Mahmood Ahmad	Director
Farzand Ali	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

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

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

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

REGIONAL MARKETING OFFICE
C-7/A, Block F, Gulshan-e-Jamal
Rashid Minhas Road, Karachi.
Ph: (021) 34572150
E-mail: shahidayub@ghaniglobal.com

LEGAL ADVISOR
Barrister Ahmed Pervaiz, Ahmed & Pansota
Lahore.

BANKERS
Al Baraka Islamic Bank Limited
Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Bank Islami Limited
Burj Bank Limited
Dubai Islamic Bank Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank Limited
Summit Bank Limited
Silk Bank Limited
The Bank of Punjab
The Bank of Khyber
UBL Ameen

REGISTERED/CORPORATE OFFICE
10-N, Model Town Ext, 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

VISION

- Ghani Gases is committed to quality, service, value and honesty, with dedication to provide the very best products of gases and to serve the nation and health care particularly and greater community at large.
- Our organization believes in faith, experience, innovation and growth, and will strive to strengthen all in our employees, customers and business peers.
- We always seek to cultivate trust and reputation in all business relationships, both large and small.

MISSION

- We strive achieve market leadership through technological edge, distinguished by quality and customer satisfaction, and emphasis on employee's welfare and ensure adequate return to shareholders.
- We further wish to contribute to the development of industry, healthcare, economy and country through harmonized endeavor.

CORPORATE SOCIAL RESPONSIBILITY

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

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

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

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

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

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

QUALITY MANAGEMENT SYSTEM

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

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

We are carrying out our activities in a manner which:

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

ISO 9001 : 2008 certified

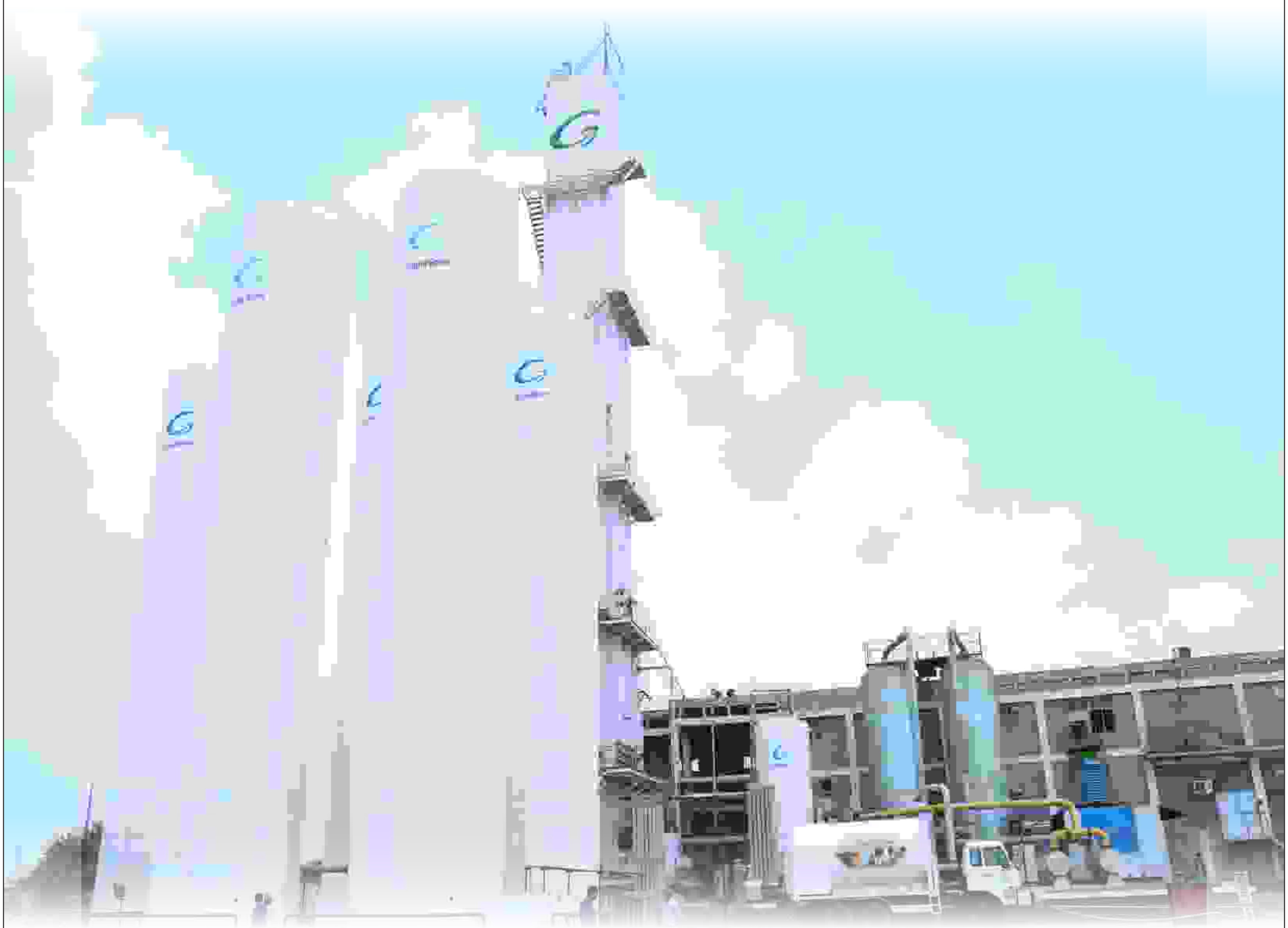
ENVIRONMENT MANAGEMENT SYSTEM

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

"Go green for a better tomorrow, go recycling"

ISO 14001: 2004 Certified

SHEQ



Ghani Gases cares for the employees, customers and general public and is committed to providing a safe and injury free workplace.

Ghani Gases endeavors to carry out activities in a manner which:

- Complies strictly with all the SHEQ legislations and regulations,
- Involves all personnel in a system of shared responsibility for safe operation,
- Looks for continuous improvement in the workplace through the application of best safety & quality practices,
- Contributes to the permanent improvement of operational efficiency and customers' satisfaction through a risk management program to protect our people, assets and business viability.

"We endeavor to achieve our objective of zero accidents."

CUSTOMER'S SATISFACTION

High quality customer service is an integral part of GGL's philosophy. It is our constant endeavor to provide exclusive service with wider accessibility.

Besides "Safety", our corporate slogan is "Customer First". We always lay emphasis upon providing in the best quality service to our customers. We continuously develop and improve customer - service oriented culture within GGL.

Knowing our customers and their need is the key to our business success. Our team of professionals are well-equipped and well-trained to provide the most efficient and personalized service to our customers.

It is incumbent upon the company and the management to ensure safe delivery of product to customers and that all the employees, customers and visitors coming to the site(s), go back to their families in safe condition. All the safety programmes, in-house and at customer's premises, have been installed to ensure continuity in programmes, a team of safety engineers is on board which ensures that all the safety aspects including human, machines, buildings, vehicles tankers and storage are met and taken care of.

Customer First

SAFETY FIRST

PERFORMANCE OF THE YEAR

Safety First

Number of Incidents	✓0	1	2	3	4
Loss Work Days	✓0	1	2	3	4
Injury to Staff			YES	✓NO	

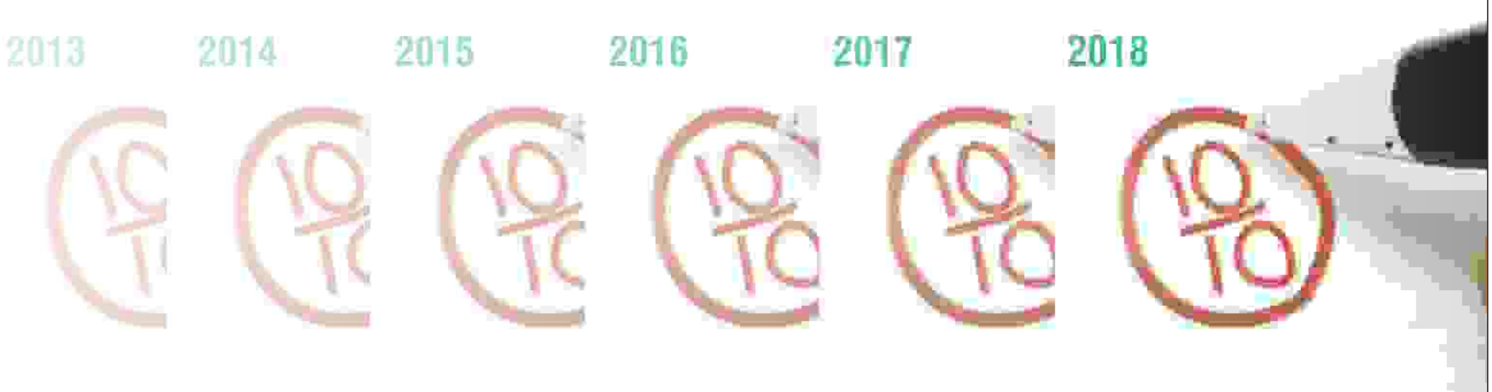
Safety on Site

Mileage Without Accident		9,412,777	KM
Vehicle Accident	YES	✓NO	
Injury to Drivers	YES	✓NO	
Casuality	YES	✓NO	

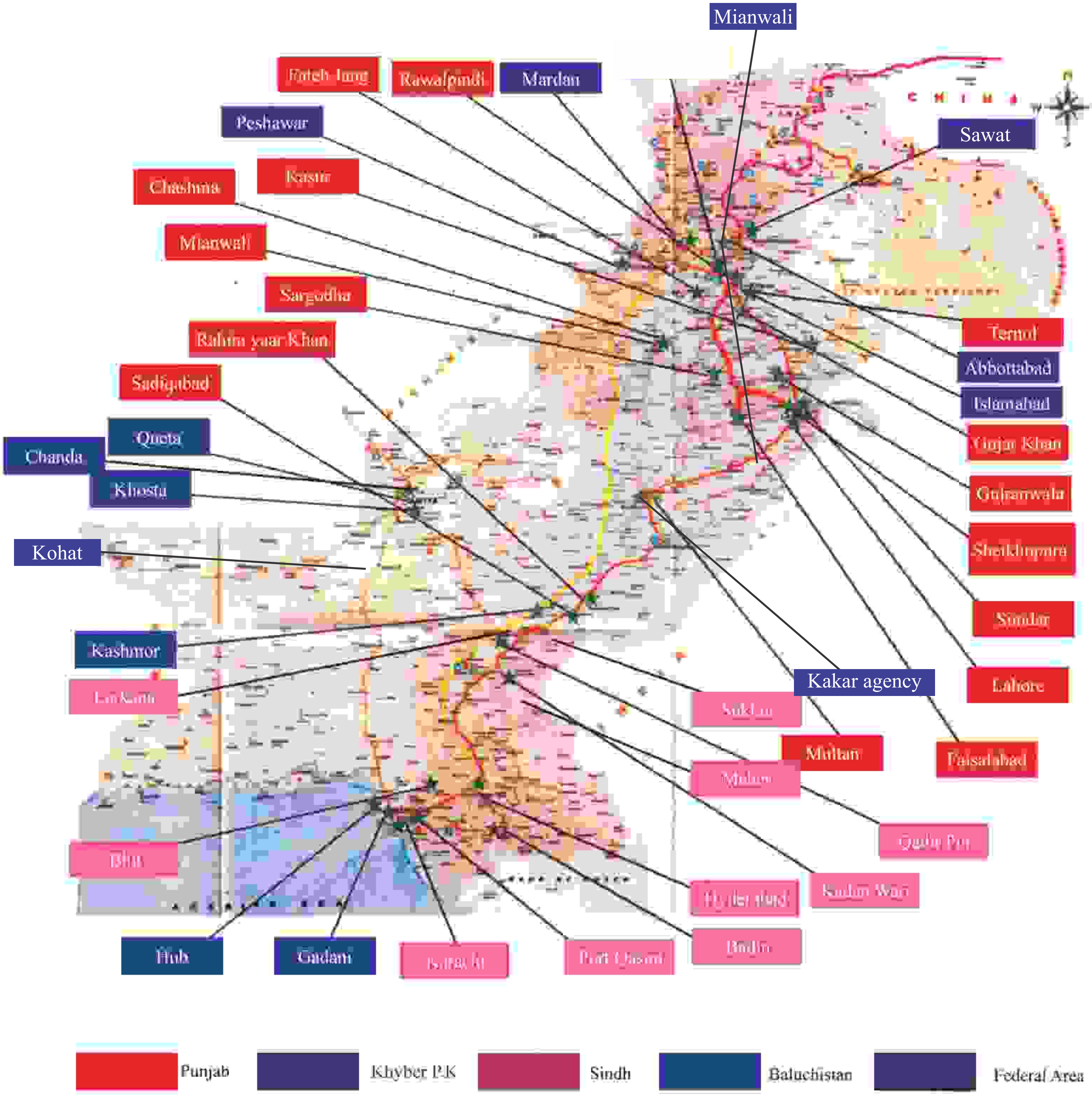
Safety on Site

Incidents at Industries	✓0	1	2	3	4
Incidents at Compressing Stations	✓0	1	2	3	4

Alhamd-o-Lillah



KEY LOCATIONS AROUND PAKISTAN



We are where our customers are

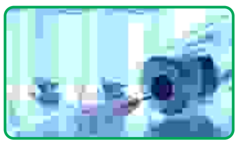
CUSTOMER SEGMENTS

Oil & Gas

Chemical & Fertilizer

Ship Breaking & Scrap Cutting

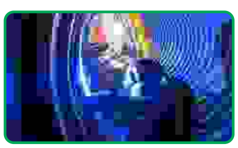
Pharmaceutical



Health Care

Food & Beverage

Metal Fabrication



Steel & Iron Mills

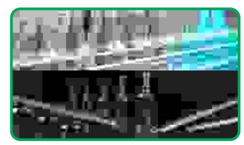
Light & Medium Engineering Works

Research and Analysis

Environment

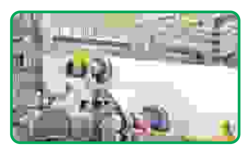
Merchandise Market

Glass



Refining

Pulp & Paper

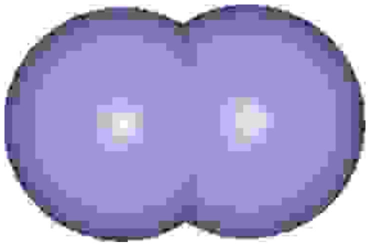


Livestock

Ghani Gases! A Good solution for every situation...

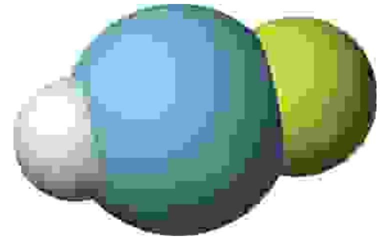
PRODUCTS & SERVICES

Industrial Gases



Liquid Oxygen

Liquid Nitrogen



Liquid Argon

Liquid Helium

Liquid CO_2

Dissolve Acetylene

Ethylene Ripener

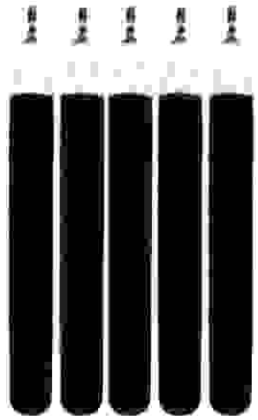
Calcium Carbide

Industrial Gases Pipeline

Industrial Cryogenic / Gases Cylinders

PRODUCTS & SERVICES

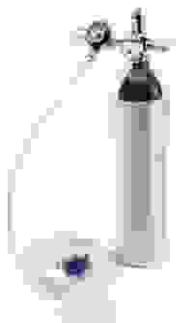
Health Care



Compressed Medical Oxygen

Liquid Medical Oxygen

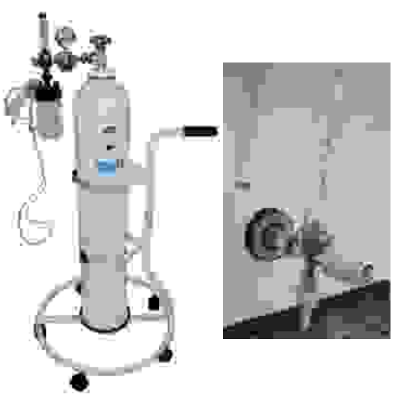
Nitrous Oxide



Pain Relief Mixture

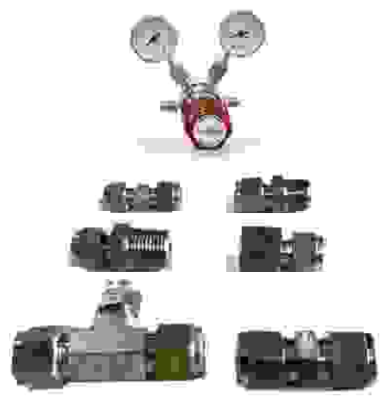
Liquid Medical Cryogenic / Gases Cylinders

Helium

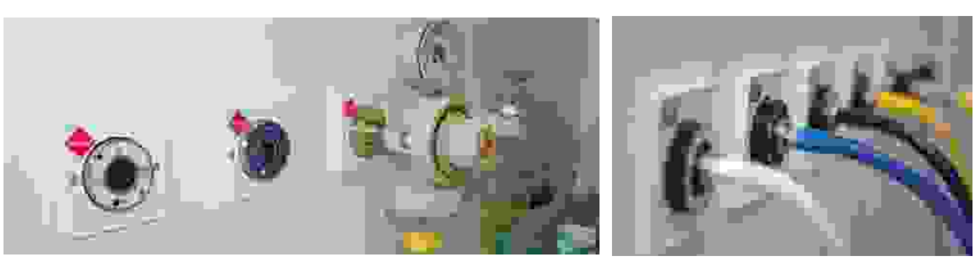


Oxygen Therapy Equipment

Medical Gas Pipeline



Gas Handling Equipment



Gas Outlet Points

Gas Manifold

PRODUCTS & SERVICES

Compressed Industrial Gases


Aviation Oxygen


Compressed Air


Compressed Argon

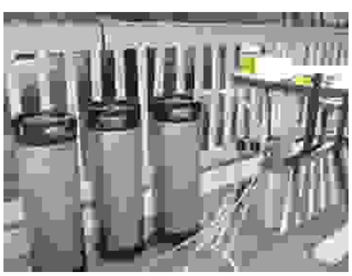

Gas Regulator

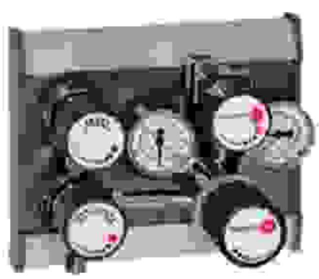

Compressed Acetylene


Compressed Nitrogen


Compressed Oxygen

Special Gases


CO_2 Mixture


High Purity Gases


Lab Mixture Gas


Lamp Mixture Gas


Argon Mixture Gas


Co_2 Mig Wire

CHAIRMAN'S REVIEW

Review Report by the Chairman on Board's overall performance under Section 192 of the Companies Act, 2017.

I am pleased to report that the Board of Directors of Ghani Gases Limited has exercised its powers and performed its duties as envisaged in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2017 ("the Code") contained in the Rule Book of Pakistan Stock Exchange where the Company is Listed.

The Board during the year ended 30 June 2018 played effective role in managing the affairs of the Company in the following manner:

- The Board remain updated with respect to achievement of Company's objectives, goals, strategies and financial performance through review of reports from management, internal auditors and other consultants as a result the Board the was able to provide effective leadership to company;
- The Board has ensured that there is adequate representation of non-executive and independent directors on the Board and its committees as laid down in the Code of Corporate Governance and has taken required initiatives to implement the new Code in its true letter and spirit. Moreover, the Board ensured that members of the Board and its respective committees has adequate skills, experience and knowledge to manage the affairs of the Company;
- As per requirements of the Code of Corporate Governance for annual evaluation of Board of Directors of Ghani Gases Limited; the Board has appointed a professional firm of accountants for an independent evaluation of the Board and firm shall complete evaluation of the board on or before December 31, 2018. The said appraisal is being evaluated to evaluate whether the Board as a whole has discharged its responsibilities diligently in the best interest of shareholders and other stakeholders.
- The Board has ensured that the directors are provided with the requisite training or orientation courses to enable them to perform their duties in an effective manner and directors on the Board have already taken certification under Directors Training Program and the remaining directors will take the certification in accordance with the Code;
- The Board has formed Audit Committees and Human Resource & Remuneration Committee and has approved their respective Terms of References and has assigned adequate resources so that the committees are able to perform their responsibilities diligently in line with the expectation of Board.
- The Board has ensured that the meetings of the Board and that of its committee were held with the requisite quorum, all the decision making were taken through Board resolution and that the minutes of all the meetings (including committees) are appropriately recorded and maintained;
- All the significant issues were presented before the Board or its committees to strengthen and formalize the corporate decision making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendations of the Audit Committee;
- The Board has ensured the compensation of Chief Executive, Executive Directors and other Key Executives including Chief Financial Officer, Company Secretary, and Head of Internal Audit in accordance with the Companies Act, 2017 and the Code;
- The Board has ensured that sound system of internal controls are in place and appropriateness and effectiveness of same is considered by internal auditors on regular basis;

Based on aforementioned it can reasonably be argued that Board of Ghani Gases Limited has played pivotal role in ensuring that corporate objectives are achieved in line with the expectation of shareholders and all other stakeholders.

Masroor Ahmad Khan
Chairman, Board of Directors

Lahore
September 01, 2018

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 audited financial statements of the Company for the year ended June 30, 2018, in compliance with the requirements of Companies Act, 2017.

OVERVIEW OF THE NATIONAL ECONOMY

Pakistan's economy received multiple jolts during fiscal year 2018 and almost all economic indicators worsened. The economy is faced with new and bigger challenges in fiscal year 2019. The economy took off with Gross Domestic Product (GDP) being declared at a decade high level of 5.3% in fiscal 2017. It achieved a 13-year high growth of around 5.7-5.8% in FY18. However, now it is estimated to recede to 4.7-4.8% in FY19. Economic fundamentals have deteriorated over the previous year and are set to mess up the economy down the road. The water crisis may further hamper economic growth in fiscal year 2019. As per international organizations, Pakistan is likely to face a major water crisis by 2025. The crisis may slow down agriculture growth this fiscal year. Its share in the economy stands at around one-fifth. Given the bleak economic scenario, where the country's foreign currency reserves have dropped. The government has set a GDP growth target of 6% for fiscal year 2019. However, estimated economic growth at 4.8% in fiscal year 2018-19". Poor performance on the economic front also suggests that Pakistan may face a crisis in fiscal year 2019 if corrective measures are not taken on time. Pakistan has been facing the problem of a current account deficit since last year and in 2018-19 it faces a balance of payments crisis as well as currency weakening …

PRINCIPAL ACTIVITIES

During the year under review your Company remain in business for manufacturing, distribution and sale of liquefied industrial and medical gases, compressed gases, specialty gases and allied businesses and sale of chemicals.

FINANCIAL PERFORMANCE

Your Company's sales during the year have increased to Rs. 2,330 million against Rs. 2,053 million as compared to last year depicting growth of 13.48% ALHAMDULILLAH. Gross profit has increased to Rs. 638.70 million against the gross profit of Rs. 568.63 million in relation to corresponding year. Distribution cost increased in absolute terms as well as in term of percentage of net sales from 9.97% to 11.23% and administrative expenses decreased in absolute term and in terms of percentage of net sales from 6.49% to 5.65%. During the year profit before taxation stands at Rs. 158.79 million as compared to last year profit of Rs. 181.08 million. Profit after tax increased to Rs. 157.71 million from Rs. 137.10 million, and earnings per share (EPS) increased from 1.04 to 1.19 if compared with the last year.

A comparison of the key financial results of your Company for the year ended June 30, 2018 with the last year is as under:

Particulars	Rupees in '000' except EPS			
	June 2018	June 2017	Variance	%
Sales	2,330,253	2,053,432	276,821	13.48
Net Sales	2,048,597	1,804,472	244,125	13.53
Gross Profit	638,698	568,634	70,064	12.32
- As %age of net sales	31.18%	31.51%		
Distribution cost	229,973	179,993	49,980	27.77
- As %age of net sales	11,23%	9.97%		
Administrative expenses	115,649	117,127	(1,478)	(1.26)
- As %age of net sales	5.65%	6.49%		
Profit before taxation	158,785	181,084	(22,299)	(12.31)
Net Profit	157,705	137,103	20,602	15.03
Earnings per share	1.19	1.04	0.15	14.42

OPERATIONS, DEVELOPMENT AND PERFORMANCE

Alhamdulillah the Company has completed another successful year of operations. During the year under review operations in both the regions, i.e North/West and South were smooth and without any notable issues. The plants operated in the best/efficient conditions and registered a growth of 24 % at Lahore and 30% at Karachi over last year. -

Ghani Gases is the only company which has presentation all over Pakistan i.e up to Gilgit. The distribution departments provided best services to the customers including the Oil Fields, Heavy Industries, Hospitals, Defense Units, Ship Breaking and Marchant Market. The delivery performance registers a growth of 32 % over last year. During the discharge of such a challenging and remarkable job no untoward incident observed during the year.

Customer Engineering Department provided best services to customers. During the year 20 new customers' installation completed within the stipulated period which has registered a growth of 20% over the last year.

Power house control system improved to get into Island mode whenever there is power failure at Wapda grid station or power fluctuations in the system due to any reasons. This will save down time which is causing a large amount due to re-startup in terms of power usage and fixed cost for no productions.

In view of the increased demand of compressed and specialty gases around Lahore, the operation activities further expanded and new compressed facility created to cope with the customers' demands in the central Punjab.

The compressed gases facility at Tarnol, from where the gases are supplied to the Hospitals and Marchant market in the capital city, KPK and surrounding areas, was upgraded to meet the expectation and demand of the customers.

The Company experienced the issue in the South, was the availability of electric power. Due to the generation problems with K Electric the entire industrial area suffered losses.

SALES & MARKETING

Ghani Gases recited a solid performance last year, delivering once again an increase in revenue, operating margin and net profit in the context of slower global growth in the year under review.

In 2018 the Company's positions strengthened in terms of geographical presence, especially in the North West region, as Pakistan's largest market for industrial gases. The Company has also strengthened its market positions by developing new product offerings for its customers, by signing new contracts and by continuing its development in promising new markets. 2018 was also marked by significant progress in customer experience and satisfaction.

The Company continued to improve its competitiveness and to take growth initiatives through its investment decisions and innovations.

More globally, GGL remains committed to reaching a high level of performance each year and, in the long-term, to creating value to ensure the longevity of our business. This long-term vision is also inherent to the Company's ambition of contributing more broadly to the environment, society and the market.

GGL has secured a number of long term sales contracts in the following sectors: Oil, Gas sector, Health Care sector and Pakistan Atomic Energy Commission. These contracts are a result of the fact that GGL is viewed as a reliable and competent Company in the market. We pay careful attention to the quality of its products and its compliance with current standards and regulations. It works to supply its customers on time in all circumstances while ensuring their ability to operate continuously.

In the year under review, market trends were observed to be rather slow due to political and national instability in the country. Energy crisis also presented as an obstacle in the path to progress. All the China–Pakistan Economic Corridor (CPEC) projects didn't show any volatility and no other major projects emerged either. Oil and Gas sector also faced the music and didn't perform with the zeal and zest it showed in the previous years.

The energy crisis was catered by our business model that frequently brings environmental and energy efficiencies to our own processes and those of our customers. This is increasingly important in a world in which energy demand is rising, along with our growing need to reduce dependence on finite natural resources.

We have dedicated sales and marketing teams focused on the seven market segments that generate the bulk of our revenue. These teams continue to mature and make great strides in developing strong relationships with the key players in those segments, Last year, we also began developing or enhancing new sales channels. After years of successfully selling safety products, we hired, trained, and deployed personnel with the expertise to sell our full product line of gases, welding, and safety products.

GGL's Sales and Management team ensured that every year records were broken and milestones were achieved.

Our team is reaching out to historically underserved customers across multiple market segments, offering them an enhanced buying experience and helping us grow our top line.

How Looking 2019?

GGL's ambition is to be the leader in its industry, delivering long-term performance and acting responsibly. The company relies on competitiveness in its operations, targeted investments in growing markets and innovation to deliver profitable growth over the long-term.

We are confident that we have the right strategy to create value in this environment. Our employees have made significant progress executing our policy and the benefits have not only supported our 2018 performance but also laid the groundwork for future earning's growth and significant cash flow generations over the next several years. However, we cannot rest there---- our obligation is to continuously explore new opportunities to create even more value for our shareholders.

Regardless of which path we ultimately take, our commitment to operational excellence, capital discipline and best-in-class performance in every aspect of our business is unwavering. It has made us who we are today and will enable us to deliver world class shareholder value well into the future.

Our priorities this year continue to focus on operational excellence and growth, with notably the start-up of major projects in Large Industries during the year. We will also pursue the transformation of our activities, leveraging on innovation and digital, as well as on the GGL model and its strong customer-centric culture.

Ghani Gases is committed to continually improving sustainability. It is an important expectation of many of our customers, employees, other key stakeholders, and prospective customers, as we grow. While we are proud of our achievements, we recognize that sustainability includes the process of growth, and we need to continue improving the way we do business to remain among the leaders in our industry sector.

Our business strategy is focused on serving energy, environmental and emerging markets, which will continue to grow as population and infrastructure needs increase. Through our technologies and products, we support higher levels of economic productivity and resource efficiency.

By the grace of Almighty Allah we are looking a continued recovery in business during the years to come. Expansion plan for setup of 3rd 120 TPD ASU plant is in progress. This plan is expected to be commenced trial run operation by March 2019.

To meet the challenge of price war and in the same time to improve the profitability of the Company, management of your Company has been taking different in time measures like cost reduction strategy(s), reduction in product losses by way of technological upgradation and better fund management.

Liquefied gases business is interlinked with business and industrial activities and human healthcare. After improvement in power supply situation we are seeing drastic improvement in industrial and other business activities.

Ongoing and planned projects of China-Pakistan Economic Corridor (CPEC), commencement of Gwadar Port operations and setup of planned industrial zones will be the game changer for the country. Your Company is already meeting the requirements of different ongoing projects linked with CPEC. By change of Government we are seeing a bright future of the country as well as of your Company.

EXPANSION PLANS

To capture the projected increase in demand of industrial and medical gases, the Company is setting up a state of the art 120 tons per day ASU plant at Lahore . Partial shipments of the plant have reached at site and around 80% of civil construction work has been completed. After arrival of final shipment, erection work of plant is expected to be commenced during December 2018. Trial operation of the expansion plan is planned for March 2019.

PAY OUT TO THE SHAREHOLDERS

The board of directors of your Company has recommended to issue 05% (2017: 06%) bonus shares to the shareholders for the year ended June 30, 2018 out of Share Premium Reserve. Bonus shares will be issued to those shareholders whose names will appear in Register of Members on October 18, 2018.

Agenda item for approval of the shareholders to capitalize Rs. 66.134 million out of Share Premium Reserve account of the Company and applied towards issue of 6.613 million ordinary shares of Rs. 10 each to be allotted as fully paid Bonus Shares in proportion of Five (05) ordinary shares for every Hundred (100) shares is included in notice of AGM.

STATUS OF INVESTMENTS IN ASSOCIATED/ SUBSIDIARY COMPANY(S)

The Company has provided corporate guarantee for Rs. 650 million to bank(s) for Ghani Global Glass Limited and has been charging commission @ 0.10% per quarter from the associated Company. An amount of Rs. 2.600 million charged as commission for the year ended June 30, 2018 (2017: Rs.2.600 million) is included under the head other income in profit and loss of the Company.

The shareholders of the Company in their meeting held on October 31, 2016 has approved the investment of Rs. 200 million in Ghani Global Glass Limited (GGGL) an associated Company in shape of advances and loans. As on close of the financial year June 30, 2018, GGGL has not fully or partially utilized the approved amount of investment.

During January 2017, the shareholders of the Company approved the investment of Rs. 360 million (out of right issue funds raised by the Company during September 2016) for setup of a project by subsidiary of the Company named Ghani Chemical Industries Limited. The subsidiary was setting up a chemical manufacturing plant in Hattar Economic Zone. Keeping in extraordinary increase in project cost due to surge in US$ against PKR, uncertainty in political situation, delay in electricity provision at site and change in Government, management has time being freeze the said project. Further activity for setup of the project will commence at some appropriate time. The Company has so far invested Rs.143 million in the subsidiary. Keeping above facts, board of directors of the company subject to approval of shareholders of the company has decided to utilize the unutilized funds of Rs. 217 million in on going expansion plan for setting up of 120 TPD third ASU Plant at Phool Nagar, District Kasur instead of investment in subsidiary company. Agenda item (No. 5) to obtain approval of the shareholders is included in AGM notice as Special Business.

STATUTORY AUDITORS OF THE COMPANY

The present auditors' M/s. Rizwan & Company, Chartered Accountants will retire on conclusion of Annual General Meeting being held on October 27, 2018. As suggested by the Audit Committee, the Board of Directors has recommended their re-appointment as auditors of the Company for the year ending June 30, 2019.

SHARE PRICE TREND

The share price of Rs.10 each of your Company at one stage rose as high as Rs. 31.85 during August 2017, lowered as low as Rs. 14.00 during December 2017 and closed at Rs. 16.12 as on June 30, 2018.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the requirements of Section 228 of the Companies Act 2017, consolidated financial statements of the Company along with auditors and directors report thereon have been attached with the financial statements of the Company.

RIBA-FREE BUSINESS

Alhamdulillah at Ghani Gases, all the business transactions and financial deeds are ensured in accordance with the SHARIA. Name of the Company is included in the list of Companies “For All Share Islamic Index” issued by the Pakistan Stock Exchange Limited.

SAFETY, HEALTH, ENVIRONMENT & QUALITY (SHEQ)

Safety first is the number one objective of Ghani Gases. Your Company has implemented the safety programs at all the locations. During the year no loss of time incident reported at all locations. The safety committees, framed at all locations are performing best and regular meetings are conducted where safety performance is evaluated each month. Safety procedures, developed for road tankers and truck, have been implemented which have yielded best results and performance.

Regular “Tuesday Safety Talks” are conducted at all the locations of the plants for general awareness and participation of the working staff. In these talks on the job and off the job safety topics are discussed where the workers participate for better results.

Regular internal and external safety audits are conducted to ensure the fail safe operations of the safety systems.

The sites has been awarded ISO 9001 and ISO 14001 by the international renowned company Certification International, UK through their local agent RDR, Lahore.

The Ghani Gases plants are not creating any pollutants, however, strict controls are placed to avoid any kind of ground and air pollutions. Your Company is committed to green environments and as such have launched the tree plantation program all around on sites.

ENVIRONMENT QUALITY MANAGEMENT SYSTEM

Ghani Gases is environmentally alive and is ensuring zero air, water and ground pollution. The Company is maintaining gardens and plants at the sites to make the work places attractive and give comfortable environment to the employees as well as customers. Your Company has been certified by world's known “UKAS” for adoption of Environment Management System ISO 14001:2004. Annual surveillance audit is conducted by the certification agency to ensure the compliance of the environment quality management system.

QUALITY MANAGEMENT SYSTEM

In addition to safety, health and environment, Ghani Gases is highly focused on quality standards. Your Company has adopted the world's best Quality Management System ISO-9001:2008. Certification of the system has been obtained from world's known “UKAS”. Annual surveillance audit is conducted by the certification agency to ensure the compliance of the quality management system.

HUMAN RESOURCE

Development of Human Resources is one of the priority areas in Ghani Gases as the management considers human capital as the most precious asset of the Company.

Alhamdulillah Ghani Gases has hired highly qualified, experienced staff and all the areas such as marketing, plant operations, customer engineering services, distribution, finance and corporate have been covered.

Ghani Gases employees' commitment, professionalism and focus on quality and customers' care have helped us to improve the market share.

TRAINING AND DEVELOPMENT

For better and safe performance, your Company needs to have best employees. To achieve this goal, the in-house and our source training sessions are conducted. The staff is evaluated for training need analysis. The training sessions are organized, based on the gaps observed in the evaluation process. The safety trainings are also conducted through outside sources which have yielded best results so far.

EUROPEAN & CHINESE TECHNICAL SUPPORT

To ensure the smooth operation and routine maintenance of both the plants, Ghani Gases has entered into agreement(s) with renowned European and Chinese international companies. During the year, European and Chinese teams of experts remained on board to support the local team of professionals.

PRODUCT DELIVERY SYSTEM

GGL is equipped with the country's state-of-the-art and efficient distribution fleet consisting of 28 VIT's having capacity to deliver on 390,500 cubic meters at a time to the customers.

To get the best performance, competent teams are on job on 24/7 basis to maintain the fleet and ensure that no customer gets dry at any given time.

STAFF RETIREMENT BENEFIT

Ghani Gases operates a funded, contributory Provident Fund Scheme for its employees. Contributions are deducted from salaries of the employees and the Company also contributes equal amount to the Fund on monthly basis.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The new Code of Corporate Governance (the Listed Companies (Code of Corporate Governance) Regulations, 2017) has marked various changes to bring local companies governance in line with the global norms. The Company has taken initiatives to implement amendments in the new Code. The representation of independent directors has been linked with the restructuring of the board not later than next election of Directors. Whereas process of evaluation of the board shall be completed on or before December 31, 2018 as per new Code of Corporate Governance.

STATEMENT OF COMPLIANCE

A Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017 is annexed.

CODE OF CONDUCT

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

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year under review Ghani Gases has contributed Rs.884 million (2017: Rs.763 million) in shape of taxes, duties and levies paid to central, provincial government and local authorities.

AUDIT COMMITTEE

The Board has formed an Audit Committee. It comprises four members, of whom one is independent and three are non-executive directors.

Names of Members of Audit Committee are as under:

Name of irector	Catagory	Designation in Commitee
Tahir Bashir Khan	Independent director	Chairman
Masroor Ahmad Khan	Non-executive director	Member
Rabia Atique	Non-executive director	Member
Saira Farooq	Non-executive director	Member

The Audit Committee has its terms of reference which were determined by the Board of Directors in accordance with the guidelines provided in the Listed Companies (Code of Corporate Governance) Regulations, 2017.

HR&R COMMITTEE

The Board has formed a Human Resource and Remuneration (HR&R) Committee. It comprises four members, of whom one is independent, two are non-executive and one is executive director.

Names of Members of HR & R Committee are as under:

Name of Director	Catagory	Designation in Commitee
Mahmood Ahmad	Independent director	Chairman
Atique Ahmad Khan	Executive director	Member
Ayesha Masroor	Non-executive director	Member
Saira Farooq	Non-executive director	Member

The HR&R committee has its terms of reference which were determined by the Board of Directors in accordance with the guidelines provided in the Code of Corporate Governance.

RELATIONS WITH STAKEHOLDERS

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

CORPORATE SOCIAL RESPONSIBILITY

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

The Corporate Social Responsibility and guidelines for corporate governance are steps in the right direction. Customer Relation Management is a strategic business philosophy and processes are rooted through ethical practice. With the growth of our business, we have assumed an even greater responsibility towards our society and stakeholders, including employees, their families and our business partner etc.

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

During the last nine years, the Company has been sending every year one employee of the Company, selected through balloting, to perform Hajj (with pay on Company's expense).

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

BOARD OF DIRECTORS

The Board of Directors, which consist of Nine members, have responsibility to independently and transparently monitor the performance of the Company and take strategic decision to achieve sustainable growth in the Company value.

Total Number of director:

Description	Number of Directors
Male	06
Female	03
Total	**09**

Composition of director:

Categories	Number of Directors
Independent directors	02
Other non-executive directors	04
Executive directors	03
Total	**09**

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

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

A total of seven meetings of the Board of Directors were held during the year ended June 30, 2018.

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

The present board of directors were elected in Annual General Meeting of the Company held on October 28, 2017 for a further period of three years.

DIRECTORS' REMUNERATION

The remuneration of the directors is determined by the Board as per provisions of section 170 of the Companies Act, 2017 on the basis of standards in the market and reflects demand to competencies and efforts in the light of the scope of their work and responsibilities of the directors.

During the year ended June 30, 2018 aggregate amount of remuneration paid to the Executive and Non-Executive Directors are as under:

Category of Director	Number of Directors	Remuneration (Rupees in '000)
Executive directors including CEO	3	35,132
Independent directors	2	-
Other non-executive directors	4	-

Remuneration of Executive directors including CEO are reviewed annually by the board of directors.

No remuneration and/fee is paid to non-executive directors and independent directors for attending the meetings of board of directors and/or committees of the board.

CHAIRMAN'S REVIEW

The chairman's review deals with the overall performance of the board and effectiveness of the role played by the board in achieving the company's objectives for the year ended June 30, 2018 in compliance with section 192 (4) of the Companies Act, 2017 is annexed.

PATTERN OF SHAREHOLDING

A pattern of shareholding as required under section 227(2) (f) of the Companies Act, 2017 is annexed.

SCHEME OF COMPROMISES, ARRANGEMENT AND RECONSTRUCTION

The Board of Directors of Ghani Gases Limited has approved a draft scheme of Compromises, Arrangement and Reconstruction under section 279 to 283 of the Companies Act, 2017 amongst Ghani Gases Limited (GGL), its subsidiary Ghani Chemical Industries Limited (GCIL) and Ghani Global Glass Limited (GGGL). The object of the Scheme is that the undertaking comprising the assets, liabilities, rights and obligations of GGL shall be split into two (2) separate segments i.e. the Manufacturing Undertaking and the Retained Undertaking. The segment comprising all the assets, liabilities, rights and obligation of the Manufacturing Undertaking shall be carved out and, as at the Effective Date, stand merged and amalgamated with, transferred to, vested in, and be assumed by GCIL against issuance of shares by GCIL to GGL in accordance with the Scheme. Upon the merger & amalgamation and transfer of the Manufacturing Undertaking to GCIL, GGL shall continue to own and operate the Retained Undertaking. Further, the Scheme also envisages that shares of GGGL held by its sponsors shall be transferred to GGGL against issuance of shares by GGL to the sponsors, the issuance of shares of GGL against loans payable to its sponsors and the transfer of loans payable to sponsors of GGGL to GGL against issuance of shares by GGL in accordance with the Scheme. Upon sanction of the scheme by the Honourable Lahore High Court, Lahore the name of GGL shall be changed to Ghani Global Holdings Limited. A joint petition in this respect has been filed with Honourable Lahore High Court, Lahore.

The Honourable Lahore High Court, Lahore in its order dated June 25, 2018 has directed to called Extraordinary General Meetings (EOGM's) of GGL, GCIL and GGGL to approve the scheme by shareholders of respective companies which are being held on September 29, 2018 . The Court appointed chairmen will preside over the meetings and submit report to the Court.

POST BALANCE SHEET EVENTS

No material changes or commitments affecting the financial position of the Company have occurred between the end of financial year of the Company and date of this report, except the recommendation by the Board of Directors to capitalize Rs. 66.134 million out of Share Premium Reserve account of the Company and applied towards issue of 6.613 million ordinary shares of Rs. 10 each to be allotted as fully paid Bonus Shares in proportion of Five (05) ordinary shares for every Hundred (100) shares.

ACKNOWLEDGMENT

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 Karachi Stock Exchange and all government functionaries as well as the commandments of Allah Subhanatallah and Sunnah of our Prophet Muhammad (peace be upon him).

On behalf of the Board

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)

Lahore
September 01, 2018

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

Ghani Gases Limited ("the Company")
Year ending 30th June, 2018

The Company has complied with the requirements of the Regulations in the following manner:-

1- The total number of directors are nine (09) as per the following:

a. Male:	06
b. Female:	03

2- The composition of board is as follows:

a. Independent Directors	Mr. Tahir Bashir Khan Mr. Mahmood Ahmad
b. Other Non-executive Directors	Mr. Masroor Ahmad Khan Mrs. Ayesha Masroor Mrs. Rabia Atique Mrs. Saira Farooq
c. Executive Directors	Mr. Atique Ahmad Khan Hafiz Farooq Ahmad Mr. Farzand Ali

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).

4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and these Regulations with respect to frequency, recording and circulating minutes of meetings of board.

8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board did not arrange any Directors' Training program during the year.

10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

a. Audit Committee

Name	Status
Mr. Tahir Bashir Khan	Chairman
Mr. Masroor Ahmad Khan	Member
Mrs. Rabia Atique	Member
Mrs. Saira Farooq	Member

a. HR and Remuneration Committee

Name	Status
Mr. Mahmood Ahmad	Chairman
Mr. Atique Ahmad Khan	Member
Mrs. Ayesha Masroor	Member
Mrs. Saira Farooq	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the committees were as per following:

a. Audit Committee	at least 4 quarterly meetings during the year
a. HR and Remuneration Committee	at least 1 half-yearly meeting during the year

15. The Board has set up an effective internal audit function which is supervised by the Head of Internal Audit who is suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of these Regulations have been complied with.

Lahore
September 01, 2018

ATIQUE AHMAD KHAN
CHIEF EXECUTIVE OFFICER

HAFIZ FAROOQ AHMAD
DIRECTOR

Rizwan & Company
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ghani Gases Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the "Regulations") prepared by the Board of Directors of Ghani Gases Limited for the year ended June 30, 2018 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of Section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2018.

Rizwan & Co.

RIZWAN & COMPANY
CHARTERED ACCOUNTANTS
Engagement Partner Imran Bashir

Lahore:

Date: September 01, 2018

SIX YEARS AT A GLANCE

Rs. (in 000)

	2018	2017	2016	2015	2014	2013
Operating Results						
Sales (gross)	2,330,253	2,053,432	2,013,015	1,967,317	1,558,692	1,401,534
Gross profit	638,698	568,634	575,635	569,924	327,306	390,607
Profit before tax	158,785	181,084	276,612	249,239	103,536	158,003
Financial data						
Fixed assets	3,039,513	2,838,962	2,682,306	2,525,060	2,334,225	1,398,107
Capital work in progress	4,800	100,146	79,409	41,612	14,030	171,827
Intangible assets	14,631	70	70	70	350	630
Long term deposits	68,257	57,756	68,909	68,151	64,162	79,169
Long term investment	593,000	593,000	500	45,133	45,000	-
Current assets	1,606,976	1,374,818	2,070,629	963,017	679,629	898,157
Current liabilities	1,426,491	654,930	1,534,421	821,671	676,662	462,651
	3,900,686	**4,309,822**	**3,367,402**	**2,821,372**	**2,460,734**	**2,085,239**
Financed by:						
Ordinary capital	1,322,682	1,247,813	1,247,813	742,746	742,746	724,630
Reserves	460,198	535,067	535,067	30,000	30,000	30,000
Un appropriated profit	724,141	566,436	429,333	341,627	227,696	172,674
Shareholder's equity	**2,507,021**	**2,349,316**	**2,212,213**	**1,114,373**	**1,000,442**	**927,304**
Loan from sponsors (interest fee)	231,450	638,500	501,200	1,027,969	1,004,104	611,381
Non-current liabilities	1,162,215	1,322,006	653,989	679,030	456,188	546,554
Finances and deposits	**1,393,665**	**1,960,506**	**1,155,189**	**1,706,999**	**1,460,292**	**1,157,935**
Funds invested	**3,900,686**	**4,309,822**	**3,367,402**	**2,821,372**	**2,460,734**	**2,085,239**
Earning per-share (Rs.)	1.19	1.04	1.90	2.13	0.98	2.05
Break-up-value (Rs.)	18.95	18.83	17.73	15.00	13.47	12.80
Cash Dividend %	-	-	-	16	5	-
Bonus Share %	-	6	-	-	5	-
Right Share % (at premium of Rs 10)	-	-	68	-	-	-

Note: The Board of Directors of the Company in their meeting held on September 01, 2018 has recommended to issue 5% bonus shares.

UNCONSOLIDATED FINANCIAL STATEMENTS

Rizwan & Company
CHARTERED ACCOUNTANTS

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of DFK International

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INDEPENDENT AUDITOR'S REPORT

To the members of Ghani Gases Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Ghani Gases Limited (the Company), which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2018 and of the profit or loss and other comprehensive income or loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Key Audit Matters	How our audit addressed the key audit matter
1. Tax provisions	
Refer note 25 to the financial statements.	We performed substantive audit procedures on the recognition of deferred tax based on tax laws, and on the analysis of the reversal of deferred tax liability.

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The management is required to apply significant judgment when determining whether, and how much, to provide in respect of tax provisions as at balance sheet date. International Financial Reporting Standards require that deferred tax assets and liabilities be measured at tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on applicable tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Finance Act 2018 announced regressive tax rates for next five tax years as from balance sheet date. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using average rates that are expected to apply to taxable profit/(loss) of the periods in which the temporary differences are expected to reverse.

Given the significant assumptions and estimates and complex calculations involved in estimating the reversals of temporary differences over future periods, this area is considered to be a key audit matter.

We checked reasonableness of management's estimates regarding reversals of temporary differences in future periods and checked accuracy of calculations performed and found that estimates are reasonable and judgments exercised by the management while developing expectations are objective and accurate.

We consider the amounts provided to be within an acceptable range in context of the Company's overall tax exposures and our materiality.

Finally, we reviewed the adequacy of the disclosures made by the Company in this area.

2. Property, plant and equipment

The Property, Plant and Equipment balance comprises 81% (2017: 82%) of total non-current assets. This amounts to Rs. 3,044 million (2017: Rs. 2,939 million) as shown in note 7 of financial statements.

Judgment is exercised in determining the useful lives and residual values and when assessing whether there are any indicators of impairment present and when performing impairment assessments where indicators have been identified. Based on the value of the balance as well as the judgments involved in determining useful lives and residual values this has been identified as a key audit matter.

The following was performed on the assessment of useful lives and residual values:

- Obtained the useful lives and residual values assessment and confirmed that this was reviewed and considered in the year under review;
- Evaluate basis used in determination of useful lives and corroborated by inspection of assets and discussion with operational personnel; and

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- Confirmed by inspection of the fixed asset register and discussion with operational management that there were no material assets still in use with a nil value, and where residual values had been increased corroborated such increases to market values where possible.

In considering whether impairments are required the Company's consideration of impairment indicators such as reduced capacity, forecasts, market demand for products, and the condition of the plants was reviewed. In addition, the following was performed:

- Physical inspection was performed to identify any damages or non-operating assets; and
- Discussions were held with the engineers and other technicians to identify any other potential impairments.

Based on the testing performed the property, plant and equipment appears to be valued appropriately.

3. Sales

Refer to note 6.14 and statement of profit or loss.

Revenue is recognized when the risks and rewards of the underlying products have been transferred to the customer. During the year, the Company's overall net revenue increased to Rupees 2,049 million from Rupees 1,804 million in 2017 showing an increase of 14% as compared to corresponding period.

There continues to be pressure on the management to meet expectations and targets upon which their own performance and financial rewards are based.

Keeping in view of the above, the revenue has been identified as key audit matter as it is one of the key performance indicators of the Company and because of potential risk that revenue transactions may not be recognized in the appropriate period.

We understood each business's revenue recognition policies and how they are applied, including the relevant controls, and tested controls over revenue recognition where appropriate. To gain reasonable level of satisfaction regarding revenue recognition we performed the following procedures:

- Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period;
- Assessing appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.

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- Comparing, on sample basis, specific revenue transactions recorded before and after balance sheet date with underlying documentation to assess whether revenue has been recognized in the appropriate period.

- Agreed, on sample basis, deliveries occurring before and after balance sheet date along with underlying documentation to assess whether revenue has been recognized in the appropriate period.

- Inspecting credit notes issued to record sales returns subsequent to year end, if any.

We assessed the disclosures against the requirements of IAS 18 Revenue.

4. Preparation of financial statements under the Companies Act, 2017

As referred to note no. 3.3 to the financial statements, the Companies Act 2017 (the Act) become applicable for the first time for the preparation of the Company's annual financial statements for the year ended June 30, 2018.

The Act forms an integral part of the statutory financial reporting framework as applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements.

In the case of the Company, specific additional disclosure and changes to the existing disclosures have been included in the financial statements as referred to the note 3.3 to the accompanying financial statements.

The aforementioned changes and enhancements in the financial statements are considered important and a key audit matter because of the volume and significance of the changes in the financial statements resulting from the transition to the new reporting requirements under the Act.

We assessed the procedures applied by the management for identification of the changes required in the financial statements due to the application of the Act.

We considered the adequacy and appropriateness of the additional disclosures and changes to the previous disclosures based on the new requirements.

We also evaluated the sources of the information used by the management for the preparation of the above referred disclosures and the internal consistency of such disclosures with other elements of the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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- -Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Rizwan & Company
CHARTERED ACCOUNTANTS

DFK INTERNATIONAL
An Independent Member Firm

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The engagement partner on the audit resulting in this independent auditor's report is Imran Bashir.

Rizwan & Co.

Lahore:
Date: 01-09-2018

RIZWAN & COMPANY
CHARTERED ACCOUNTANTS

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

AS AT JUNE 30, 2018

	Note	2018	2017
		(Rupees '000')	
ASSETS			
Non-current assets			
Property, plant and equipment	7	3,044,313	2,939,108
Intangible assets	8	14,631	70
Long term investments	9	593,000	593,000
Long term deposits	10	68,257	57,756
		3,720,201	3,589,934
Current assets			
Stores, spares and loose tools	11	201,566	107,236
Stock in trade	12	94,343	37,740
Trade debts	13	468,959	529,520
Loans and advances	14	195,853	134,560
Trade deposits and prepayments	15	47,420	42,771
Other receivables	16	864	80
Tax refunds due from government	17	47,503	23,419
Advance income tax - net		376,706	265,336
Cash and bank balances	18	173,762	234,156
		1,606,976	1,374,818
TOTAL ASSETS		5,327,177	4,964,752
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
200,000,000 (June 2017: 200,000,000) ordinary shares of Rs. 10 each		2,000,000	2,000,000
Issued, subscribed and paid up share capital	19	1,322,682	1,247,813
Capital reserve - share premium	20	460,198	535,067
Unappropriated profit		724,141	566,436
Loan from sponsors	21	231,450	638,500
		2,738,471	2,987,816
Non-current liabilities			
Long term financing	22	33,857	11,772
Redeemable capital - Sukuk	23	812,499	1,029,166
Long term security deposits	24	33,025	26,620
Deferred taxation	25	282,834	254,448
		1,162,215	1,322,006
Current liabilities			
Trade and other payables	26	199,937	101,828
Payable to Employees' Provident Fund		-	2,746
Unclaimed dividend		853	858
Accrued profit on financing	27	23,957	16,535
Short term borrowings	28	955,986	273,000
Current portion of long term liabilities	29	242,280	229,179
Provision for taxation	37	3,478	30,784
		1,426,491	654,930
Total liabilities		2,588,706	1,976,936
TOTAL EQUITY AND LIABILITIES		5,327,177	4,964,752
CONTINGENCIES AND COMMITMENTS	30	-	-

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

ATIQUE AHMAD KHAN	**ASIM MAHMUD**	**HAFIZ FAROOQ AHMAD**
(CHIEF EXECUTIVE OFFICER)	(CHIEF FINANCIAL OFFICER)	(DIRECTOR)

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018	2017
		(Rupees '000')	
Gross sales		**2,330,253**	2,053,432
Less: Sales tax		**(281,656)**	(248,960)
Net sales		**2,048,597**	1,804,472
Cost of sales	31	**(1,409,899)**	(1,235,838)
Gross profit		**638,698**	568,634
Distribution costs	32	**(229,973)**	(179,993)
Administrative expenses	33	**(115,649)**	(117,127)
Other operating expenses	34	**(28,984)**	(16,674)
		(374,606)	(313,794)
		264,092	254,840
Other income	35	**18,177**	22,757
Profit from operations		**282,269**	277,597
Finance costs	36	**(123,484)**	(96,513)
Profit before taxation		**158,785**	181,084
Taxation	37	**(1,080)**	(43,981)
Profit after taxation		**157,705**	137,103
Earnings per share			(Restated)
- basic and diluted (Rupee)	38	**1.19**	1.04

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	(Rupees '000')	
Profit after taxation	**157,705**	137,103
Other comprehensive income	**-**	-
Total comprehensive income for the year	**157,705**	137,103

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2018

	Share capital	Capital reserve - Share premium	Revenue Reserve - Unappropriated profit	Loan from sponsors	Total
			(Rupees '000')		
Balance as at July 01, 2016	1,247,813	535,067	429,333	501,200	2,713,413
Profit for the year	-	-	137,103	-	137,103
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	137,103	-	137,103
Transactions with owners/sponsors					
Loan received from sponsors - net	-	-	-	137,300	137,300
Balance as at June 30, 2017	1,247,813	535,067	566,436	638,500	2,987,816
Profit for the year	**-**	**-**	**157,705**	**-**	**157,705**
Other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**-**	**157,705**	**-**	**157,705**
Issuance of bonus shares	**74,869**	**(74,869)**	**-**	**-**	**-**
Transactions with owners/sponsors					
Loan repaid to sponsors - net	**-**	**-**	**-**	**(407,050)**	**(407,050)**
Balance as at June 30, 2018	**1,322,682**	**460,198**	**724,141**	**231,450**	**2,738,471**

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)

UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018	2017
		(Rupees '000')	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operating activities	39	302,194	57,620
Finance costs paid		(116,062)	(104,710)
Income tax paid		(111,370)	(44,743)
		(227,432)	(149,453)
Net cash (used in) / generated from operating activities		74,762	(91,833)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in operating fixed assets		(31,453)	(14,395)
Additions in capital work in progress		(187,993)	(254,027)
Additions in intangible assets		(14,808)	-
Proceeds from disposal of operating fixed assets		8,744	4,775
Long term investments		-	(592,500)
Long term deposits - net		(10,501)	11,153
Net cash used in investing activities		(236,011)	(844,994)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds / (repayments) of long term financing		35,186	(1,071,433)
(Repayments) / proceeds of redeemable capital - Sukuk		(216,667)	1,245,833
(Repayments) / proceeds of loan from sponsors - net		(407,050)	137,300
Short term borrowings		682,986	(158,034)
Dividend paid		(5)	(92)
Proceeds from long term deposits		6,405	6,820
Repayment of liabilities under ijarah financing		-	(79,052)
Net cash generated from financing activities		100,855	81,342
Net (decrease) / increase in cash and cash equivalents		(60,394)	(855,485)
Cash and cash equivalents at the beginning of the year		234,156	1,089,641
Cash and cash equivalents at the end of the year	18	173,762	234,156

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

ATIQUE AHMAD KHAN	ASIM MAHMUD	HAFIZ FAROOQ AHMAD
(CHIEF EXECUTIVE OFFICER)	(CHIEF FINANCIAL OFFICER)	(DIRECTOR)

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2018

1. THE COMPANY AND ITS 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 on January 05, 2010. The registered office of the Company is situated at 10-N Model Town Extension, Lahore. The Company is principally engaged in the manufacturing, sale and trading of medical & industrial gases and chemicals. Manufacturing facilities of the Company are located at Phool Nagar Bypass, District Kasur and Port Qasim, Karachi.

2. SCHEME OF COMPROMISES, ARRANGEMENT AND RECONSTRUCTION

With the view to restructure Ghani Global Group of companies; a scheme of compromises, arrangement and reconstruction among Ghani Global Glass Limited, Ghani Chemical Industries Limited and Ghani Gases Limited was filed with the Honorable Lahore High Court, Lahore with the approval of the Board of Directors on June 24, 2018. Subsequent to balance sheet date; a special meeting as per direction of Honorable Lahore High Court shall be convened on September 29, 2018 to approve the scheme of compromises, arrangement and reconstruction.

In accordance with the scheme of arrangement, separating / demerging Ghani Gases Limited's manufacturing undertaking and to transfer the same to Ghani Chemical Industries Limited, retention of all remaining assets and liabilities, change of name of the Ghani Gases Limited to Ghani Global Holdings Limited, transfer of shares of Ghani Global Glass Limited held by sponsors to Ghani Gases Limited against issue of shares by Ghani Gases Limited and transfer of loan payable from Ghani Global Glass Limited to Ghani Gases Limited against issue of shares. The scheme shall be implemented after obtaining approval of the Honorable Lahore High Court, Lahore for which an application is in process.

3. BASIS OF PREPARATION

3.1 Separate financial statements

These financial statements are the separate financial statements of the Company in which investment in subsidiary is accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investee. Consolidated financial statements of the Company are prepared and presented separately. The Company has the following long term investment:

	2018	2017
	(Direct holding percentage)	
Subsidiary Company		
Ghani Chemical Industries Limited	**95.33**	95.33

3.2 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act), Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the

Companies Act, 2017 (the Act) and provisions of and directives issued under the Companies Act, 2017. However, provisions of and the directives issued under the Companies Act, 2017 have been followed where those provisions are not consistent with the requirements of the IFRSs as notified under the Companies Act, 2017.

3.3 NEW COMPANIES ACT, 2017, INITIAL APPICATION OF STANDARDS, AMENDMENTS OR INTERPRETATIONS TO EXISTING STANDARDS

3.3.1 The Companies Act, 2017 (the Act) has also brought certain changes with regard to preparation and presentation of annual and interim financial statements of the Company. Further, the disclosure requirements contained in the fourth schedule to the Act have been revised, resulting in the:

- elimination of duplicative disclosures with the IFRS disclosure requirements; and
- incorporation of significant additional disclosures.

3.3.2 New standards, amendments to approved accounting standards and interpretations

Initial application of standards, amendments or an interpretation to existing standards

a) Standards, interpretations and amendments to published approved accounting standards that are effective in current year.

The following amendment to published standards is mandatory for the financial year which began on July 1, 2017 and is relevant to the Company.

- Amendment to IAS 7 'Statement of cash flows': This amendment requires disclosure to explain changes in liabilities for which cash flows have been, or will be classified as financing activities in the statement of cash flows. The amendment only covers balance sheet items for which cash flows are classified as financing activities. In case other items are included within the reconciliation, the changes in liabilities arising from financing activities will be identified separately. A reconciliation of the opening to closing balance is not specifically required and the information can be provided in other ways. In the first year of adoption, comparative information is not required to be provided.The amendment does not require any additional disclosure as the reconciliation made in note 22.1 and 23.1 to these financial statements fulfills the requirement.

- Amendment to IAS 12, 'Income taxes' on recognition of deferred tax assets for unrealised losses. These amendments on the recognition of deferred tax assets for unrealised losses clarify how to account for deferred tax assets related to debt instruments measured at fair value. Currently, there are no debt instruments measured at fair value.

- IFRS 12, 'Disclosure of interest in other entities'. These amendments clarify the scope of IFRS 12 by specifying that the disclosure requirements, except for those summarised financial information for subsidiaries, joint ventures and associates, apply to an entity's interests which are classified as held for sale, as held for distribution to owners in their capacity as owners or as a discontinued operations in accordance with IFRS 5. The amendments does not impact the Company's financial statements.

The other amendments to published standards and interpretations that are mandatory for the financial year which began on July 1, 2017 are considered not to be relevant or to have any significant impact on the Company's financial reporting and operations and are therefore not disclosed in these financial statements.

b) New accounting standards, amendments and IFRIC interpretations that are not yet effective.

The following standards, amendments and interpretations of approved accounting standards that will be effective for the periods beginning on or after January 1, 2018, that may have an impact on the financial statements of the Company.

- IFRS 9 'Financial instruments' (effective for annual periods beginning on or after January 1, 2018). This standard has been notified by the Securities and Exchange Commission of Pakistan ('SECP') to be effective for annual periods beginning on or after July 1, 2018. IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through profit and loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit and loss with the irrevocable option at inception to present changes in fair value in OCI and not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there are no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit and loss.

- IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after January 1, 2018). This standard has been notified by the SECP to be effective for annual periods beginning on or after July 1, 2018. IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Company is currently in the process of analyzing the potential impact of changes required in revenue recognition policies on adoption of the standard. Management is in the process of assessing the impact of adoption of this standard on the financial statements. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

- IFRS 16 'Leases' (effective for annual periods beginning on or after January 1, 2019). This standard is also yet to be notified by the SECP. This standard replaces the current guidance in IAS 17 and is a far reaching change in accounting by lessees, in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets. However, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company is yet to assess the full impact of this standard.

- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after January 1, 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

- Amendments to IFRS 2 clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after January 1, 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards.

- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' - effective for annual periods beginning on or after January 1, 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use.

- Amendments to IAS 28 'Investments in Associates and Joint Ventures' (effective for annual periods beginning on or after January 1, 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit or loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture.

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after January 1, 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax.

- Amendments to IAS 23 Borrowing Costs (effective for annual periods beginning on or after January 1, 2019) clarifies that the general borrowings pool used to calculate eligible borrowing costs exclude only borrowings that specifically finance qualifying assets that are still under development or construction. Borrowings that were intended to specifically finance qualifying assets that are now ready for their intended use or sale – or any non – qualifying assets – are included in that general pool. This amendment will be applied prospectively to borrowing costs incurred on or after the date an entity adopts the amendments.

- IAS 12 Income taxes (effective for annual periods beginning on or after January 1, 2019) - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognised consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity.

The above new standards, amendments and interpretations are not likely to have an impact on the Company's unconsolidated financial statements. There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

3.4 Functional and presentation currency

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

4. SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

During the year, no such significant transactions or events that have affected the Company's financial position except for following:

4.1 Scheme of Compromises, Arrangement and Reconstruction among Ghani Global Glass Limited, Ghani Chemical Industries Limited and Ghani Gases Limited was filed with the Honorable Lahore High Court as fully explained in Note 2 to these financial statements.

4.2 The Company has obtained diminishing musharakah finance facilities and istisna finance facilities from banking companies during the year. For detailed information, please refer note 22 and 28.

4.3 The Company has purchased land measuring 2 acres in Economic Zone, Hattar to shift Tarnol plant GGL-III to that land.

4.4 Due to applicability of the Companies Act, 2017 certain disclosures of these unconsolidated financial statements have been presented in accordance with fourth schedule notified by Securities and Exchange Commission of Pakistan vide S.R.O 1169 date November 7, 2017 and amounts reported for the previous period are restated / reclassified. For detailed information, please refer note 3.3.2(a) and note 50.

4.5 For a detailed discussion about the Company's performance please refer to the Directors' report.

5. BASIS OF MEASUREMENT

5.1 These unconsolidated financial statements have been prepared under the historical cost convention.

5.2 Significant accounting judgments and critical accounting estimates / assumptions

The preparation of unconsolidated financial statements in conformity with the approved accounting standards require 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. Revisions to accounting estimates are recognized in the period in which estimate is revised and in any future periods affected. The areas where various assumptions and estimates are significant to the Company's unconsolidated financial statements or where judgments were exercised in application of accounting policies are as follows:

a) Taxation

The Company takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment and appellate stages and where the Company considers that its views on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

b) Useful lives, patterns of economic benefits and impairments

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

c) Provision for doubtful debts

The Company reviews its doubtful trade debts and other receivables at each reporting date to assess whether provision should be recorded in the statement of profit or loss. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

d) Provision for slow moving / obsolete items

The Company reviews the carrying values and impairment of stores, spares and loose tools to assess any diminution in the respective carrying values and wherever required provision for NRV / impairment is made. The calculation of the provision involves the use of estimates with regard to future estimated use and respective fair value of stores, spares and loose tools.

e) Recoverable amount of assets / cash generating units and impairment

The management of the Company reviews carrying amounts of its assets and cash generating units for possible impairment and makes formal estimates of recoverable amount, if there is any such indication. In making estimates of future cash flows from investments in subsidiary and associate, the management considers future dividend stream and an estimate of the terminal value of these investments, which are subject to change.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies have been applied consistently to all periods presented in these unconsolidated financial statements.

6.1 Taxation

Current

Provision for taxation is based on taxable income at current rates after taking into account tax rebates, exemption and credits available, if any or minimum tax on turnover or alternate corporate tax on accounting profit and tax paid under final tax regime under relevant provisions of Income Tax Ordinance, 2001. The charge for current tax also includes adjustments to tax payable, where considered necessary, in respect of previous years. The amount of unpaid income tax in respect of annual or prior periods is recognized as liability and any excess paid over what is due in respect of current or prior periods is recognized as an asset.

Deferred

Deferred tax is recognized using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation by the balance sheet date. In this regard, the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirements of Accounting Technical Release – 27 of the Institute of Chartered Accountants of Pakistan.

The Company recognizes a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax relating to items recognized outside unconsolidated statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in unconsolidated other comprehensive income or directly in equity.

6.2 Loans and borrowings

Loans and borrowings are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at cost, being fair value at the date the liability is incurred, less attributable transactions costs. Subsequent to initial recognition, these are measured at amortized cost with any difference between cost and value at maturity recognized in unconsolidated statement of profit or loss over the period of borrowings on effective profit rate.

6.3 Trade and other payables

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

6.4 Provisions and contingencies

A provision is recognized in unconsolidated financial statements when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of obligation. Provision is recognized at an amount that is the best estimate of an expenditure required to settle the present obligation at the reporting date. Where outflow of resources embodying economic benefits is not probable, or where reliable estimate of the amount of obligation cannot be made. A contingent liability is disclosed, unless the possibility of outflow is remote.

6.5 Property, plant and equipment

6.5.1 Owned

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

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

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Normal repairs and maintenance costs are charged to unconsolidated Statement of profit or loss as and when incurred.

Depreciation

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

De-recognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in unconsolidated statement of profit or loss.

6.5.2 Capital work in progress

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

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

Impairment

The Company assesses at each balance sheet date whether there is any indication that assets excluding inventory may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where the carrying value exceeds the recoverable amount, assets are written down to the recoverable amount and the difference is charged to the unconsolidated statement of profit or loss.

6.6 Stores, spares and loose tools

These are stated at lower of cost or net realizable value. Cost is determined by using the weighted average method. Items in transit are valued at cost comprising invoice value, plus other charges paid thereon. Provision is also made for slow moving and obsolete items.

6.7 Stock in trade

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

Raw and packing materials	At weighted average cost
Work in process	At weighted average manufacturing cost
Finished goods	At weighted average manufacturing cost
Items in transit	Cost comprising invoice values plus other charges incurred thereon.

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

6.8 Trade debts

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

6.9 Other receivables

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

6.10 Cash and cash equivalents

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

6.11 Loans, advances, trade deposits and prepayments

These are initially recognized at cost, which is the fair value of consideration given. Subsequent to the initial recognition assessment is made at each balance sheet date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such indication exists, the estimated recoverable amount of that asset or group of assets is determined and any impairment losses recognized for the difference between the recoverable amount and the carrying value.

6.12 Financial instruments

Recognition and de-recognition

Financial instruments carried on the unconsolidated balance sheet include deposits, trade debts, loans and advances, trade deposits, other receivables, cash and bank balances, long-term financing, long term deposits payable, trade and other payables, accrued profit on financing and short term borrowings etc. All the financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are recognized initially at cost, which is the fair value of the consideration given or received as appropriate, plus any directly attributable transaction costs. These financial assets and liabilities are subsequently measured at fair value or amortized cost using the effective rate of interest method, as the case may be.

Financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial asset. The Company loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Company surrenders those rights. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to unconsolidated statement of profit or loss.

Off setting of financial assets and financial liabilities

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

6.13 Foreign currency translation

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

6.14 Revenue recognition

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

i) Revenue from the sale of goods is measured net of sales tax, returns and trade discounts, and is recognized when significant risk and rewards of ownership are transferred to buyer, that is, when deliveries are made and recovery of consideration is probable;

ii) Profit on bank deposits is recognized on time proportion basis taking into account principal outstanding and rates of profit applicable thereon;

iii) Dividend income is recognized when the Company's right to receive the dividend is established; and

iv) Rental income is recognized on accrual basis when the amount is being receivable by the Company as per relevant assessment.

v) Any profit on loans and advances is recognized on time proportion basis using effective rate of return.

6.15 Employees' benefits

Defined contribution plan

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

Compensated absences

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

6.16 Borrowing costs

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

6.17 Intangible assets

Goodwill

Goodwill represents the difference between the cost of the acquisition (fair value of consideration paid) and the fair value of the net identifiable assets acquired. Goodwill is stated at cost less any identified impairment loss.

Software

Software is stated at cost less accumulated amortization and any identified impairment loss. An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and that the cost of such asset can also be measured reliably.

Software is amortized using straight line method at the rates given in notes to the unconsolidated financial statements. Amortization is charged to unconsolidated statement of profit or loss from the month in which the asset is available for use. Amortization on additions is charged on pro-rata basis from the month in which asset is put into use, while for disposals, amortization is charged up to the month of disposal.

Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All expenditures are charged to income as and when incurred. Gain or loss arising on disposal and retirement of intangible asset is determined as a difference between the net disposal proceeds and carrying amount of the asset is recognized as income or expense in the statement of profit or loss immediately.

Software is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

6.18 Investments in subsidiary and associate

Investments in subsidiary and associated companies are measured at cost. As per requirement of IAS 27 in separate financial statements at subsequent reporting dates, the recoverable amounts are estimated to determine the extent of impairment loss, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognized as an expense in unconsolidated statement of profit or loss. Where impairment losses subsequently reverse, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognized in unconsolidated statement of profit or loss.

The profits or loss of the subsidiary and the associate is carried forward in respective financial statements and not dealt within these unconsolidated financial statements except to the extent of dividend declared by the subsidiary and the associate which are recognized in other income. Gain and losses on disposal of such investment is included in other income. When the disposal of investment in subsidiary resulted in loss of control such that it becomes an associate, the retained investment is carried at cost.

6.19 Operating segments

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

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

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

6.20 Related party transactions and transfer pricing

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

6.21 Dividends

Dividend distribution to the Company's shareholders is recognized as a liability in the period in which dividends are approved by the Board of Directors or Company's shareholders as the case maybe.

6.22 Share capital

Incremental cost directly attributable to issue of ordinary shares are recognized as deduction from equity.

6.23 Earnings per share ('EPS')

Basic EPS is calculated by dividing the profit attributable to ordinary shares of the Company by the weighted average number of shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post tax effect of changes in profit and loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

7. PROPERTY, PLANT AND EQUIPMENT

	Note	2018	2017
		(Rupees '000)	
Operating fixed assets	7.1	3,039,513	2,838,962
Capital work in progress	7.2	4,800	100,146
		3,044,313	2,939,108

7.1 Operating fixed assets

DESCRIPTION	2018 BALANCE AS AT JULY 01, 2017 Cost	Accumulated Depreciation / Amortization	Net Book Value	FOR THE YEAR Additions	Transferred in Cost / (Accumulated Depreciation)	Disposal (Cost) / Accumulated Depreciation	Depreciation / Amortization	BALANCE AS AT JUNE 30, 2018 Cost	Accumulated Depreciation / Amortization	Net Book Value	DEPRECIATION RATES / USEFUL LIFE
	(Rupees '000')										
Land - Freehold	51,837	-	51,837	10,640	-	-	-	62,477	-	62,477	-
Land- Leasehold	25,826	2,867	22,959	-	-	-	527	25,826	3,394	22,432	49 years
Building	245,045	108,526	136,519	58,936	-	-	14,204	303,981	122,730	181,251	10%
Plant and machinery	2,861,716	300,840	2,560,876	224,403	-	(400)	78,979	3,085,719	379,787	2,705,932	Production hours
					-	32					
Furniture and fittings	29,145	11,363	17,782	761	-	-	1,808	29,906	13,171	16,735	10%
Office equipment	3,932	1,299	2,633	419	-	-	285	4,351	1,584	2,767	10%
Computers	9,647	5,355	4,292	811	-	-	1,412	10,458	6,767	3,691	30%
Vehicles	75,221	33,157	42,064	18,822	-	(15,758)	8,927	78,285	34,057	44,228	20%
						8,027					
	3,302,369	463,407	2,838,962	314,792	-	(16,158)	106,142	3,601,003	561,490	3,039,513	
					-	8,059					

DESCRIPTION	2017 BALANCE AS AT JULY 01, 2016 Cost	Accumulated Depreciation / Amortization	Net Book Value	FOR THE YEAR Additions	Transferred in Cost / (Accumulated Depreciation)	Disposal (Cost) / Accumulated Depreciation	Depreciation / Amortization	BALANCE AS AT JUNE 30, 2017 Cost	Accumulated Depreciation / Amortization	Net Book Value	DEPRECIATION RATES / USEFUL LIFE
	(Rupees '000')										
Land - Freehold	51,837	-	51,837	-	-	-	-	51,837	-	51,837	-
Land- Leasehold	25,826	2,340	23,486	-	-	-	527	25,826	2,867	22,959	49 years
Building	244,892	93,369	151,523	153	-	-	15,157	245,045	108,526	136,519	10%
Plant and machinery	2,489,263	237,824	2,251,439	233,137	140,129	(813)	57,608	2,861,716	300,840	2,560,876	Production hours
					(5,461)	53					
Furniture and fixtures	26,020	9,530	16,490	3,125	-	-	1,833	29,145	11,363	17,782	10%
Office equipment	3,858	1,008	2,850	74	-	-	291	3,932	1,299	2,633	10%
Computers	6,976	3,826	3,150	2,671	-	-	1,529	9,647	5,355	4,292	30%
Vehicles	47,903	19,223	28,680	8,525	23,445	(4,652)	7,288	75,221	33,157	42,064	20%
					(8,632)	1,986					
	2,896,575	367,120	2,529,455	247,685	163,574	(5,465)	84,233	3,302,369	463,407	2,838,962	
					(14,093)	2,039					

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

	Note	2018	2017
		(Rupees '000')	
Cost of sales	31	91,967	71,336
Administrative expenses	33	14,175	12,897
		106,142	84,233

7.1.2 Plant and machinery having carrying value of Rupees 20.17 million (2017: Rupees 20.79 million) has been given to Ghani Global Glass Limited, an associated undertaking under rental arrangement. Refer note 35.

7.1.3 Particulars of immovable property (i.e. Land and Building) in the name of the Company are as follows:

Location	Usage of immovable property	Total Area	Covered Area (In sq.ft)
a) 52 - KM, Phool Nagar, District Kasur	Manufacturing facility (Gases)	113 Kanal 8 Marla and 90 Feet	67,031
b) 53 - A, Industrial Zone Port Qasim, Karachi	Manufacturing facility (Gases)	40 Kanal	17,045
c) Plot 7 and 8, Zone - B, Hattar	Open plot	16 Kanal (2 Acre)	-

7.1.4 Particulars of operating fixed assets disposed off during the year are as follows:

Description	Cost	Accumulated Depreciation	Net Book Value	Sales proceeds	Gain / (Loss)	Mode of disposal	Particulars of purchaser and relationship
	----------	----------	(Rupees '000')	----------			
Cylinders	250	(19)	231	320	89	Negotiation	Ittefaq Hospital, Lahore - Customer
Cylinders	125	(11)	114	180	66	Negotiation	Maple Leaf Power Limited, Lahore - Customer
Cylinders	13	(1)	12	22	10	Negotiation	Roshan Packages Limited, Lahore - Customer
Cylinders	12	(1)	11	19	8	Negotiation	Tapal Energy (Private) Limited, Karachi - Customer
Vehicle - Land Cruiser	13,352	(6,478)	6,874	7,300	426	Negotiation	Mirza Arshad Baig, Lahore - Independent
Vehicle - Toyota Camery	2,406	(1,549)	857	1,083	226	Negotiation	Rizwan Ali, Lahore - Independent
	16,158	(8,059)	8,099	8,924	825		

		Note	2018	2017
			(Rupees '000')	
7.2	**CAPITAL WORK IN PROGRESS**			
	At cost			
	Civil works	**7.2.1**	**4,800**	58,137
	Plant and machinery	**7.2.2**	**-**	42,009
			4,800	100,146

			2018	2017
7.2.1	**Civil works**			
	Opening balance		**58,137**	51,624
	Additions during the year		**5,599**	6,666
	Capitalized during the year		**(58,936)**	(153)
	Closing balance		**4,800**	58,137
7.2.2	**Plant and machinery**			
	Opening balance		**42,009**	27,785
	Additions during the year		**182,394**	247,361
	Capitalized during the year		**(224,403)**	(233,137)
	Closing balance		**-**	42,009

7.2.3 Borrowing costs amounting to Rupees Nil (2017: Rupees 14.2 million) was capitalized during the year.

		Note	2018	2017
8	**INTANGIBLE ASSETS**		(Rupees '000')	
	Software	**8.1**	**14,561**	-
	Goodwill	**8.2**	**70**	70
			14,631	70
8.1	**COST**			
	Opening balance		**-**	-
	Additions during the year - at cost		**14,808**	-
	Closing balance		**14,808**	-
	AMORTIZATION			
	Opening balance		**-**	-
	Amortization for the year	**8.4**	**(247)**	-
	Closing balance		**(247)**	-
	Net book value		**14,561**	-

8.2 Goodwill represents the difference between the cost of the acquisition (fair value of consideration paid) and the fair value of the net identifiable assets acquired at the time of merger of Ghani Southern Gases (Private) Limited with and into Ghani Gases Limited.

8.3 The Company assessed the recoverable amount at June 30, 2018 and determined that as of this date there is no indication of impairment of goodwill. The recoverable amount was calculated on the basis of five years financial business plan which assumes cash inflows from investing and financing activities.

8.4 Intangibles are being amortized at the rate of 20% (2017: Nil) and has been allocated to administrative expenses.

9 LONG TERM INVESTMENTS

At cost

	Note	2018	2017
Subsidiary		(Rupees '000')	
Ghani Chemical Industries Limited			
Holding 95.33% (2017: 95.33%)			
14,300,000 (2017: 14,300,000) fully paid ordinary shares Rupees 10 each.	**9.1**	**143,000**	143,000
Balance carried down		**143,000**	143,000

	Note	2018	2017
		(Rupees '000')	
Balance brought forward		**143,000**	143,000
Associate			
Ghani Global Glass Limited			
Holding 25% (2017: 25 %)			
25,000,000 fully paid ordinary shares			
(2017: 25,000,000) of Rupees 10 each.	9.2	**450,000**	450,000
		593,000	593,000

9.1 In subsidiary company - unquoted

	2018	2017
Opening carrying value	**143,000**	500
Investment made during the year	**-**	142,500
Closing carrying Value	**143,000**	143,000

9.1.1 Ghani Chemical Industries Limited was incorporated in Pakistan as a private limited company on November 23, 2015 under the Companies Ordinance, 1984 (now the Companies Act, 2017), converted into public limited company on April 20, 2017. The Company made further investment of Rupees 142,500,000 in Ghani Chemical Industries Limited as a result of right issue by Ghani Chemical Industries Limited under the authority of shareholders to the extent of Rupees 360 million in its meeting held on December 02, 2016.

9.2 In associated company - quoted

	2018	2017
	(Rupees '000')	
Opening carrying value	**450,000**	-
Investment made during the year	**-**	450,000
Closing carrying Value	**450,000**	450,000

9.2.1 Ghani Global Glass Limited was incorporated in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company on October 04, 2007 and was subsequently converted into public company and was listed on Pakistan Stock Exchange. The Company is principally engaged in manufacturing and sale of glass tubes, glass-ware, vials and ampules. Company have acquired 25,000,000 shares of Rupees 18 each on January 19, 2017 representing 25% (2017: 25%) holding in the share capital of the Ghani Global Glass Limited.

9.3 The Company has reassessed the recoverable amount of the subsidiary / associate as at the balance sheet date and based on its assessment no material adjustment is required to the carrying amount stated in these financial statement.

10 LONG TERM DEPOSITS

	2018	2017
	(Rupees '000')	
Considered good:		
Security deposits for utilities	**60,370**	49,777
Security deposits for rented premises	**1,188**	1,280
Deposits against fuel supply	**6,113**	6,113
Deposits against Ijarah facilities	**586**	586
	68,257	57,756

These have been deposited against utilities, rented premises, Ijarah facilities and other suppliers and are refundable on completion or termination of contracts in accordance with terms of contract. Due to uncertainties regarding dates of refund of these deposits, these have been carried at cost.

11 STORES, SPARES AND LOOSE TOOLS

	2018	2017
	(Rupees '000')	
Stores	**24,404**	23,709
Spares	**176,953**	83,241
Loose tools	**209**	286
	201,566	107,236

	Note	2018	2017
		(Rupees '000')	

12 STOCK IN TRADE

		2018	2017
Finished goods - industrial gases		**26,889**	33,695
Finished goods - industrial chemicals		**67,454**	4,045
		94,343	37,740

13 TRADE DEBTS

	Note	2018	2017
Considered good:			
Unsecured	13.1	**468,959**	529,520
Considered doubtful:		**2,841**	-
Provision for doubtful debts		**(2,841)**	-
		468,959	529,520

13.1 The aging of trade debts at balance sheet date was:

	2018	2017
Not past due	**6,659**	459,213
0 to 180 Days	**376,693**	21,583
181 to 365 Days	**36,030**	17,889
1 to 2 Years	**30,940**	23,306
More than two years	**18,637**	7,529
	468,959	529,520

13.2 The maximum aggregate amount of trade receivable from Ghani Global Glass Limited at the end of any month during the year was Rupees 3.98 million (2017: Rupees 3.12 million).

14 LOANS AND ADVANCES

	2018	2017
	(Rupees '000')	
Unsecured and Considered good:		
Advances to:		
- Employees against expenses	**1,837**	1,484
- Suppliers and contractors	**194,016**	133,076
	195,853	134,560

14.1 The carrying values of loans and advances are neither past due nor impaired. The credit quality of these financial assets can be assessed with reference to negligible defaults in recent history.

15 TRADE DEPOSITS AND PREPAYMENTS

	2018	2017
	(Rupees '000')	
Considered good:		
Security deposits	**39,040**	42,101
Short term prepayments	**1,944**	669
Margin against letter of credit	**6,436**	1
	47,420	42,771

16 OTHER RECEIVABLES

	2018	2017
Considered good:		
Bank profit receivables	**55**	80
Accrued profit on share deposit money	**809**	-
	864	80

17 TAX REFUNDS DUE FROM GOVERNMENT

	2018	2017
Sales tax refundable	**47,503**	23,419

	Note	2018	2017
		(Rupees '000')	
18 CASH AND BANK BALANCES			
Cash in hand		**141**	270
Balances with banks in:			
Current accounts		**48,928**	40,756
Deposit accounts	18.1	**124,693**	193,130
		173,621	233,886
		173,762	234,156

18.1 The rate of return on deposit accounts ranges from 1.9% to 5.8% (2017: 2% to 5%) per annum.

18.2 The Company has banking relationship with islamic windows of conventional banking system as well as shariah compliant banks only.

	Note	2018	2017
		(Rupees '000')	
19 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL			
122,956,711 (2017: 122,956,711) Ordinary shares of Rupees 10 each fully paid in cash		**1,229,567**	1,229,567
13,000 (2017: 13,000) Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement for amalgamation	19.1	**130**	130
9,298,452 (2017: 1,811,575) Ordinary shares of Rupees 10 each issued as fully paid bonus shares		**92,985**	18,116
		1,322,682	1,247,813

19.1 The process for amalgamation of Ghani Southern Gases (Private) Limited with and into the Company as on May 15, 2012 resulted in issuance of shares for consideration other than cash.

19.2 Movement to the issued, subscribed and paid-up share capital of the Company is as follows:

2018	2017		2018	2017
(No. of Shares)			(Rupees '000')	
124,781,286	124,781,286	Opening balance	**1,247,813**	1,247,813
7,486,877	-	Issued during the year	**74,869**	-
132,268,163	124,781,286	Closing balance	**1,322,682**	1,247,813

19.3 Ordinary shares of the Company held by the related parties as at June 30, 2018:

	2018	2017
	(No. of Shares)	
Name of directors		
Mr. Masroor Ahmad Khan	**16,953,817**	15,965,866
Mr. Atique Ahmad Khan	**15,522,402**	14,615,474
Hafiz Farooq Ahmad	**16,789,653**	15,810,995
Mian Zahid Said	**-**	840
Mrs. Ayesha Masroor	**5,506,623**	5,194,929
Mrs. Rabia Atique	**7,457,856**	6,545,148
Mrs. Saira Farooq	**5,488,371**	5,177,709
Mr. Farzand Ali	**1,825**	1,722
Mr. Tahir Bashir Khan	**26**	-
Mahmood Ahmed	**31,605**	-

	2018	2017
	(No. of Shares)	
Name of other related parties		
Mrs. Tahira Naheed	**28,904**	77,269
Ms. Zojaja Masroor	**400,000**	-
Ms. Waleeja Masroor	**19,000**	-

20 CAPITAL RESERVE - SHARE PREMIUM

This includes share premium received by the Company on 2,500,000 ordinary shares at the rate of Rupees 5 per share, share premium of 7,000,000 ordinary shares issued at Rupees 2.50 per share and share premium on 43,019,834 ordinary shares at the rate of Rupees 10 per share. Share premium may be utilized by the Company only for the purpose specified in Section 81 of the Companies Act, 2017.

During the year, the Company has utilized share premium to the extent of Rupees 74,868,770 by issuance of fully paid 7,486,877 bonus shares in accordance with the provisions of Section 81 of the Companies Act, 2017.

21 LOAN FROM SPONSORS

The loan has been obtained from sponsors of the Company, which is unsecured and interest free. There is neither fixed tenure of loan nor there is any schedule for repayment of loan. The repayment is at the option of the Company.

	Note	2018	2017
		(Rupees '000')	
22 LONG TERM FINANCING			
From banking companies - secured:			
Diminishing Musharakah	**22.2**	**1,981**	3,112
Diminishing Musharakah	**22.3**	**9,899**	16,498
Diminishing Musharakah	**22.4**	**33,634**	-
Diminishing Musharakah	**22.5**	**13,471**	-
		58,985	19,610
From Islamic Financial Institution - secured			
Diminishing Musharakah	**22.6**	**485**	4,674
		59,470	24,284
Current portion taken as current liability	**29**	**(25,613)**	(12,512)
		33,857	11,772

		2018	2017
22.1	Balance at beginning of year	**24,284**	1,095,717
	Availed/adjustment during the year	**54,456**	174,050
		78,740	1,269,767
	Repayment/adjustment during the year	**(19,270)**	(1,245,483)
	Balance at the end of year	**59,470**	24,284

22.2 This represents diminishing musharakah facility having credit limit of Rupees 10 million (2017: Rupees 10 million) availed from banking company for purchase of vehicles. The term of the agreement is 3 years. The balance is repayable in 36 installments. It carries profit rate of 6 months KIBOR plus 100 BPS. It is secured against ownership of DM assets in favor of the banking company.

22.3 This represents diminishing musharakah facility having credit limit of Rupees 20 million (2017: Rupees 20 million) availed from banking company for purchase of vehicles and machinery for a period of 3 years. The balance is repayable in quarterly installments. It carries profit rate of 3 months KIBOR plus 90 BPS. The facility is secured against ownership of Diminishing Musharakah assets in favor of the banking company and personal guarantee of three directors of the Company.

22.4 This represents diminishing musharakah facility having credit limit of Rupees 50 million (2017: Nil) availed from banking company for purchase of machinery and equipments for a period of 3 years. The balance is repayable in 36 equal monthly installments. It carries profit rate of 6 months KIBOR plus 100 BPS. The facility is secured against ownership of Diminishing Musharakah assets in favor of the banking company, customer share of at least 10% and personal guarantee of three sponsoring directors of the Company.

22.5 This represents diminishing musharakah facility having credit limit of Rupees 50 million (2017: Nil) availed from banking company to finance machinery and equipments for a period of 3 years. The balance is repayable in 36 equal monthly installments. It carries profit rate of 1 year KIBOR plus 80 BPS. The facility is secured against specific charge on assets and personal guarantee of three sponsoring directors of the Company.

22.6 This Islamic finance facility carries profit ranging from 6 months KIBOR plus 195 BPS to 225 BPS (2017: 6 months KIBOR plus 195 BPS to 225 BPS). This Islamic finance facility having credit limit of Rupees 63 million (2017: Rupees 63 million) is secured against ownership of DM assets in favor of financial institution. This finance facility is repayable in monthly installments.

		Note	2018	2017
			(Rupees '000')	
23	**REDEEMABLE CAPITAL - SUKUK**			
	Long Term Certificates (Sukuk)	**23.1**	**1,029,166**	1,245,833
	Current portion taken as current liability	**29**	**(216,667)**	(216,667)
		23.2	**812,499**	1,029,166
23.1	Balance at beginning of year		**1,245,833**	-
	Availed during the year		**-**	1,300,000
			1,245,833	1,300,000
	Repayment during the year		**(216,667)**	(54,167)
	Balance at the end of year		**1,029,166**	1,245,833

23.2 The Company has issued Rated, Privately Placed and Secured Long Term Islamic Certificates (Sukuk) as instrument of redeemable capital under Section 120 of the repealed Companies Ordinance 1984 (Now the Companies Act, 2017) amounting to Rupees 1,300 million divided into 13,000 (2017: 13,000) certificates of Rupees 100,000 (2017: Rupees 100,000) each for a period of 6 years under an agreement dated December 22, 2016 for swapping of long term and short term financing facilities and to meet business requirements. The said certificates are redeemable in 24 consecutive quarterly installments commenced from February 03, 2017 and ending on February 03, 2023. Rental is payable on quarterly basis along with redemption of certificates. It carries profit rate of 3 months KIBOR plus 100 BPS (2017: 3 months KIBOR plus 100 BPS). These certificates are secured against first pari passu charge over present and future fixed assets of the Company to the extent of Rupees 1,625 million.

		Note	2018	2017
			(Rupees '000')	
24	**LONG TERM SECURITY DEPOSITS**			
	Security deposits	**24.1**	**33,025**	26,620

24.1 These represents amounts received from customers on installation/provision of equipment at their premises and can be used in ordinary course of Company business under provisions of Section 217 of the Companies Act, 2017.

		2018	2017
25	**DEFERRED TAXATION**	(Rupees '000')	
	Taxable temporary differences		
	Accelerated tax depreciation	**482,035**	537,821
	Deductible temporary differences		
	Provision for doubtful debts	**(710)**	-
	Unused tax losses	**(195,592)**	(243,610)
		(196,302)	(243,610)
	Net taxable temporary differences	**285,733**	294,211
	Unused tax credits	**(2,899)**	(39,763)
		282,834	254,448
	Average rate / normal tax rate	**25.00%**	30.00%

25.1 Subsequent to promulgation of Finance Act, 2018; deferred tax liability for the year has been determined on the basis of regressive rates using projected financial information for reversal of differences in foreseeable future.

		Note	2018	2017
			(Rupees '000')	
26	**TRADE AND OTHER PAYABLES**			
	Trade creditors		**93,854**	33,105
	Advances from customers		**64,967**	35,537
	Accrued liabilities		**31,677**	20,089
	Payable to Workers' profit participation fund	**26.1**	**8,228**	10,382
	Withholding tax		**1,211**	2,715
			199,937	101,828
26.1	**Workers' profit participation fund**			
	Beginning balance		**10,382**	11,403
	Allocation for the year		**8,357**	9,531
	Profit on funds utilized in Company's business		**137**	219
			18,876	21,153
	Less: Amount paid during the year		**(10,648)**	(10,771)
			8,228	10,382
27	**ACCRUED PROFIT ON FINANCINGS**			
	Long term financing		**320**	52
	Redeemable capital - Sukuk		**12,344**	14,356
	Short term borrowings		**11,293**	2,127
			23,957	16,535
28	**SHORT TERM BORROWINGS**			
	From banking companies - secured:			
	Short term borrowings		**955,986**	273,000

28.1 These finances have been obtained from banking companies under profit arrangements and are secured against joint pari passu hypothecation charge on the present and future current assets of the Company and personal guarantees of sponsor directors of the Company. These form part of total credit funded facilities of Rupees 1,125 million (2017: Rupees 860 million). The rates of profit ranging from relevant KIBOR plus 0.85% to 1.25% (2017: relevant KIBOR plus 0.9% to 1.25%). These facilities are expiring on various dates by March 31, 2019 and are renewable.

		Note	2018	2017
			(Rupees '000)	
29	**CURRENT PORTION OF LONG TERM LIABILITIES**			
	Long term financing	**22**	**25,613**	12,512
	Redeemable capital - Sukuk	**23**	**216,667**	216,667
			242,280	229,179

30 CONTINGENCIES AND COMMITMENTS

30.1 Contingencies

30.1.1 The Company has provided corporate guarantee amounting to Rupees 650 million (2017: Rupees 650 million) to banks against financing facilities on behalf of associated company namely Ghani Global Glass Limited.

30.1.2 The Company has filed two separate constitutional petitions on February 15, 2009 before the Honorable Lahore High Court, Lahore on the ground that the Company was not required to pay any Advance Tax on electricity bills due to huge carried forward tax losses and available refunds. Honorable Lahore High Court has granted stay orders upon furnishing bank guarantees in favor of LESCO amounting to Rupees 3.14 million (2017: Rupees 3.14 million). The outcome of the cases is pending and the management is hopeful that matter shall be decided in favor of the Company.

30.2 Commitments

30.2.1 Commitments in respect of letter of credit amounted to Rupees 403.92 million (2017: Rupees 95.16 million).

30.2.2 Commitments for construction of building as at balance sheet date amounted to Rupees 30 million (2017: Rupees 9.2 million).

30.2.3 Bank guarantee amounting to Rupees 38.65 million (2017: Rupees 27.45 million) provided to various customers/institutions against supplies of products.

30.2.4 As of balance sheet date, aggregate credit limits (funded facilities) amounting Rupees 169 million (2017: Rupees 587 million) from commercial banks remain unutilized.

30.2.5 Commitments for rentals under Ijarah contracts as at June 30, 2018 are as follows:

	Note	2018	2017
		(Rupees '000')	
Not later than one year		**983**	1,435
Later than one year but not later than five years		**-**	953
		983	2,388

31 COST OF SALES

	Note	2018	2017
Fuel and power		**663,304**	519,527
Utilities		**3,062**	2,585
Consumable stores		**37,692**	26,468
Salaries, wages and other benefits	31.1	**74,375**	64,523
Communication		**973**	636
Repairs and maintenance		**34,147**	28,900
Traveling, vehicle running and conveyance		**9,241**	6,679
Insurance		**6,083**	5,490
Depreciation	7.1.1	**91,967**	72,695
Staff welfare		**8,746**	9,192
Transportation		**11,646**	7,594
Security expense		**2,562**	2,226
Other overheads		**36,468**	24,178
Cost of goods manufactured		**980,266**	770,693
Finished goods			
Opening stock		**37,740**	26,282
Purchases		**486,236**	476,603
Closing stock	12	**(94,343)**	(37,740)
		429,633	465,145
		1,409,899	1,235,838

31.1 Salaries, wages and other benefits includes Rupees 3.74 million (2017: Rupees 3.43 million) in respect of retirement benefits.

32 DISTRIBUTION COST

	Note	2018	2017
		(Rupees '000')	
Salaries, wages and other benefits	32.1	**55,181**	44,337
Transportation charges		**144,632**	109,399
Traveling, boarding, lodging and conveyance		**5,074**	4,785
Rent, rates and taxes		**1,352**	1,840
Communication		**785**	822
Balance carried down		**207,024**	161,183

	2018	2017
	(Rupees '000')	
Balance brought forward	**207,024**	161,183
Vehicle running and maintenance	**3,535**	3,346
Advertisement and business promotion	**809**	352
Loading and unloading	**2,125**	1,426
Postage and courier	**230**	212
Repair and maintenance	**11,090**	7,720
Office expense	**2,812**	4,598
Other expenses	**2,348**	1,156
	229,973	179,993

32.1 Salaries, wages and other benefits includes Rupees 2.79 million (2017: Rupees 2.45 million) in respect of retirement benefits.

33 ADMINISTRATIVE EXPENSES

	Note	2018	2017
		(Rupees '000')	
Salaries, wages and other benefits	**33.1**	**60,988**	49,904
Rent, rates and taxes		**5,660**	5,518
Electricity and other utilities		**2,227**	1,250
Traveling and conveyance		**3,573**	4,039
Vehicle running and maintenance		**2,851**	2,476
Donation and charity	**33.2**	**2,586**	875
Printing and stationery		**3,185**	2,761
Communication		**1,956**	1,735
Fee and subscription		**3,894**	18,494
Ijarah rentals		**1,358**	1,435
Advertisement		**735**	25
Insurance		**1,265**	1,895
Depreciation	**7.1.1**	**14,175**	14,908
Amortization of intangible assets	**8.1**	**247**	-
Staff welfare		**6,250**	6,355
Repair and maintenance		**2,078**	875
Others		**2,621**	4,582
		115,649	117,127

33.1 Salaries, wages and other benefits includes Rupees 3.75 million (2017: Rupees 3.45 million) in respect of retirement benefits.

33.2 None of the directors or their spouses had any interest in the donees. Further no donation more than Rupees 0.5 million was paid to any single organization.

34 OTHER OPERATING EXPENSES

	Note	2018	2017
		(Rupees '000')	
Legal and professional		**15,035**	6,338
Workers profit participation fund		**8,357**	9,531
Exchange loss		**1,548**	-
Provision for doubtful debts		**2,841**	-
Auditors' remuneration			
Statutory audit		**713**	665
Special audit		**300**	-
Half yearly review and other certifications		**165**	115
Out of pocket expenses		**25**	25
		1,203	805
		28,984	16,674

		Note	2018	2017
			(Rupees '000')	
35	**OTHER INCOME**			
	Profit on bank deposits		**1,943**	6,807
	Commission on corporate guarantee		**2,600**	2,600
	Rental income		**12,000**	12,000
	Gain on disposal of operating fixed assets		**825**	1,350
	Profit on share deposit money		**809**	-
			18,177	22,757
36	**FINANCE COSTS**			
	Profit on:			
	Long term financing		**3,150**	37,055
	Redeemable capital - Sukuk		**81,801**	36,893
	Short term borrowings		**35,383**	17,585
	Ijarah financing		**-**	4,289
	Workers' profit participation fund		**137**	219
			120,471	96,041
	Bank charges and commission		**3,013**	472
			123,484	96,513
37	**TAXATION**			
	Charge for the year:			
	Current	**37.1**	**(27,306)**	(16,240)
	Deferred	**25**	**28,386**	60,221
			1,080	43,981
37.1	Provision for taxation		**3,478**	30,784
	Tax credit - previous year's provision for taxation		**(30,784)**	(47,024)
			(27,306)	(16,240)

37.2 Assessment up to tax year 2017 is finalized (deemed assessment) and the available tax losses of the Company are Rupees 811.22 million (2016: Rupees 775.59 million).

37.3 The Company computes tax based on the generally accepted interpretations of the tax laws to ensure that the sufficient provision for the purpose of taxation is available which can be analysed as follows:

	2017	2016	2015
Income tax provision for the year - accounts	30,784	47,024	42,304
Income tax credit for preceding year	(47,024)	(42,304)	(17,601)
Excess / (shortage)	(16,240)	4,720	24,703

37.4 Due to previous tax losses; current year tax is charged on the basis of turnover under Section 113 or Alternate Corporate Tax (ACT) on accounting profit under section 113C of Income Tax Ordinance, 2001, whichever is higher. During the year, the Company falls under ACT and provision on accounting profit has been made after taking into account applicable tax credits, rebates and allowances. Relationship between income tax expense and accounting profit for current year is not meaningful due to application of ACT.

		Note	2018	2017 (Restated)
38	**EARNINGS PER SHARE**			
	Profit after taxation attributable to ordinary shareholders	*(Rupees '000')*	**157,705**	137,103
	Weighted average number of ordinary shares outstanding during the year	*(Number)*	**132,268,163**	132,268,163
	Earnings per share	*(Rupees)*	**1.19**	1.04

38.1 During the year, the Company has issued 7,486,877 bonus share out of share premium account which has resulted in restatement of basic and diluted earning per share for the year ended June 30, 2017.

38.2 Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2018 (2017: Nil) which would have any effect on the earnings per share if the option to convert is exercised.

39 CASH GENERATED FROM OPERATING ACTIVITIES

	Note	2018	2017
		(Rupees '000')	
Profit before taxation		**158,785**	181,084
Adjustments for non-cash charges/items:			
Depreciation / Amortization		**106,142**	87,603
Amortization of intangible assets	8.1	**247**	-
Finance costs	36	**123,484**	96,513
Provision for doubtful debts		**2,841**	-
Translation exchange loss	13	**1,548**	-
Gain on disposal of operating fixed assets		**(825)**	(1,350)
		233,437	182,766
Operating cash flows before working capital changes		**392,222**	363,850
Effect on cash flows due to working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		**(94,330)**	(3,704)
Stock in trade		**(56,603)**	(11,458)
Trade debts		**57,900**	(123,123)
Loans and advances		**(61,293)**	15,493
Short term deposits and prepayments		**(4,649)**	5,282
Balances with statutory authorities		**(24,084)**	657
Other receivables		**(784)**	1,679
Increase / (decrease) in current liabilities:			
Trade and other payables		**96,561**	(191,056)
Payable to Employees' Provident Fund		**(2,746)**	-
Net cash used in working capital changes		**(90,028)**	(306,230)
Cash generated from operating activities		**302,194**	57,620

40 CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES' REMUNERATION

The aggregate amount charged in the accounts for remuneration, allowances including all benefits to the Chief Executive Officer, Director and other Executives of the Company are as follows:

	June 30, 2018			June 30, 2017		
Description	**Chief Executive Officer**	**Directors**	**Executives**	Chief Executive Officer	Directors	Executives (Restated)
		(Rupees '000')			(Rupees '000')	
Managerial remuneration	**13,605**	**16,718**	**9,673**	10,227	12,829	8,238
Medical	**1,150**	**1,292**	**507**	1,023	1,189	387
Provident fund contribution	**1,054**	**1,313**	**574**	937	1,168	654
	15,809	**19,323**	**10,754**	12,187	15,186	9,279
No. of persons	**1**	**2**	**4**	1	2	3

40.1 Comparative figures have been restated to reflect changes in the defintion of executive as per Companies Act, 2017.

40.2 The chief executive and directors are provided with free use of Company maintained cars in accordance with their entitlement. Certain executives are also provided with Company maintained cars.

40.3 No meeting fee was paid to directors for attending board meeting or its committee (2017: Nil).

41 RELATED PARTIES

Related parties comprise of subsidiary and associated companies, directors of the Company, companies in which directors also hold directorship, related companies, key management personnel and staff retirement benefit funds. The Company in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

41.1 Name and nature of relationship

a) Associates due to significant influence

Ghani Global Glass Limited - 25% shares held in the Company

b) Associates due to common directorship

Ghani Products (Private) Limited
Ghani Engineering (Private) Limited
Air Ghani (Private) Limited
Ghani Global Foods (Private) Limited

c) Subsidiary Company

Ghani Chemical Industries Limited - 95.33% shares held in the Company

d) Sponsors

Mr. Masroor Ahmad Khan - Director
Mr. Atique Ahmad Khan - Chief Executive Officer / Director
Hafiz Farooq Ahmad - Director

e) Others

Ghani Gases Employees' Provident Fund

41.2 Transactions with related parties

Nature of Relationship	Nature of Transaction	2018 (Rupees '000')	2017 (Rupees '000')
Associated Company			
	Services	**12,000**	12,000
	Guarantee commission	**2,600**	2,600
	Supplies	**26,360**	31,359
	Ordinary share purchase of associated company	**-**	450,000
Subsidiary Company			
	Equity Investment	**-**	142,500
	Profit on share deposit money	**809**	-
Others			
Sponsors	Loan received / (repaid) - net	**(407,050)**	137,300
Provident fund trust	Contribution to fund	**22,041**	17,527

41.3 Sales, purchases and other transactions with related parties are carried out on commercial terms and conditions.

42 PROVIDENT FUND RELATED DISCLOSURES

The following information is based on un-audited financial statements of Ghani Gases Employees' Provident Fund as at June 30, 2018 (2017: Audited financial statements).

42.1 Information of Provident Fund	Note	2018 (Rupees '000')	2017 (Rupees '000')
Size of the fund (total assets)		**88,266**	73,334
Cost of investments made		**74,668**	52,174
Fair value of investments made		**73,963**	53,586

	2018	2017
Percentage of investments made	85%	71%

	2018	2017	2018	2017
	(Percentage)		(Rupees '000')	
42.2 Breakup of cost of investments				
Investment plus deposit certificates	32%	43%	24,000	22,501
Investment in saving accounts with banks	68%	57%	50,668	29,673
	100%	100%	74,668	52,174

42.3 Investments out of the Funds have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

43 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

43.1 Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).

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

- Unobservable inputs for the asset or liability (level 3).

As at reporting date, the Company has no item to report in these levels.

	June 30, 2018			
	Level 1	Level 2	Level 3	Total
		(Rupees '000')		
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit or loss	Nil	Nil	Nil	Nil
Financial liabilities	Nil	Nil	Nil	Nil

	June 30, 2017			
	Level 1	Level 2	Level 3	Total
		(Rupees '000')		
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit or loss	Nil	Nil	Nil	Nil
Financial liabilities	Nil	Nil	Nil	Nil

43.2 Financial instruments not measured at fair value

The carrying values of all financial assets and liabilities reflected in unconsolidated financial statements approximate their fair values.

	Note	2018	2017
		(Rupees '000')	
Assets as per balance sheet			
Long term deposits	10	68,257	57,756
Trade debts	13	468,959	529,520
Trade deposits and margin against letter of credit	15	45,476	42,102
Other receivables	16	864	80
Cash and bank balances	18	173,762	234,156
		757,318	863,614
Financial liabilities at amortized cost			
Liabilities as per balance sheet			
Long term financing	22	59,470	24,284
Redeemable capital - Sukuk	23	1,029,166	1,245,833
Long term security deposits	24	33,025	26,620
Accrued profit on financings	27	23,957	16,535
Short term borrowings	28	955,986	273,000
Trade and other payables	26	125,531	53,194
Payable to Employees' Provident Fund		-	2,746
Unclaimed dividend		853	858
		2,227,988	1,643,070

44 INFORMATION FOR ALL SHARES ISLAMIC INDEX SCREENING

44.1 Information

Description	Note	June 30, 2018		June 30, 2017	
		Carried under		Carried under	
		Non - Sharia arrangements	Sharia arrangements	Non - Sharia arrangements	Sharia arrangements
		(Rupees '000')		(Rupees '000')	
(i) Assets					
Deposits	10 and 15	-	107,297	-	99,857
Bank balances	18	-	173,621	-	233,886
(ii) Liabilities					
Loans and deposits					
Long term financing	22	-	59,470	-	24,284
Redeemable capital - Sukuk	23	-	1,029,166	-	1,245,833
Long term deposits	24	-	33,025	-	26,620
Short term borrowings	28	-	955,986	-	273,000
(iii) Other income	35	-	18,177	-	22,757

44.2 Sources of other income

Description	June 30, 2018		2017	
	Carried under		Carried under	
	Non - Sharia arrangements	Sharia arrangements	Non - Sharia arrangements	Sharia arrangements
	(Rupees '000')		(Rupees '000)	
Profit on bank deposits	-	1,943	-	6,807
Commission on corporate guarantee	-	2,600	-	2,600
Rental income	-	12,000	-	12,000
Gain on disposal of operating fixed assets	-	825	-	1,350
Profit on share deposit money	809	-	-	-

44.3 The revenue of the Company is from sale and trading of medical & industrial gases and chemicals.

44.4 Relationship with banks

The Company is dealing with only islamic banks or islamic windows of banks.

45 FINANCIAL RISK MANAGEMENT

45.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and profit rate risk), credit risk and liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies and provides principles for overall risk management, as well as policies covering specific areas such as currency risk, equity price risk, profit rate risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

The Company's audit committee monitors compliance with risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risks faced by the Company. Audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes reviews of risk management controls and procedures, results of which are reported to audit committee.

(a) Market risk

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

(i) *Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the Euro. Currently, the Company's foreign exchange risk exposure is restricted to the amounts payable to the foreign entities. The Company's exposure to currency risk was as follows:

Following is the gross balance sheet exposure classified into separate foreign currencies:

	2018	2017
	(EURO)	
Trade and other payables	255,000	-
Gross balance sheet exposure	255,000	-

The following significant exchange rates were applied during the year:

	Average rate		Spot rate	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	(Rupees)		(Rupees)	
PKR per				
EURO	132.02	114.22	141.57	119.63

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the Euro with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 1.81 million higher / lower (2017: Nil), mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) *Profit rate risk*

Profit rate risk represents the risk that fair values of future cash flows of financial instruments which will fluctuate because of change in market profit rates. The Company has no significant long-term profit-bearing financial assets. The Company's profit rate risk arises from financial liabilities. Borrowings obtained at floating rates expose the Company to cash flow profit rate risk. Borrowings obtained at fixed rate expose the Company to fair value profit rate risk.

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

	Note	2018	2017
		(Rupees '000')	
Floating rate instruments			
Financial assets			
Bank balances in deposit accounts	**18**	**124,693**	193,130
Financial liabilities			
Long term financing	**22**	**59,470**	24,284
Redeemable capital - Sukuk	**23**	**1,029,166**	1,245,833
Short term borrowings	**28**	**955,986**	273,000

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for floating rate instruments

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

		Changes in Interest Rate	Effects on Profit Before Tax (Rupees '000')
Financial assets			
Bank Balances - deposit accounts	**June 30, 2018**	**+1.50** **-1.50**	**1,870** **(1,870)**
	June 30, 2017	+1.50 -1.50	2,897 (2,897)
Financial liabilities			
Long term financing	**June 30, 2018**	**+2.00** **-2.00**	**1,189** **(1,189)**
	June 30, 2017	+2.00 -2.00	486 (486)
Redeemable capital - Sukuk	**June 30, 2018**	**+2.00** **-2.00**	**20,583** **(20,583)**
	June 30, 2017	+2.00 -2.00	24,917 (24,917)
Short term borrowing	**June 30, 2018**	**+2.00** **-2.00**	**19,120** **(19,120)**
	June 30, 2017	+2.00 -2.00	5,460 (5,460)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and outstanding liabilities of the Company at the year end.

(iii) *Other price risk*

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

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

(b) Credit risk

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

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

Exposure to credit risk

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

	Note	2018	2017
		(Rupees '000')	
Long term deposits	10	68,257	57,756
Trade debts	13	468,959	529,520
Trade deposits	15	39,040	42,101
Other receivables	16	864	80
Bank balances	18	173,621	233,886
		750,741	863,343

Concentration of credit risk

The Company identifies concentrations of credit risk by reference to type of counterparty. Maximum exposure to credit risk by type of counterparty is as follows:

		2018	2017
		(Rupees '000')	
Customers	13	468,959	529,520
Banking companies and financial institutions	16 & 18	173,676	233,966

Out of the total financial assets credit risk is concentrated in trade debts and deposits with banks as they constitute 85% (2017: 88%) of the total financial assets. The Company's exposure to credit risk related to trade debts is disclosed in note 13.1.

Provision for doubtful debts

Based on age analysis, relationship with customers and past experiences no further provision for doubtful debts is required for the year ended June 30, 2018 (2017: Nil) and does not expect any party to fail to meet their obligation. Required provision of Rupees 2.84 million has been provided in these unconsolidated financial statements.

The credit quality of loans and other receivables can be assessed with reference to their historical performance with no or negligible defaults in recent history and no losses incurred. The credit quality of Company's bank balances can be assessed with reference to the external credit ratings follows:

Banks	Rating Agency	Short term	Long term	2018	2017
				(Rupees '000')	
MCB Bank Limited	PACRA	A1+	AAA	6,527	5,392
MCB Islamic Bank Limited	PACRA	A1	A	21	21
National Bank of Pakistan	PACRA	A1+	AAA	600	967
United Bank Limited	JCR-VIS	A-1+	AAA	2,614	938
Allied Bank Limited	PACRA	A1+	AAA	1,889	787
Balance carried down				11,651	8,105

Banks	Rating Agency	Short term	Long term	2018	2017
				(Rupees '000')	
Balance brought forward				**11,651**	8,105
Faysal Bank Limited	JCR-VIS	A-1+	AA	**4,878**	11,573
Habib Metropolitan Bank Limited	PACRA	A1+	AA+	**3,650**	22,168
Bank Islami Pakistan Limited	PACRA	A1	A+	**17,247**	10,243
Meezan Bank Limited	JCR-VIS	A-1+	AA+	**72,181**	51,611
AlBaraka Bank (Pakistan) Limited	JCR-VIS	A-1	A+	**16,789**	20,341
Bank Alfalah Limited	PACRA	A1+	AA+	**6,832**	11,013
The Bank of Khyber	PACRA	A1	A	**40**	40
Askari Bank Limited	PACRA	A1+	AA+	**8,395**	12,384
Soneri Bank Limited	PACRA	A1+	AA-	**176**	88
Habib Bank Limited	JCR-VIS	A-1+	AAA	**14,313**	954
Bank Al-Habib Limited	PACRA	A1+	AA+	**10,024**	5,947
Dubai Islamic Bank Pakistan Limited	JCR-VIS	A-1	AA-	**135**	12
Standard Chartered Bank (Pakistan) Limited	PACRA	A1+	AAA	**246**	2,243
The Bank of Punjab	PACRA	A1+	AA	**73**	67,056
Summit Bank Limited	JCR-VIS	A-1	A-	**5,635**	10,108
Silk Bank Limited	JCR-VIS	A-2	A-	**1,356**	-
				173,621	233,886

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

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or any other financial assets, or that such obligations will have to be settled in manners unfavourable to the company.

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

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

	Note	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years
		(Rupees '000')			
June 30, 2018					
Long term financing	**22**	**59,470**	**59,470**	**25,613**	**33,857**
Redeemable capital - Sukuk	**23**	**1,029,166**	**1,029,166**	**216,667**	**812,499**
Long term security deposits	**24**	**33,025**	**33,025**	**-**	**33,025**
Trade and other payables	**26**	**125,531**	**125,531**	**125,531**	**-**
Short term borrowings	**28**	**955,986**	**955,986**	**955,986**	**-**
Unclaimed dividend		**853**	**853**	**853**	**-**
		2,204,031	**2,204,031**	**1,324,650**	**879,381**
June 30, 2017					
Long term financing	**22**	24,284	24,284	12,564	11,720
Redeemable capital - Sukuk	**23**	1,245,833	1,245,833	216,667	1,029,166
Long term security deposits	**24**	26,620	26,620	-	26,620
Trade and other payables	**26**	53,194	53,194	53,194	-
Short term borrowings	**28**	273,000	273,000	273,000	-
Payable to Employees' Provident Fund		2,746	2,746	2,746	-
Unclaimed dividend		858	858	858	-
		1,626,535	1,626,535	559,029	1,067,506

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

45.2 Capital risk management

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

No changes were made in the objectives, policies or processes from the previous period. The Company monitors capital using gearing ratio, which is debt divided by equity plus net debt. Debt represents long term financing including current portion obtained by the Company as referred to in notes 22 and 23. Total capital employed includes 'total equity' as shown in the balance sheet plus debt. The Company's strategy, which was unchanged from last period, was to maintain optimal capital structure in order to minimize cost of capital.

The gearing ratio as at year ended June 30, 2018 and June 30, 2017 is as follows:

		2018	2017
		(Rupees '000')	
Debt	**22 & 23**	**1,088,636**	1,270,117
Equity		**2,738,471**	2,987,816
Total capital employed		**3,827,107**	4,257,933
Gearing ratio		**28.45%**	29.83%

46 SEGMENT INFORMATION

46.1 The Company's reportable segments are based on the following product lines:

Industrial and Medical Gases

This segment covers business with large-scale industrial consumers, typically in the oil, chemical, food and beverage, metal, glass sectors and medical customers in healthcare sectors. Gases and services are supplied as part of customer specific solutions. These range from supply by road tankers in liquefied form. Gases for cutting and welding, hospital, laboratory applications and a variety of medical purposes are also distributed under pressure in cylinders.

Industrial Chemicals

This segment covers business of trading of chemicals.

46.2 Segment results are as follows:

	June 30, 2018			June 30, 2017		
	Industrial and Medical Gases	**Industrial Chemicals**	**Total**	Industrial and Medical Gases	Industrial Chemicals	Total
		(Rupees '000')			(Rupees '000')	
Net sales	**1,712,730**	**335,867**	**2,048,597**	1,325,707	478,765	1,804,472
Cost of sales	**(1,093,270)**	**(316,629)**	**(1,409,899)**	(806,765)	(429,073)	(1,235,838)
Gross profit	**619,460**	**19,238**	**638,698**	518,942	49,692	568,634
Distribution costs	**(223,572)**	**(6,401)**	**(229,973)**	(173,572)	(6,421)	(179,993)
Administrative expenses	**(109,867)**	**(5,782)**	**(115,649)**	(111,271)	(5,856)	(117,127)
	(333,439)	**(12,183)**	**(345,622)**	(284,843)	(12,277)	(297,120)
Segment profit	**286,021**	**7,055**	**293,076**	234,099	37,415	271,514
Balance carried down			**293,076**			271,514

	June 30, 2018			June 30, 2017		
	Industrial and Medical Gases	Industrial Chemicals	Total	Industrial and Medical Gases	Industrial Chemicals	Total
		(Rupees '000')			(Rupees '000')	
Balance brought forward			293,076			271,514
Unallocated corporate expenses						
Other operating expenses			(28,984)			(16,674)
Other income			18,177			22,757
			282,269			277,597
Finance costs			(123,484)			(96,513)
Profit before taxation			158,785			181,084
Taxation			(1,080)			(43,981)
Profit after taxation			157,705			137,103

46.3 Transfers between business segments are recorded at cost. There were no inter segment transfers during the year.

46.4 The Company's customer base is diverse with no single customer accounting for more than 10% of the net sales.

46.5 The segment assets and liabilities as at balance sheet date for the year ended are as follows:

	June 30, 2018			June 30, 2017		
	Industrial and Medical Gases	Industrial Chemicals	Total	Industrial and Medical Gases	Industrial Chemicals	Total
		(Rupees '000')			(Rupees '000')	
Segment assets	5,016,672	135,879	5,152,551	4,495,784	234,732	4,730,516
Unallocated assets			174,626			234,236
Total assets			5,327,177			4,964,752
Segment liabilities	2,544,393	40,835	2,585,228	1,945,166	986	1,946,152
Unallocated liabilities			3,478			30,784
Total liabilities			2,588,706			1,976,936

46.6 All the non-current assets of the Company at reporting date are located in Pakistan.

47 NUMBER OF EMPLOYEES

	Factory		Others	
	2018	2017	2018	2017
	(Number)		(Number)	
Total number of employees at year end	181	188	126	115
Average number of employees during the year	188	179	121	110

48 PLANT CAPACITY AND ACTUAL PRODUCTION

	2018	2017
	(Cubic Meter)	
Industrial and medical gases		
Production at normal capacity - gross	51,240,000	51,240,000
Production at normal capacity - net of normal losses	45,750,000	45,750,000
Actual production - net of normal losses	45,908,964	33,476,381

48.1 The production for the period exceeded its installed capacity (production at normal capacity - net of normal losses) due to efficient utilization of available resources, better air flow and reduction in losses.

49 DISCLOSURE REQUIREMENTS FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act, 2017, shariah compliant companies and the companies listed on Islamic Index shall disclose the following:

(i) Loans / advances obtained as per Islamic mode - refer note 28
(ii) Markup paid on Islamic mode of financing - refer note 36
(iii) Shariah compliant bank deposits / bank balances - refer note 18
(iv) Profit earned from shariah compliant bank deposits / bank balances - refer note 35
(v) Revenue earned from a shariah compliant business segment - refer statement of profit and loss
(vi) Relationship with shariah compliant banks - refer note 18

50 GENERAL AND CORRESPONDING FIGURES

50.1 The corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of the Companies Act, 2017 and for the purposes of comparison and better presentation. Following important reclassifications have been made:

Reclassified from component	Reclassified to component	2017 (Rupees '000')
Trade and other payables	Unclaimed dividend (disclosed on the face of balance sheet)	858
Trade and other payables	Payable to Employees' provident fund (disclosed on the face of balance sheet)	2,746

50.2 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

51 EVENT AFTER THE REPORTING PERIOD

The Board of Directors in their meeting held on September 01, 2018 proposed a stock dividend (bonus share) of 5 % (2017: 6%) amounting to Rupees 66.134 million (2017: Rupees 74.868 million) subject to approval of shareholders in the forthcoming annual general meeting. However, this event has been considered as non-adjusting event under IAS 10 'Event after the Reporting Period' and has not been recognized in these unconsolidated financial statements.

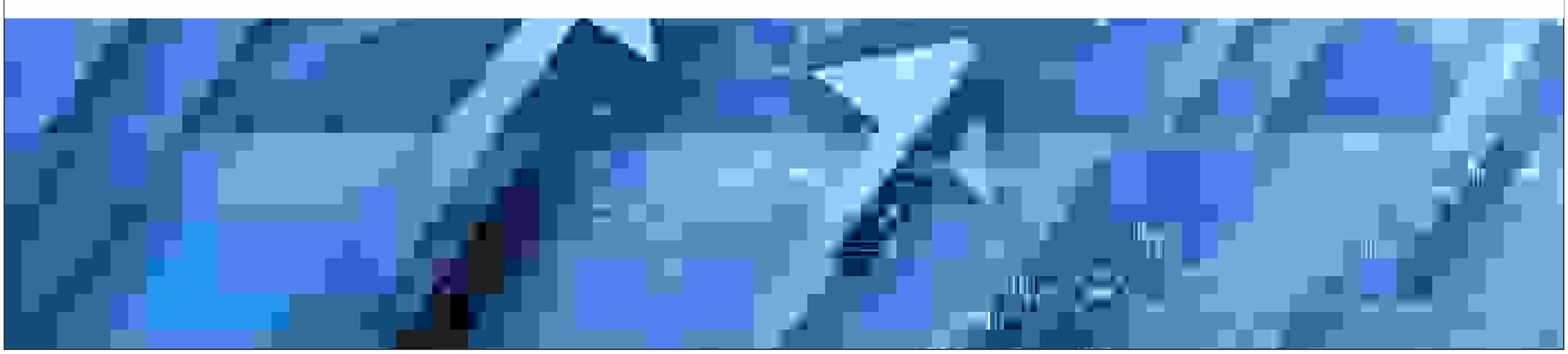
Under Section 5A of the Income Tax Ordinance, 2001, a tax shall be imposed at the rate of 7.5% of accounting profit before tax of the Company if it does not distribute at least 40% of its after tax profit for the year within six months of the end of the year ended June 30, 2018 through cash or bonus shares. The requisite bonus shares has been proposed by the Board of Directors of the Company in their meeting held on September 01, 2018 and shares shall be issued within the stipulated time limit. Therefore, the recognition of any income tax liability in this respect is not considered necessary.

52 DATE OF AUTHORIZATION

These unconsolidated financial statements have been approved and authorized for issue in the Board of Directors meeting of the Company held on September 01, 2018.

ATIQUE AHMAD KHAN	**ASIM MAHMUD**	**HAFIZ FAROOQ AHMAD**
(CHIEF EXECUTIVE OFFICER)	(CHIEF FINANCIAL OFFICER)	(DIRECTOR)

ANNUAL AUDITED
CONSOLIDATED FINANCIAL STATEMENTS



DIRECTORS' REPORT

Dear Shareholders

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The directors of your Company (Ghani Gases Limited) are pleased to present the audited consolidated Financial Statements of the Company for the year ended June 30, 2018 in compliance with Section 228 of the Companies Act, 2017.

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

The subsidiary was in the process of setting up a chemical project. Land for this purpose was acquired in Hattar Economic Zone and work for leveling, filling and back filling of land has completed and construction of boundary wall has partially completed. Before financial close for this project, management of holding company forecast extraordinary increase in project cost due to surge in US$ against PKR, uncertainty in political situation, delay in electricity provision at site and change in Government, management has time being freeze the said project. Further activity on the project will commence at some appropriate time. Holding company Ghani Gases Limited has so far invested Rs. 143 million in this subsidiary in shape of equity out of total approved investment of Rs. 360 million.

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. 115.969 million, Rs. 126.823 and Rs. 125.743 million respectively whereas in unconsolidated financial statements these figures are Rs. 115.649 million, Rs. 158.785 million and Rs. 157.705 million respectively. The decrease in profitability in consolidated financial statements are due to share of loss from associated company Rs. 30.733 million (2017: Rs. 13.141).

Consolidated earnings per share (EPS) has also decreased to Rs. 0.95 if compared with unconsolidated earnings per share Rs. 1.19.

SCHEME OF COMPROMISES, ARRANGEMENT AND RECONSTRUCTION

The Board of Directors of the holding company (Ghani Gases Limited) has approved a draft scheme of Compromises, Arrangement and Reconstruction under section 279 to 283 of the Companies Act, 2017 amongst Ghani Gases Limited (GGL), its subsidiary Ghani Chemical Industries Limited (GCIL) and Ghani Global Glass Limited (GGGL). The object of the Scheme is that the undertaking comprising the assets, liabilities, rights and obligations of GGL shall be split into two (2) separate segments i.e. the Manufacturing Undertaking and the Retained Undertaking. The segment comprising all the assets, liabilities, rights and obligation of the Manufacturing Undertaking shall be carved out and, as at the Effective Date, stand merged and amalgamated with, transferred to, vested in, and be assumed by GCIL against issuance of shares by GCIL to GGL in accordance with the Scheme. Upon the merger & amalgamation and transfer of the Manufacturing Undertaking to GCIL, GGL shall continue to own and operate the Retained Undertaking. Further, the Scheme also envisages that shares of GGGL held by its sponsors shall be transferred to GGGL against issuance of shares by GGL to the sponsors, the issuance of shares of GGL against loans payable to its sponsors and the transfer of loans payable to sponsors of GGGL to GGL against issuance of shares by GGL in accordance with the Scheme. Upon sanction of the scheme by the Honourable Lahore High Court, Lahore the name of GGL shall be changed to Ghani Global Holdings Limited. A joint petition in this respect has been filed with Honourable Lahore High Court, Lahore.

The Honourable Lahore High Court, Lahore in its order dated June 25, 2018 has directed to called Extraordinary General Meetings (EOGM's) of GGL, GCIL and GGGL to approve the scheme by shareholders of respective companies which are being held on September 29, 2018. The Court appointed chairmen will preside over the meetings and submit report to the Court.

Acknowledgement

The directors express their deep appreciation to our valued customers who places 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 Karachi Stock Exchange and all government functionaries as well as the commandments of Allah Subhanatallah and Sunnah of our Prophet Muhammad (peach be upon him).

On behalf of the Board

Atique Ahmad Khan
(Chief Executive Officer)

Hafiz Farooq Ahmad
(Director)

Lahore
September 01, 2018

Rizwan & Company
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the members of Ghani Gases Limited

Opinion

We have audited the annexed consolidated financial statements of Ghani Gases Limited ("the Holding Company") and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at June 30, 2018, and the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2018, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

Following are the Key audit matters:

Key Audit Matters	How our audit addressed the key audit matter
1. Tax provisions Refer note 26 to the consolidated financial statements. The management of the Holding Company is required to apply significant judgment while determining whether, and how much, to provide in respect of tax provisions as at balance sheet date. International	We performed substantive audit procedures on the recognition of deferred tax based on tax laws, and on the analysis of the reversal of deferred tax liability. We checked reasonableness of management's estimates regarding reversals of temporary differences in future periods and checked

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Financial Reporting Standards require that deferred tax assets and liabilities be measured at tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on applicable tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Finance Act 2018 announced regressive tax rates for next five tax years as from the balance sheet date. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using average rates that are expected to apply to taxable profit/(loss) of the periods in which the temporary differences are expected to reverse.

Given the significant assumptions and estimates and complex calculations involved in estimating the reversals of temporary differences over future periods, this area is considered to be a key audit matter.

accuracy of calculations performed and found that estimates are reasonable and judgments exercised by the management while developing expectations are objective and accurate.

We consider the amounts provided to be within an acceptable range in context of the Holding Company's overall tax exposures and our materiality.

Finally, we reviewed the adequacy of the disclosures made by the Holding Company in this area.

2. Property, plant and equipment

Group's Property, Plant and Equipment comprises 87% (2017: 86%) of total non-current assets. This amounts to Rupees 3,207 million (2017: Rupees 3,059 million) as shown in note 8 of consolidated financial statements.

Judgment is exercised in determining the useful lives and residual values and when assessing whether there are any indicators of impairment present and when performing impairment assessments where indicators have been identified. Based on the value of the balance as well as the judgments involved in determining useful lives and residual values this has been identified as a key audit matter.

The following was performed on the assessment of useful lives and residual values:

- Obtained the useful lives and residual values assessment and confirmed that this was reviewed and considered in the year under review;
- Evaluate basis used in determination of useful lives and corroborated by inspection of assets and discussion with operational personnel; and
- Confirmed by inspection of the fixed asset register and discussion with operational management that there were no material assets still in use with a nil value, and where residual values had been increased corroborated such increases to market values where possible.

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In considering whether impairments are required the Group's consideration of impairment indicators such as reduced capacity, forecasts, market demand for products, and the condition of the plants was reviewed. In addition, the following was performed:

- Physical inspection was performed to identify any damages or non-operating assets; and
- Discussions were held with the engineers and other technicians to identify any other potential impairments.

Based on the testing performed the property, plant and equipment appears to be valued appropriately.

3. Sales

Refer to note 7.14 and consolidated statement of profit or loss.

Revenue of the Holding Company is recognized when the risks and rewards of the underlying products have been transferred to the customer. During the year, Holding Company's overall net revenue increased to Rupees 2,049 million from Rupees 1,804 million in 2017 showing an increase of 14% as compared to corresponding period.

There continues to be pressure on the management to meet expectations and targets upon which their own performance and financial rewards are based.

Keeping in view of the above, the revenue has been identified as key audit matter as it is one of the key performance indicators of the Holding Company and because of potential risk that revenue transactions may not be recognized in the appropriate period.

We understood each business's revenue recognition policies and how they are applied, including the relevant controls, and tested controls over revenue recognition where appropriate. To gain reasonable level of satisfaction regarding revenue recognition we performed the following procedures:

- Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period;
- Assessing appropriateness of the Holding Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.
- Comparing, on sample basis, specific revenue transactions recorded before and after balance sheet date with underlying documentation to assess whether revenue has been recognized in the appropriate period.
- Agreed, on sample basis, deliveries occurring before and after balance sheet date along with underlying documentation to assess whether revenue has been recognized in the appropriate period.

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- Inspecting credit notes issued to record sales returns subsequent to year end, if any.

We assessed the disclosures against the requirements of IAS 18 Revenue.

4. Preparation of consolidated financial statements under the Companies Act, 2017

As referred to note 3.2 to the consolidated financial statements, the Companies Act 2017 (the Act) become applicable for the first time for preparation of the Group and annual financial statements for the year ended June 30, 2018.

The Act forms an integral part of the statutory financial reporting framework as applicable to the Group and amongst others, prescribes the nature and content of disclosures in relation to various elements of the consolidated financial statements.

In the case of the Group, specific additional disclosure and changes to the existing disclosures have been included in the consolidated financial statements as referred to the note 3.2.1 to the accompanying consolidated financial statements.

The aforementioned changes and enhancements in the consolidated financial statements are considered important and a key audit matter because of the volume and significance of the changes in the consolidated financial statements resulting from the transition to the new reporting requirements under the Act.

We assessed the procedures applied by the management for identification of the changes required in the consolidated financial statements due to the application of the Act.

We considered adequacy and appropriateness of the additional disclosures and changes to the previous disclosures based on the new requirements.

We also evaluated the sources of the information used by the management for the preparation of the above referred disclosures and the internal consistency of such disclosures with other elements of the consolidated financial statements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Rizwan & Company
CHARTERED ACCOUNTANTS

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An Independent Member Firm

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Imran Bashir.

Rizwan & Co.

Lahore:
Date: 01-09-2018

RIZWAN & COMPANY
CHARTERED ACCOUNTANTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

AS AT JUNE 30, 2018

	Note	2018	2017
		(Rupees '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	8	3,207,069	3,058,562
Intangible assets	9	14,631	70
Long term investments	10	406,126	436,859
Long term deposits	11	68,257	57,756
		3,696,083	3,553,247
Current assets			
Stores, spares and loose tools	12	201,566	107,236
Stock in trade	13	94,343	37,740
Trade debts	14	468,959	529,520
Loans and advances	15	203,100	135,160
Trade deposits and prepayments	16	47,420	42,771
Other receivables	17	55	80
Tax refunds due from government	18	47,802	23,419
Advance income tax - net		378,637	267,237
Cash and bank balances	19	177,733	262,303
		1,619,615	1,405,466
TOTAL ASSETS		5,315,698	4,958,713
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	20	1,322,682	1,247,813
Capital reserve - share premium	21	460,198	535,067
Unappropriated profit		677,924	552,161
Loans from sponsors	22	259,050	639,700
Attributable to the equity holders of the Holding Company		2,719,854	2,974,741
Non - Controlling Interests		6,979	6,999
Total equity		2,726,833	2,981,740
Non-current liabilities			
Long term financing	23	33,857	11,772
Redeemable capital - Sukuk	24	812,499	1,029,166
Long term security deposits payable	25	33,025	26,620
Deferred taxation	26	282,834	254,448
		1,162,215	1,322,006
Current liabilities			
Trade and other payables	27	200,096	101,865
Payable to Employees' Provident Fund		-	2,746
Unclaimed dividend		853	858
Accrued profit on financing	28	23,957	16,535
Short term borrowings	29	955,986	273,000
Current portion of long term liabilities	30	242,280	229,179
Provision for taxation	38	3,478	30,784
		1,426,650	654,967
Total liabilities		2,588,865	1,976,973
TOTAL EQUITY AND LIABILITIES		5,315,698	4,958,713
CONTINGENCIES AND COMMITMENTS	31	-	-

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

ATIQUE AHMAD KHAN	**ASIM MAHMUD**	**HAFIZ FAROOQ AHMAD**
(CHIEF EXECUTIVE OFFICER)	(CHIEF FINANCIAL OFFICER)	(DIRECTOR)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018	2017
		(Rupees '000)	
Gross sales - local		**2,330,253**	2,053,432
Sales tax		**(281,656)**	(248,960)
Net sales		**2,048,597**	1,804,472
Cost of sales	32	**(1,409,899)**	(1,235,838)
Gross profit		**638,698**	568,634
Distribution costs	33	**(229,973)**	(179,993)
Administrative expenses	34	**(115,969)**	(118,076)
Other operating expenses	35	**(29,205)**	(16,704)
		(375,147)	(314,773)
Other income	36	**17,494**	22,757
Profit from operations		**281,045**	276,618
Finance costs	37	**(123,489)**	(96,516)
Share of loss from associate		**(30,733)**	(13,141)
Profit before taxation		**126,823**	166,961
Taxation	38	**(1,080)**	(43,981)
Profit after taxation		**125,743**	122,980
Attributable to:			
Owners of the Holding Company		**125,763**	122,981
Non - Controlling Interests		**(20)**	(1)
		125,743	122,980
			(Restated)
Earnings per share	39	**0.95**	0.93

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

ATIQUE AHMAD KHAN	**ASIM MAHMUD**	**HAFIZ FAROOQ AHMAD**
(CHIEF EXECUTIVE OFFICER)	(CHIEF FINANCIAL OFFICER)	(DIRECTOR)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	(Rupees '000)	
Profit before taxation	**125,743**	122,980
Other comprehensive income	**-**	-
Total comprehensive income for the year	**125,743**	122,980
Attributable to:		
Owners of the Holding Company	**125,763**	122,981
Non - Controlling Interests	**(20)**	(1)
	125,743	122,980

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2018

	Issued, subscribed and paid up share capital	Capital reserve - share premium	Unappropriated profit	Loans from sponsors	Attributable to the equity holders of the Holding Company	Non - Controlling Interests	Total equity
				(Rupees '000)			
Balance as at July 01, 2016	1,247,813	535,067	429,180	501,200	2,713,260	-	2,713,260
Shares issued to Non - Controlling Interests	-	-	-	-	-	7,000	7,000
	-	-	-	-	-	(1)	(1)
Loss attributable to non-controlling interest for the year	-	-	-	-	-	6,999	6,999
Total comprehensive income attributable to holding company	-	-	122,981	-	122,981	-	122,981
Loan received during the year	-	-	-	138,500	138,500	-	138,500
Balance as at June 30, 2017	1,247,813	535,067	552,161	639,700	2,974,741	6,999	2,981,740
Issuance of bonus shares	**74,869**	**(74,869)**	-	-	-	-	-
Loss attributable to non-controlling interest for the year	-	-	-	-	-	**(20)**	**(20)**
Total comprehensive income attributable to holding company	-	-	**125,763**	-	**125,763**	-	**125,763**
Loan repaid during the year	-	-	-	**(380,650)**	**(380,650)**	-	**(380,650)**
Balance as at June 30, 2018	**1,322,682**	**460,198**	**677,924**	**259,050**	**2,719,854**	**6,979**	**2,726,833**

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018	2017
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operating activities	40	294,955	56,048
Finance cost paid		(116,067)	(104,713)
Income tax paid		(111,400)	(46,644)
		(227,467)	(151,357)
Net cash (used in) / generated from operating activities		67,488	(95,309)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in operating fixed assets		(47,063)	(133,165)
Additions in capital work in progress		(215,685)	(254,711)
Additions in intangible assets		(14,808)	-
Proceeds from disposal of operating fixed assets		8,744	4,775
Long term investments		-	(450,000)
Long term deposits - net		(10,501)	11,153
Net cash used in investing activities		(279,313)	(821,948)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of shares to Non - Controling Interests		-	7,000
Long term financing		35,186	(1,071,433)
Proceeds against redeemable capital - Sukuk		-	1,300,000
Repayments of redeemable capital - Sukuk		(216,667)	(54,167)
Loan from sponsors - net		(380,650)	138,500
Short term borrowings		682,986	(158,034)
Dividend paid		(5)	(92)
Proceeds from long term deposits		6,405	6,820
Liabilities against assets subject to ijarah financing		-	(79,052)
Net cash generated from financing activities		127,255	89,542
Net (decrease) / increase in cash and cash equivalents		(84,570)	(827,715)
Cash and cash equivalents at the beginning of the year		262,303	1,090,018
Cash and cash equivalents at the end of the year	19	177,733	262,303

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

ATIQUE AHMAD KHAN	ASIM MAHMUD	HAFIZ FAROOQ AHMAD
(CHIEF EXECUTIVE OFFICER)	(CHIEF FINANCIAL OFFICER)	(DIRECTOR)

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

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 (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 on January 05, 2010. The holding company is principally 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 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.

Registered offices of the Holding Company and its Subsidiary Company are located at 10-N Model Town Extension, Lahore. Manufacturing facilities of the Holding Company are located at Phool Nagar Bypass, District Kasur and Port Qasim, Karachi.

2 SCHEME OF COMPROMISES, ARRANGEMENT AND RECONSTRUCTION

With the view to restructure Ghani Global Group of companies; a scheme of compromises, arrangement and reconstruction among Ghani Global Glass Limited, Ghani Chemical Industries Limited and Ghani Gases Limited was filed with the Honorable Lahore High Court, Lahore with the approval of the Board of Directors on June 24, 2018. Subsequent to balance sheet date; a special meeting as per direction of Honorable Lahore High Court shall be convened on September 29, 2018 to approve the scheme of compromises, arrangement and reconstruction.

In accordance with the scheme of arrangement, separating / demerging Ghani Gases Limited's manufacturing undertaking and to transfer the same to Ghani Chemical Industries Limited, retention of all remaining assets and liabilities, change of name of the Ghani Gases Limited to Ghani Global Holdings Limited, transfer of shares of Ghani Global Glass Limited held by sponsors to Ghani Gases Limited against issue of shares by Ghani Gases Limited and transfer of loan payable from Ghani Global Glass Limited to Ghani Gases Limited against issue of shares. The scheme shall be implemented after obtaining approval of the Honorable Lahore High Court, Lahore for which an application is in process.

3 STATEMENT OF COMPLIANCE

3.1 These consolidated financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act), Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Companies Act, 2017. However, provisions of and the directives issued under the

Companies Act, 2017 have been followed where those provisions are not consistent with the requirements of the IFRSs as notified under the Companies Act, 2017.

3.2 NEW COMPANIES ACT, 2017, INITIAL APPICATION OF STANDARDS, AMENDMENTS OR INTERPRETATIONS TO EXISTING STANDARDS

3.2.1 The Companies Act, 2017 (the Act) has also brought certain changes with regard to preparation and presentation of consolidated financial statements of the Group. Further, the disclosure requirements contained in the fourth schedule to the Act have been revised, resulting in the:

- elimination of duplicative disclosures with the IFRS disclosure requirements; and
- incorporation of significant additional disclosures.

3.2.2 New standards, amendments to approved accounting standards and interpretations

Initial application of standards, amendments or an interpretation to existing standards

a) Standards, interpretations and amendments to published approved accounting standards that are effective in current year.

The following amendment to published standards is mandatory for the financial year which began on July 1, 2017 and is relevant to the Group:

- Amendment to IAS 7 'Statement of cash flows': This amendment requires disclosure to explain changes in liabilities for which cash flows have been, or will be classified as financing activities in the statement of cash flows. The amendment only covers balance sheet items for which cash flows are classified as financing activities. In case other items are included within the reconciliation, the changes in liabilities arising from financing activities will be identified separately. A reconciliation of the opening to closing balance is not specifically required and the information can be provided in other ways. In the first year of adoption, comparative information is not required to be provided. The amendment does not require any additional disclosure as the reconciliation made in note 23.1 and 24.1 to these consolidated financial statements fulfills the requirement.

- Amendment to IAS 12, 'Income taxes' on recognition of deferred tax assets for unrealized losses. These amendments on the recognition of deferred tax assets for unrealized losses clarify how to account for deferred tax assets related to debt instruments measured at fair value. Currently, there are no debt instruments measured at fair value.

- IFRS 12, 'Disclosure of interest in other entities'. These amendments clarify the scope of IFRS 12 by specifying that the disclosure requirements, except for those summarized financial information for subsidiaries, joint ventures and associates, apply to an entity's interests which are classified as held for sale, as held for distribution to owners in their capacity as owners or as a discontinued operations in accordance with IFRS 5. The amendments does not impact the Group's financial statements.

The other amendments to published standards and interpretations that are mandatory for the financial year which began on July 1, 2017 are considered not to be relevant or to have any significant impact on the Group's financial reporting and operations and are therefore not disclosed in these consolidated financial statements.

b) New accounting standards, amendments and IFRIC interpretations that are not yet effective.

The following standards, amendments and interpretations of approved accounting standards that will be effective for the periods beginning on or after January 1, 2018, that may have an impact on the consolidated financial statements of the Group:

- IFRS 9 'Financial instruments' (effective for annual periods beginning on or after January 1, 2018). This standard has been notified by the Securities and Exchange Commission of Pakistan ('SECP') to be effective for annual periods beginning on or after July 1, 2018. IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through OCI and fair value through profit and loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit and loss with the irrevocable option at inception to present changes in fair value in OCI and not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there are no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit and loss.

- IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after January 1, 2018). This standard has been notified by the SECP to be effective for annual periods beginning on or after July 1, 2018. IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Group is currently in the process of analyzing the potential impact of changes required in revenue recognition policies on adoption of the standard. Management is in the process of assessing the impact of adoption of this standard on the financial statements. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

- IFRS 16 'Leases' (effective for annual periods beginning on or after January 1, 2019). This standard is also yet to be notified by the SECP. This standard replaces the current guidance in IAS 17 and is a far reaching change in accounting by lessees, in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognize a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets. However, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group is yet to assess the full impact of this standard.

- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after January 1, 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

- Amendments to IFRS 2 clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after January 1, 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards.

- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' - effective for annual periods beginning on or after January 1, 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use.

- Amendments to IAS 28 'Investments in Associates and Joint Ventures' (effective for annual periods beginning on or after 1 January 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit or loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture.

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after January 1, 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax.

- Amendments to IAS 23 Borrowing Costs (effective for annual periods beginning on or after January 1, 2019) clarify that the general borrowings pool used to calculate eligible borrowing costs exclude only borrowings that specifically finance qualifying assets that are still under development or construction. Borrowings that were intended to specifically finance qualifying assets that are now ready for their intended use or sale – or any non – qualifying assets – are included in that general pool. This amendment will be applied prospectively to borrowing costs incurred on or after the date an entity adopts the amendments.

- IAS 12 Income Taxes (effective for annual periods beginning on or after January 1, 2019) - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity.

The above new standards, amendments and interpretations are not likely to have an impact on the Group's consolidated financial statements. There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Group and therefore, have not been presented here.

3.3 Functional and presentation currency

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

4 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

During the year, no such significant transactions or events that have affected the Group's financial position except for following:

4.1 Scheme of Compromises, Arrangement and Reconstruction among Ghani Global Glass Limited, Ghani Chemical Industries Limited and Ghani Gases Limited was filed with the Honorable Lahore High Court as fully explained in Note 2 to these consolidated financial statements.

4.2 The Holding Company has obtained diminishing musharakah finance facilities and istisna finance facilities from banking companies during the year. For detailed information, please refer note 23 and 29.

4.3 The Holding Company has purchased land measuring 2 acres in Economic Zone, Hattar to shift Tarnol plant GGL-III to that land.

4.4 Due to applicability of the Companies Act, 2017 certain disclosures of these consolidated financial statements have been presented in accordance with fourth schedule notified by Securities and Exchange Commission of Pakistan vide S.R.O 1169 date November 7, 2017 and amounts reported for the previous period are restated / reclassified. For detailed information, please refer note 3.2 and note 51.

4.5 For a detailed discussion about the Group's performance please refer to the Directors' report.

5 BASIS OF CONSOLIDATION

These consolidated financial statements include the financial statements of Ghani Gases Limited ("the Holding Company") and its subsidiary company, Ghani Chemical Industries Limited ("the Subsidiary Company"), which is 95.33% owned by Ghani Gases Limited (2017: 95.33% owned).

The Subsidiary Company

A subsidiary company is an entity over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. A subsidiary company is fully consolidated from the date on which control is transferred to the Group and is derecognized from the date the control ceases. These consolidated financial statements include the Holding Company and the Subsidiary Company in which the Holding Company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of the directors of the Subsidiary Company.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of the Subsidiary Company is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gain or losses arising from such measurement are recognized in consolidated profit or loss.

Any contingent considerations to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified an equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealized gains on transactions between the Group companies, are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by the Subsidiary Company have been adjusted to conform with the Group's accounting policies.

Changes in ownership interests in subsidiary without change of control

Transactions with non - controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the Subsidiary Company is recorded in equity. Gains or losses on disposals to non - controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is premeasured to its fair value, with the change in carrying amount recognized in consolidated statement of profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. This mean that amounts previously recognized in other comprehensive income are reclassified to consolidated statement of profit or loss.

Investment in associate (equity accounted investee)

An associate is and entity in which the Group has significant influence, but not control, over the financial and operating policies.

Interests in an associate is accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence over associated company.

Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group companies' interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

6 BASIS OF MEASUREMENT

6.1 These consolidated financial statements have been prepared under the historical cost convention.

6.2 Significant accounting judgments and critical accounting estimates / assumptions

The preparation of consolidated financial statements in conformity with the approved accounting standards require 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. Revisions to accounting estimates are recognized in the period in which estimate is revised and in any future periods affected. The areas where various assumptions and estimates are significant to the Group's consolidated financial statements or where judgments were exercised in application of accounting policies are as follows:

a) Taxation

The Group takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the Group's view differs from the view taken by the income tax department at the assessment and appellate stages and where the Group considers that its views on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

b) Useful lives, patterns of economic benefits and impairments

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

c) Provision for doubtful debts

The Group reviews its doubtful trade debts and other receivables at each reporting date to assess whether provision should be recorded in the statement of profit or loss. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

d) Provision for slow moving / obsolete items

The Group reviews the carrying values and impairment of stores, spares and loose tools to assess any diminution in the respective carrying values and wherever required provision for NRV / impairment is made. The calculation of the provision involves the use of estimates with regard to future estimated use and respective fair value of stores, spares and loose tools.

e) Recoverable amount of assets / cash generating units and impairment

The management of the Group reviews carrying amounts of its assets and cash generating units for possible impairment and makes formal estimates of recoverable amount, if there is any such indication. In making estimates of future cash flows from investment in associate, the management considers future dividend stream and an estimate of the terminal value of these investments, which are subject to change.

7 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

7.1 Taxation

Current

Holding Company:

Provision for taxation is based on taxable income at current rates after taking into account tax rebates, exemption and credits available, if any or minimum tax on turnover or alternate corporate tax on accounting profit and tax paid under final tax regime under relevant provisions of Income Tax Ordinance, 2001. The charge for current tax also includes adjustments to tax payable, where considered necessary, in respect of previous years. The amount of unpaid income tax in respect of annual or prior periods is recognized as liability and any excess paid over what is due in respect of current or prior periods is recognized as an asset.

Subsidiary company:

The Subsidiary Company has no taxability as it is still in the initial phase of setting up production facility.

Deferred

Deferred tax is recognized using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation by the balance sheet date. In this regard, the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirements of Accounting Technical Release – 27 of the Institute of Chartered Accountants of Pakistan.

The Group recognizes a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside consolidated statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

7.2 Loans and borrowings

Loans and borrowings are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at cost, being fair value at the date the liability is incurred, less attributable transactions costs. Subsequent to initial recognition, these are measured at amortized cost with any difference between cost and value at maturity recognized in consolidated statement of profit or loss over the period of borrowings on effective profit rate.

7.3 Trade and other payables

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

7.4 Provisions and contingencies

A provision is recognized in consolidated financial statements when the Group has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of obligation. Provision is recognized at an amount that is the best estimate of an expenditure required to settle the present obligation at the reporting date. Where outflow of resources embodying economic benefits is not probable, or where reliable estimate of the amount of obligation cannot be made. A contingent liability is disclosed, unless the possibility of outflow is remote.

7.5 Property, plant and equipment

7.5.1 *Owned*

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

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

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Normal repairs and maintenance costs are charged to statement of profit or loss as and when incurred.

Depreciation

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

De-recognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in consolidated statement of profit or loss.

7.5.2 *Capital work in progress*

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

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

Impairment

The Group assesses at each balance sheet date whether there is any indication that assets excluding inventory may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where the carrying value exceeds the recoverable amount, assets are written down to the recoverable amount and the difference is charged to the consolidated statement of profit or loss.

7.6 Stores, spares and loose tools

These are stated at lower of cost or net realizable value. Cost is determined by using the weighted average method. Items in transit are valued at cost comprising invoice value, plus other charges paid thereon. Provision is also made for slow moving and obsolete items.

7.7 Stock in trade

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

Raw and packing materials	At weighted average cost
Work in process	At weighted average manufacturing cost
Finished goods	At weighted average manufacturing cost
Items in transit	Cost comprising invoice values plus other charges incurred thereon.

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

7.8 Trade debts

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

7.9 Other receivables

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

7.10 Cash and cash equivalents

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

7.11 Loans, advances, trade deposits and prepayments

These are initially recognized at cost, which is the fair value of consideration given. Subsequent to the initial recognition assessment is made at each balance sheet date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such indication exists, the estimated recoverable amount of that asset or group of assets is determined and any impairment losses recognized for the difference between the recoverable amount and the carrying value.

7.12 Financial instruments

Recognition and de-recognition

Financial instruments carried on the consolidated balance sheet include deposits, trade debts, loans and advances, trade deposits, other receivables, cash and bank balances, long-term financing, long term deposits payable, trade and other payables, accrued profit on financing and short term borrowings etc. All the financial assets and financial liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are recognized initially at cost, which is the fair value of the consideration given or received as appropriate, plus any directly attributable transaction costs. These financial assets and liabilities are subsequently measured at fair value or amortized cost using the effective rate of interest method, as the case may be.

Financial assets are derecognized when the Group loses control of the contractual rights that comprise the financial asset. The Group loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Group surrenders those rights. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to consolidated statement of profit or loss.

Off setting of financial assets and financial liabilities

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

7.13 Foreign currency translation

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

7.14 Revenue recognition

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

i) Revenue from the sale of goods is measured net of sales tax, returns and trade discounts, and is recognized when significant risk and rewards of ownership are transferred to buyer, that is, when deliveries are made and recovery of consideration is probable;

ii) Profit on bank deposits is recognized on time proportion basis taking into account principal outstanding and rates of profit applicable thereon;

iii) Dividend income is recognized when the Group's right to receive the dividend is established;

iv) Rental income is recognized on accrual basis when the amount is being receivable by the Group as per relevant assessment; and

v) Any profit on loans and advances is recognized on time proportion basis using effective rate of return.

7.15 Employees' benefits

Defined contribution plan

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

The Subsidiary Company plans to establish a provident scheme for all of its permanent employees, who attains minimum qualification for entitlement to such scheme.

Compensated absences

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

7.16 Borrowing costs

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

7.17 Intangible assets

Goodwill

Goodwill represents the difference between the cost of the acquisition (fair value of consideration paid) and the fair value of the net identifiable assets acquired. Goodwill is stated at cost less any identified impairment loss.

Software

Software is stated at cost less accumulated amortization and any identified impairment loss. An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Group and that the cost of such asset can also be measured reliably.

Software is amortized using straight line method at the rates given in notes to the consolidated financial statements. Amortization is charged to consolidated statement of profit or loss from the month in which the asset is available for use. Amortization on additions is charged on pro-rata basis from the month in which asset is put into use, while for disposals, amortization is charged up to the month of disposal.

Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All expenditures are charged to income as and when incurred. Gain or loss arising on disposal and retirement of intangible asset is determined as a difference between the net disposal proceeds and carrying amount of the asset is recognized as income or expense in the consolidated statement of profit or loss immediately.

Software is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

7.18 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by adjusting basic EPS by weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post tax effect of changes in profit and loss attributable to ordinary shareholders of the Group that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

7.19 Operating segments

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

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

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

7.20 Related party transactions and transfer pricing

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

7.21 Dividends

Dividend distribution to the Group's shareholders is recognized as a liability in the period in which dividends are approved by Group's shareholders.

7.22 Share capital

Incremental cost directly attributable to issue of ordinary shares are recognized as deduction from equity.

8 PROPERTY, PLANT AND EQUIPMENT

	Note	2018	2017
		(Rupees '000)	
Operating fixed assets	8.1	**3,173,893**	2,957,732
Capital work in progress - at cost	8.2	**33,176**	100,830
		3,207,069	3,058,562

8.1 Operating fixed assets

DESCRIPTION	BALANCE AS AT JULY 01, 2017			FOR THE YEAR (2018)				BALANCE AS AT JUNE 30, 2018			DEPRECIATION RATES / USEFUL LIFE
	Cost	Accumulated Depreciation / Amortization	Net Book Value	Additions	Transferred in Cost / (Accumulated Depreciation)	Disposal (Cost) / Accumulated Depreciation	Depreciation / Amortization	Cost	Accumulated Depreciation / Amortization	Net Book Value	
	(Rupees '000)										
Land - Freehold	170,607	-	170,607	26,250	-	-	-	196,857	-	196,857	-
Land- Leasehold	25,826	2,867	22,959	-	-	-	527	25,826	3,394	22,432	49 Years
Building	245,045	108,526	136,519	58,936	-	-	14,204	303,981	122,730	181,251	10%
Plant and machinery	2,861,716	300,840	2,560,876	224,403	-	(400)	78,979	3,085,719	379,787	2,705,932	Production hours
						32					
Furniture and fixtures	29,145	11,363	17,782	761	-	-	1,808	29,906	13,171	16,735	10%
Office equipment	3,932	1,299	2,633	419	-	-	285	4,351	1,584	2,767	10%
Computers	9,647	5,355	4,292	811	-	-	1,412	10,458	6,767	3,691	30%
Vehicles	75,221	33,157	42,064	18,822	-	(15,758)	8,927	78,285	34,057	44,228	20%
						8,027					
	3,421,139	463,407	2,957,732	330,402	-	(16,158)	106,142	3,735,383	561,490	3,173,893	
					-	8,059					

DESCRIPTION	BALANCE AS AT JULY 01, 2016			FOR THE YEAR (2017)				BALANCE AS AT JUNE 30, 2017			DEPRECIATION RATES / USEFUL LIFE
	Cost	Accumulated Depreciation / Amortization	Net Book Value	Additions	Transferred in Cost / (Accumulated Depreciation)	Disposal (Cost) / Accumulated Depreciation	Depreciation / Amortization	Cost	Accumulated Depreciation / Amortization	Net Book Value	
	(Rupees '000)										
Land - Freehold	51,837	-	51,837	118,770	-	-	-	170,607	-	170,607	-
Land- Leasehold	25,826	2,340	23,486	-	-	-	527	25,826	2,867	22,959	49 Years
Building	244,892	93,369	151,523	153	-	-	15,157	245,045	108,526	136,519	10%
Plant and machinery	2,489,263	237,824	2,251,439	233,137	140,129	(813)	57,608	2,861,716	300,840	2,560,876	Production hours
					(5,461)	53					
Furniture and fixtures	26,020	9,530	16,490	3,125	-	-	1,833	29,145	11,363	17,782	10%
Office equipment	3,858	1,008	2,850	74	-	-	291	3,932	1,299	2,633	10%
Computers	6,976	3,826	3,150	2,671	-	-	1,529	9,647	5,355	4,292	30%
Vehicles	47,903	19,223	28,680	8,525	23,445	(4,652)	7,288	75,221	33,157	42,064	20%
					(8,632)	1,986					
	2,896,575	367,120	2,529,455	366,455	163,574	(5,465)	84,233	3,421,139	463,407	2,957,732	
					(14,093)	2,039					

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

	Note	2018	2017
		(Rupees '000)	
Cost of sales	32	91,967	71,336
Administrative expenses	34	14,175	12,897
		106,142	84,233

8.1.2 Plant and machinery having carrying value of Rupees 20.17 million (2017: Rupees 20.79 million) has been given to Ghani Global Glass Limited, an associated undertaking under rental arrangement. Refer note 36.

8.1.3 Particulars of immovable property (i.e. Land and Building) in the name of the Group are as follows:

Location	Usage of immovable property	Total Area	Covered Area (In sq.ft)
a) 52 - KM, Phool Nagar, District Kasur	Manufacturing facility (Gases)	113 Kanal 8 Marla and 90 Feet	67,031
b) 53 - A, Industrial Zone Port Qasim, Karachi	Manufacturing facility (Gases)	40 Kanal	17,045
c) Plot 7 and 8, Zone - B, Hattar	Open plot	16 Kanal (2 Acre)	-
d) Mouza Parna, Phool Nagar, Tehsil Pattoki, District Kasur	Industrial land	83 Kanal and 9 Marla	-
e) Plot No. 09 to 24, Zone - B, Hattar	Open plot	134 Kanal (16.75 Acre)	-

8.1.4 Particulars of operating fixed assets disposed off during the year are as follows:

Description	Cost	Accumulated Depreciation	Net Book Value	Sales proceeds	Gain / (Loss)	Mode of disposal	Particulars of purchaser and relationship
	--------------------------(R upees '000')----------------------						
Cylinders	250	(19)	231	320	89	Negotiation	Ittefaq Hospital, Lahore - Customer
Cylinders	125	(11)	114	180	66	Negotiation	Maple Leaf Power Limited, Lahore - Customer
Cylinders	13	(1)	12	22	10	Negotiation	Roshan Packages Limited, Lahore - Customer
Cylinders	12	(1)	11	19	8	Negotiation	Tapal Energy (Private) Limited, Karachi - Customer
Vehicle - Land Cruiser	13,352	(6,478)	6,874	7,300	426	Negotiation	Mirza Arshad Baig, Lahore - Independent
Vehicle - Toyota Camry	2,406	(1,549)	857	1,083	226	Negotiation	Rizwan Ali, Lahore - Independent
	16,158	(8,059)	8,099	8,924	825		

		Note	2018	2017
			(Rupees '000)	
8.2	**CAPITAL WORK IN PROGRESS - AT COST**			
	Civil works	**8.2.1**	**27,538**	58,137
	Plant and machinery	**8.2.2**	**3,618**	42,693
	Capital stores		**2,020**	-
			33,176	100,830
8.2.1	**Civil works**			
	Opening balance		**58,137**	51,624
	Additions during the year		**28,337**	6,666
	Capitalized during the year		**(58,936)**	(153)
	Closing balance		**27,538**	58,137
8.2.2	**Plant and machinery**			
	Opening balance		**42,693**	27,785
	Additions during the year		**185,328**	248,045
	Capitalized during the year		**(224,403)**	(233,137)
	Closing balance		**3,618**	42,693

8.2.3 Borrowing cost amounting to Rupees Nil (2017: Rupees 14.2 million) has been capitalized during the year.

		Note	2018	2017
			(Rupees '000)	
9	**INTANGIBLE ASSETS**			
	Software	**9.1**	**14,561**	-
	Goodwill	**9.2**	**70**	70
			14,631	70
9.1	**COST**			
	Opening balance			
	Additions during the year - at cost		**-**	-
	Closing balance		**14,808**	-
			14,808	-
	AMORTIZATION			
	Opening balance		**-**	-
	Amortization charged during the year	**9.4**	**247**	-
	Closing balance		**247**	-
	Net book value		**14,561**	-

9.2 Goodwill represents the difference between the cost of the acquisition (fair value of consideration paid) and the fair value of the net identifiable assets acquired at the time of merger of Ghani Southern Gases (Private) Limited with and into Ghani Gases Limited.

9.3 The Group assessed the recoverable amount at June 30, 2018 and determined that as of this date there is no indication of impairment of goodwill. The recoverable amount was calculated on the basis of five years financial business plan which assumes cash inflows from investing and financing activities.

9.4 Intangibles are being amortized at the rate of 20% (2017: Nil) and has been allocated to administrative expenses.

		Note	2018	2017
			(Rupees '000)	
10	**LONG TERM INVESTMENTS**			
	Investment in associate - under equity method			
	Ghani Global Glass Limited			
	25,000,000 fully paid ordinary shares (2017: 25,000,000) of Rupees 10 each.	**10.1**	**406,126**	436,859

		2018	2017
		(Rupees '000)	
10.1	**Carrying value under equity method**		
	Opening carrying value	**436,859**	-
	Investment made / (disposal) during the year	**-**	450,000
	Share of loss from associate	**(30,733)**	(13,141)
	Closing carrying Value	**406,126**	436,859

10.2 Ghani Global Glass Limited ("the Associated Company") was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company on October 04, 2007 and was subsequently converted into public company and was listed on Pakistan Stock Exchange. The Associated Company is principally engaged in manufacturing and sale of glass tubes, glass-ware, vials and ampules. The Holding Company had acquired 25,000,000 shares of Rupees 18 each on January 19, 2017 representing 25% (2017: 25%) holding in the share capital of the Ghani Global Glass Limited.

10.3 The summary of financial information / reconciliations of the Ghani Global Glass Limited as of June 30, 2018 is as follows:

	2018	2017
	(Rupees '000)	
Revenue	**496,002**	330,008
Loss after tax	**(122,931)**	(115,925)
Other comprehensive loss	**-**	-
Total comprehensive loss	**(122,931)**	(115,925)
Non-current assets	**1,569,650**	1,444,015
Current assets	**906,456**	738,123
Total assets	**2,476,106**	2,182,138
Less:		
Non-current liabilities	**(224,914)**	(376,109)
Current liabilities	**(816,355)**	(637,761)
Total liabilities	**(1,041,269)**	(1,013,870)
Net assets	**1,434,837**	1,168,268
The Holding Company's share	**25%**	25%
Share of net assets including loan from sponsors	**358,709**	292,067
Others	**47,417**	144,792
Carrying amount	**406,126**	436,859

10.4 The Group has reassessed the recoverable amount of the Associated Company as at the balance sheet date and based on its assessment no material adjustment is required to the carrying amount stated in the consolidated financial statements.

		2018	2017
		(Rupees '000)	
11	**LONG TERM DEPOSITS**		
	Considered good:		
	Security deposits for utilities	**60,370**	49,777
	Security deposits for rented premises	**1,188**	1,280
	Deposits against fuel supply	**6,113**	6,113
	Deposits against Ijarah facilities	**586**	586
		68,257	57,756

These have been deposited against utilities, rented premises, Ijarah facilities and other suppliers and are refundable on completion or termination of contracts in accordance with terms of contract. Due to uncertainties regarding dates of refund of these deposits, these have been carried at cost.

	Note	2018	2017
		(Rupees '000)	
12 STORES, SPARES AND LOOSE TOOLS			
Stores		**24,404**	23,709
Spare parts		**176,953**	83,241
Loose tools		**209**	286
		201,566	107,236
13 STOCK IN TRADE			
Finished goods - industrial gases		**26,889**	33,695
Finished goods - industrial chemicals		**67,454**	4,045
		94,343	37,740
14 TRADE DEBTS			
Considered good:			
Unsecured	**14.1**	**468,959**	529,520
Considered doubtful		**2,841**	-
Provision for doubtful debts		**(2,841)**	-
		-	-
		468,959	529,520
14.1 The age of trade debts at balance sheet date was:			
Not past due		**6,659**	459,213
0 to 180 Days		**376,693**	21,583
181 to 365 Days		**36,030**	17,889
1 to 2 Years		**30,940**	23,306
More than two years		**18,637**	7,529
		468,959	529,520

14.2 The maximum aggregate amount of trade receivable from the Associated Company at the end of any month during the year was Rupees 3.98 million (2017: Rupees 3.12 million).

15 LOANS AND ADVANCES

	2018	2017
Unsecured and Considered good:	(Rupees '000)	
Advances to:		
- Employees against expenses	**1,837**	1,484
- Suppliers and contractors	**201,263**	133,676
	203,100	135,160

15.1 The carrying values of loans and advances are neither past due nor impaired. The credit quality of these financial assets can be assessed with reference to negligible defaults in recent history.

	2018	2017
	(Rupees '000)	
16 TRADE DEPOSITS AND PREPAYMENTS		
Considered good:		
Security deposits	**39,040**	42,101
Short term prepayments	**1,944**	669
Margin against letter of credit	**6,436**	1
	47,420	42,771
17 OTHER RECEIVABLES		
Considered good:		
Bank profit receivables	**55**	80

	Note	2018	2017
		(Rupees '000)	
18 TAX REFUNDS DUE FROM GOVERNMENT			
Sales tax refundable		**47,802**	23,419
19 CASH AND BANK BALANCES			
Cash in hand		**144**	290
Balances with banks in:			
Current accounts		**52,158**	68,883
Deposit accounts	19.1	**125,431**	193,130
		177,589	262,013
		177,733	262,303

19.1 The rate of return on deposit accounts ranges from 1.9% to 5.8% (2017: 2% to 5%) per annum.

19.2 The Group have banking relationship with islamic windows of conventional banking system as well as shariah compliant banks only.

	Note	2018	2017
		(Rupees '000)	
20 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL			
122,956,711 (2017: 122,956,711) Ordinary shares of Rupees 10 each fully paid in cash		**1,229,567**	1,229,567
13,000 (2017: 13,000) Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement for amalgamation	20.1	**130**	130
9,298,452 (2017: 1,811,575) Ordinary shares of Rupees 10 each issued as fully paid bonus shares		**92,985**	18,116
		1,322,682	1,247,813

20.1 The process for amalgamation of Ghani Southern Gases (Private) Limited with and into the Holding Company as on May 15, 2012 resulted in issuance of shares for consideration other than cash.

20.2 Movement to the issued, subscribed and paid-up share capital of the Holding Company is as follows:

2018	2017		2018	2017
(No. of Shares)			(Rupees '000)	
124,781,286	124,781,286	Opening balance	**1,247,813**	1,247,813
7,486,877	-	Issued during the year	**74,869**	-
132,268,163	124,781,286	Closing balance	**1,322,682**	1,247,813

20.3 Ordinary shares of the Holding Company held by the related parties as at June 30, 2018:

	2018	2017
	(No. of Shares)	
Name of directors		
Mr. Masroor Ahmad Khan	**16,953,817**	15,965,866
Mr. Atique Ahmad Khan	**15,522,402**	14,615,474
Hafiz Farooq Ahmad	**16,789,653**	15,810,995
Mian Zahid Said	**-**	840
Mrs. Ayesha Masroor	**5,506,623**	5,194,929
Mrs. Rabia Atique	**7,457,856**	6,545,148
Mrs. Saira Farooq	**5,488,371**	5,177,709
Mr. Farzand Ali	**1,825**	1,722
Mr. Tahir Bashir Khan	**26**	-
Mahmood Ahmed	**31,605**	-

	2018	2017
	(No. of Shares)	
Name of other related parties		
Mrs. Tahira Naheed	**28,904**	77,269
Ms. Zojaja Masroor	**400,000**	-
Ms. Waleeja Masroor	**19,000**	-

21 CAPITAL RESERVE - SHARE PREMIUM

This represents share premium received on 2,500,000 ordinary shares issued at Rupees 5 per share, 7,000,000 ordinary shares issued at Rupees 2.50 per share and 43,019,834 ordinary shares issued at Rupees 10 per share. Share premium can be utilized by the Holding Company only for the purposes specified in Section 81 of the Companies Act, 2017.

During the year, the Holding Company has utilized share premium to the extent of Rupees 74,868,770 by issuance of fully paid 7,486,877 bonus shares in accordance with the provisions of Section 81 of the Companies Act, 2017.

22 LOANS FROM SPONSORS

The loans have been obtained from sponsors of the Group, which are unsecured and interest free. There is neither fixed tenure of loan nor there is any schedule for repayment of loans. The repayment is at the option of the Group.

		Note	2018	2017
			(Rupees '000)	
23	**LONG TERM FINANCING**			
	From banking companies - secured:			
	Diminishing Musharakah	**23.2**	**1,981**	3,112
	Diminishing Musharakah	**23.3**	**9,899**	16,498
	Diminishing Musharakah	**23.4**	**33,634**	-
	Diminishing Musharakah	**23.5**	**13,471**	-
	From Islamic Financial Institution - secured			
	Diminishing Musharakah	**23.6**	**485**	4,674
			59,470	24,284
	Current portion taken as current liability	**30**	**(25,613)**	(12,512)
			33,857	11,772
23.1	Balance at beginning of year		**24,284**	1,095,717
	Availed/adjustment during the year		**54,456**	174,050
			78,740	1,269,767
	Repayment/adjustment during the year		**(19,270)**	(1,245,483)
	Balance at the end of year		**59,470**	24,284

23.2 This represents diminishing musharakah facility having credit limit of Rupees 10 million (2017: Rupees 10 million) availed from banking company for purchase of vehicles. The term of the agreement is 3 years. The balance is repayable in 36 installments. It carries profit rate of 6 months KIBOR plus 100 BPS. It is secured against ownership of DM assets in favor of the banking company.

23.3 This represents diminishing musharakah facility having credit limit of Rupees 20 million (2017: Rupees 20 million) availed from banking company for purchase of vehicles and machinery for a period of 3 years. The balance is repayable in quarterly installments. It carries profit rate of 3 months KIBOR plus 90 BPS. The facility is secured against ownership of Diminishing Musharakah assets in favor of the banking company and personal guarantee of three directors of the Holding Company.

23.4 This represents diminishing musharakah facility having credit limit of Rupees 50 million (2017: Nil) availed from banking company for purchase of machinery and equipments for a period of 3 years. The balance is repayable in 36 equal monthly installments. It carries profit rate of 6 months KIBOR plus 100 BPS. The facility is secured against ownership of Diminishing Musharakah assets in favor of the banking company, customer share of at least 10% and personal guarantee of three sponsoring directors of the Holding Company.

23.5 This represents diminishing musharakah facility having credit limit of Rupees 50 million (2017: Nil) availed from banking company to finance machinery and equipments for a period of 3 years. The balance is repayable in 36 equal monthly installments. It carries profit rate of 1 year KIBOR plus 80 BPS. The facility is secured against specific charge on assets and personal guarantee of three sponsoring directors of the Holding Company.

23.6 This Islamic finance facility carries profit ranging from 6 months KIBOR plus 195 BPS to 225 BPS (2017: 6 months KIBOR plus 195 BPS to 225 BPS). This Islamic finance facility having credit limit of Rupees 63 million (2017: Rupees 63 million) is secured against ownership of DM assets in favor of financial institution. This finance facility is repayable in monthly installments.

		Note	2018	2017
			(Rupees '000)	
24	REDEEMABLE CAPITAL - SUKUK			
	Long Term Certificates (Sukuk)	24.1	1,029,166	1,245,833
	Current portion taken as current liability	30	(216,667)	(216,667)
			812,499	1,029,166
24.1	Balance at beginning of year		1,245,833	-
	Availed during the year		-	1,300,000
			1,245,833	1,300,000
	Repayment during the year		(216,667)	(54,167)
	Balance at the end of year		1,029,166	1,245,833

24.2 The Holding Company has issued Rated, Privately Placed and Secured Long Term Islamic Certificates (Sukuk) as instrument of redeemable capital under Section 120 of the repealed Companies Ordinance 1984 (Now the Companies Act, 2017) amounting to Rupees 1,300 million divided into 13,000 (2017: 13,000) certificates of Rupees 100,000 (2017: Rupees 100,000) each for a period of 6 years under an agreement dated December 22, 2016 for swapping of long term and short term financing facilities and to meet business requirements. The said certificates are redeemable in 24 consecutive quarterly installments commenced from February 03, 2017 and ending on February 03, 2023. Rental is payable on quarterly basis along with redemption of certificates. It carries profit rate of 3 months KIBOR plus 100 BPS (2017: 3 months KIBOR plus 100 BPS). These certificates are secured against first pari passu charge over present and future fixed assets of the Holding Company to the extent of Rupees 1,625 million.

		Note	2018	2017
			(Rupees '000)	
25	LONG TERM SECURITY DEPOSITS PAYABLE			
	Security deposits	25.1	33,025	26,620

25.1 These represents amounts received from customers on installation/provision of equipment at their premises and can be used in ordinary course of the Holding Company's business under provisions of Section 217 of the Companies Act, 2017.

		2018	2017
		(Rupees '000')	
26	DEFERRED TAXATION		
	Taxable temporary differences		
	Accelerated tax depreciation	482,035	537,821
	Deductible temporary differences		
	Provision for doubtful debts	(710)	-
	Unused tax losses	(195,592)	(243,610)
		(196,302)	(243,610)
	Net taxable temporary differences	285,733	294,211
	Unused tax credits	(2,899)	(39,763)
		282,834	254,448
	Average rate / normal tax rate	25.00%	30.00%

26.1 Subsequent to promulgation of Finance Act, 2018; deferred tax liability for the year has been determined on the basis of regressive rates using projected financial information for reversal of differences in foreseeable future.

		Note	2018	2017
			(Rupees '000)	
27	**TRADE AND OTHER PAYABLES**			
	Trade creditors		**93,854**	33,105
	Advances from customers		**64,967**	35,537
	Accrued liabilities		**31,773**	20,126
	Workers' profit participation fund	**27.1**	**8,228**	10,382
	Withholding tax		**1,274**	2,715
			200,096	101,865
27.1	**Workers' profit participation fund**			
	Beginning balance		**10,382**	11,403
	Provision for the year		**8,357**	9,531
	Profit on funds utilized in the Holding Company's business		**137**	219
			18,876	21,153
	Paid during the year		**(10,648)**	(10,771)
			8,228	10,382
28	**ACCRUED PROFIT ON FINANCING**			
	Long term financing		**320**	52
	Redeemable capital - Sukuk		**12,344**	14,356
	Short term borrowings		**11,293**	2,127
			23,957	16,535
29	**SHORT TERM BORROWINGS**			
	From banking companies - secured:			
	Short term borrowings		**955,986**	273,000

29.1 These finances have been obtained from banking companies under profit arrangements and are secured against joint pari passu hypothecation charge on the present and future current assets of the Holding Company and personal guarantees of sponsor directors of the Holding Company. These form part of total credit funded facilities of Rupees 1,125 million (2017: Rupees 860 million). The rates of profit ranging from relevant KIBOR plus 0.85% to 1.25% (2017: relevant KIBOR plus 0.9% to 1.25%). These facilities are expiring on various dates by March 31, 2019 and are renewable.

		Note	2018	2017
			(Rupees '000)	
30	**CURRENT PORTION OF LONG TERM LIABILITIES**			
	Long term financing	**23**	**25,613**	12,512
	Redeemable capital - Sukuk	**24**	**216,667**	216,667
			242,280	229,179

31 CONTINGENCIES AND COMMITMENTS

31.1 Contingencies

31.1.1 The Holding Company has provided corporate guarantee amounting to Rupees 650 million (2017: Rupees 650 million) to banks against financing facilities on behalf of the Associated Company.

31.1.2 The Holding Company has filed two separate constitutional petitions on February 15, 2009 before The Honorable Lahore High Court on the ground that the Holding Company was not required to pay any advance tax on electricity bills due to huge carried forward tax losses and available refunds. The Honorable Lahore High Court has granted stay orders upon furnishing bank guarantees in favor of LESCO amounting to Rupees 3.14 million (2017: Rupees 3.14 million). The outcome of the cases is pending. The management is hopeful that matter shall be decided in favor of the Holding Company.

31.2 Commitments

31.2.1 Commitments in respect of letter of credit amounted to Rupees 403.92 million (2017: Rupees 95.16 million).

31.2.2 Commitments for construction of building as at balance sheet date amounted to Rupees 30 million (2017: Rupees 9.2 million).

31.2.3 Bank guarantees amounting to Rupees 38.65 million (2017: Rupees 27.45 million) provided to various customers/institutions against supplies of products.

31.2.4 As of balance sheet date, aggregate credit limits (funded facilities) amounting Rupees 169 million (2017: Rupees 587 million) from commercial banks remain unutilized.

31.2.5 Commitments for rentals under Ijarah contracts as at June 30, 2018 are as follows:

	Note	2018	2017
		(Rupees '000)	
Not later than one year		983	1,435
Later than one year but not later than five years		-	953
		983	2,388

32 COST OF SALES

	Note	2018	2017
Fuel and power		663,304	519,527
Utilities		3,062	2,585
Consumable stores		37,692	26,468
Salaries, wages and other benefits	32.1	74,375	64,523
Communication		973	636
Repairs and maintenance		34,147	28,900
Traveling, vehicle running and conveyance		9,241	6,679
Insurance		6,083	5,490
Depreciation	8.1.1	91,967	72,695
Staff welfare		8,746	9,192
Transportation		11,646	7,594
Security expense		2,562	2,226
Other overheads		36,468	24,178
Cost of goods manufactured		980,266	770,693
Finished goods			
Opening stock		37,740	26,282
Purchases		486,236	476,603
Closing stock	13	(94,343)	(37,740)
		429,633	465,145
		1,409,899	1,235,838

32.1 Salaries, wages and other benefits includes Rupees 3.74 million (2017: Rupees 3.43 million) in respect of retirement benefits.

33 DISTRIBUTION COST

	Note	2018	2017
		(Rupees '000)	
Salaries, wages and other benefits	33.1	55,181	44,337
Transportation charges		144,632	109,399
Traveling, boarding, lodging and conveyance		5,074	4,785
Rent, rates and taxes		1,352	1,840
Balances carried down		206,239	160,361

	2018	2017
	(Rupees '000)	
Balances brought forward	**206,239**	160,361
Communication	**785**	822
Vehicle running and maintenance	**3,535**	3,346
Advertisement and business promotion	**809**	352
Loading and unloading	**2,125**	1,426
Postage and courier	**230**	212
Repair and maintenance	**11,090**	7,720
Office expense	**2,812**	4,598
Other expenses	**2,348**	1,156
	229,973	179,993

33.1 Salaries, wages and other benefits includes Rupees 2.79 million (2017: Rupees 2.45 million) in respect of retirement benefits.

34 ADMINISTRATIVE EXPENSES

	Note	2018	2017
		(Rupees '000)	
Salaries, wages and other benefits	**34.1**	**60,988**	49,904
Rent, rates and taxes		**5,664**	5,524
Electricity and other utilities		**2,227**	1,250
Traveling and conveyance		**3,793**	4,064
Vehicle running and maintenance		**2,851**	2,476
Donation and charity	**34.2**	**2,586**	875
Printing and stationery		**3,229**	2,769
Communication		**1,956**	1,735
Fee and subscription		**3,932**	19,270
Ijarah Rentals		**1,358**	1,435
Advertisement		**735**	25
Insurance		**1,265**	1,895
Depreciation	**8.1.1**	**14,175**	14,908
Amortization	**9.1**	**247**	-
Staff welfare		**6,262**	6,355
Repair and maintenance		**2,078**	875
Others		**2,623**	4,716
		115,969	118,076

34.1 Salaries, wages and other benefits includes Rupees 3.75 million (2017: Rupees 3.45 million) in respect of retirement benefits.

34.2 None of the directors or their spouses had any interest in the donees. Further no donation more than Rupees 0.5 million was paid to any single organization.

35 OTHER OPERATING EXPENSES

	2018	2017
	(Rupees '000)	
Legal and professional	**15,161**	6,338
Workers profit participation fund	**8,357**	9,531
Exchange loss	**1,548**	-
Provision for doubtful debts	**2,841**	-
Auditors' remuneration		
Statutory audit	**763**	695
Special review	**330**	-
Half yearly review and other certifications	**180**	115
Out of pocket expenses	**25**	25
	1,298	835
	29,205	16,704

36 OTHER INCOME

	2018	2017
Profit on bank deposits	**2,069**	6,807
Commission on corporate guarantee	**2,600**	2,600
Rental income	**12,000**	12,000
Gain on disposal of operating fixed assets	**825**	1,350
	17,494	22,757

37 FINANCE COST

	Note	2018	2017
		(Rupees '000)	
Profit on:			
Long term financing		**3,150**	37,055
Redeemable capital - Sukuk		**81,801**	36,893
Short term borrowings		**35,383**	17,585
Ijarah financing		**-**	4,289
Workers' profit participation fund		**137**	219
		120,471	96,041
Bank charges and commission		**3,018**	475
		123,489	96,516

38 TAXATION

	Note	2018	2017
Charge for the year:			
Current taxation	**38.1**	**(27,306)**	(16,240)
Deferred taxation		**28,386**	60,221
		1,080	43,981

38.1

		2018	2017
38.1	Provision for taxation	**3,478**	30,784
	Tax credit	**(30,784)**	(47,024)
		(27,306)	(16,240)

38.2 Assessment up to tax year 2017 is finalized (deemed assessment) and the available tax losses of the Holding Company are Rupees 811.22 million (2016: Rupees 775.59 million).

38.3 The Holding Company computes tax based on the generally accepted interpretations of the tax laws to ensure that the sufficient provision for the purpose of taxation is available which can be analysed as follows:

	2017	2016	2015
Income tax provision for the year - accounts	30,784	47,024	42,304
Income tax credit for preceding year	(47,024)	(42,304)	(17,601)
Excess / (shortage)	(16,240)	4,720	24,703

38.4 Due to previous tax losses; current year tax is charged on the basis of turnover under Section 113 or Alternate Corporate Tax (ACT) on accounting profit under section 113C of Income Tax Ordinance, 2001, whichever is higher. During the year, the Holding Company falls under ACT and provision on accounting profit has been made after taking into account applicable tax credits, rebates and allowances. Relationship between income tax expense and accounting profit for current year is not meaningful due to application of ACT.

39 EARNINGS PER SHARE

		2018	2017 (Restated)
Profit attributable to ordinary shareholders of the Holding Company	*(Rupees '000)*	**125,763**	122,981
Weighted average number of ordinary shares outstanding during the year	*(Number)*	**132,268,163**	132,268,163
Earnings per share	*(Rupees)*	**0.95**	0.93

39.1 During the year, the Holding Company has issued 7,486,877 bonus share out of share premium account which has resulted in restatement of basic and diluted earning per share for the year ended June 30, 2017.

39.2 Diluted earnings per share has not been presented as the Holding Company does not have any convertible instruments in issue as at June 30, 2018 (2017: Nil) which would have any effect on the earnings per share if the option to convert is exercised.

40 CASH GENERATED FROM OPERATING ACTIVITIES

	Note	2018	2017
		(Rupees '000)	
Profit before taxation		**126,823**	166,961
Adjustments to reconcile profit to non-cash charges and items			
Depreciation / amortization	8.1.1	**106,142**	87,603
Amortization on intangible assets	9.1	**247**	-
Finance cost	37	**123,489**	96,516
Share of loss from associate		**30,733**	13,141
Provision for doubtful debts	14	**2,841**	-
Translation exchange loss		**1,548**	-
Gain on disposal of operating fixed assets		**(825)**	(1,350)
Balance carried down		**264,175**	195,910
Cash flows from operating activities before working capital changes		**390,998**	362,871
Cash flows from working capital changes			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		**(94,330)**	(3,704)
Stock in trade		**(56,603)**	(11,458)
Trade debts		**57,900**	(123,123)
Loans and advances		**(67,940)**	14,893
Trade deposits and prepayments		**(4,649)**	5,282
Other receivables		**25**	1,679
Tax refunds due from government		**(24,383)**	657
Increase / (decrease) in current liabilities:			
Trade and other payables		**96,683**	(191,049)
Payable to Employee's Provident Fund		**(2,746)**	-
Net cash used in working capital changes		**(96,043)**	(306,823)
Cash generated from operating activities		**294,955**	56,048

41 CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES' REMUNERATION

The aggregate amount charged in the accounts for remuneration, allowances including all benefits to the Chief Executive Officer, Director and other Executives of the Holding Company are as follows:

	June 30, 2018			June 30, 2017		
Description	**Chief Executive Officer**	**Directors**	**Executives**	Chief Executive Officer	Directors	Executives (Restated)
		(Rupees '000')			(Rupees '000')	
Managerial remuneration	**13,605**	**16,718**	**9,673**	10,227	12,829	8,238
Medical	**1,150**	**1,292**	**507**	1,023	1,189	387
Provident fund contribution	**1,054**	**1,313**	**574**	937	1,168	654
	15,809	**19,323**	**10,754**	12,187	15,186	9,279
No. of persons	**1**	**2**	**4**	1	2	3

41.1 Comparative figures have been restated to reflect changes in the definition of executive as per Companies Act, 2017.

41.2 The chief executive and directors are provided with free use of the Holding Company maintained cars in accordance with their entitlement. Certain executives are also provided with the Holding Company maintained cars.

41.3 The aggregate amount charged in the consolidated financial statements for the year against fees for four (4) board meetings and four (4) audit committee meetings was Rupees Nil (2017: Nil).

42 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, directors, companies in which directors also hold directorship, related companies, key management personnel and staff retirement benefit funds. The Group in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Group has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

42.1 Name and nature of relationship

a) Associates due to significant influence

Ghani Global Glass Limited - 25% shares held in the company

b) Associates due to common directorship

Ghani Products (Private) Limited
Ghani Engineering (Private) Limited
Air Ghani (Private) Limited
Ghani Global Foods (Private) Limited

c) Sponsors

Mr. Masroor Ahmad Khan - Director of Holding Company
Mr. Atique Ahmad Khan - Chief Executive Officer / Director of Holding Company
Hafiz Farooq Ahmad - Director of Holding Company

d) Others

Ghani Gases Employees' Provident Fund

42.2 Transactions with related parties

Name	Nature of Transaction	2018	2017
		(Rupees '000)	
Associates			
	Services	**12,000**	12,000
	Guarantee commission	**2,600**	2,600
	Supplies	**26,360**	31,359
	Purchase of land	**-**	42,560
Key management personnel			
Sponsors	Ordinary share purchase of associated company	**-**	450,000
Sponsors	Loan received / (repaid)	**(380,650)**	138,500
Others			
Provident fund trust	Contribution	**22,041**	17,527

42.3 Sales, purchases and other transactions with related parties are carried out on commercial terms and conditions.

43 PROVIDENT FUND RELATED DISCLOSURES

The following information is based on un-audited financial statements of Ghani Gases Employees' Provident Fund as at June 30, 2018 (2017: Audited financial statements).

	2018	2017
43.1 Information of Provident Fund	**(Rupees '000)**	
Size of the fund (total assets)	**88,266**	73,334
Cost of investments made	**74,668**	52,174
Fair value of investments made	**73,963**	53,586
Percentage of investments made	**85%**	71%

	2018	2017	2018	2017
	(Percentage)		**(Rupees '000)**	
43.2 Breakup of cost of investments				
Investment plus deposit certificates	**32%**	43%	**24,000**	22,501
Investment in saving accounts with banks	**68%**	57%	**50,668**	29,673
	100%	100%	**74,668**	52,174

43.3 Investments out of the funds have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

44 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

44.1 Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated financial statements.

IFRS 13, 'Fair Value Measurements' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

As at reporting date, the Group has no item to report in these levels.

	June 30, 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
	(Rupees '000')			
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through statement of profit or loss	**Nil**	**Nil**	**Nil**	**Nil**
Financial liabilities	**Nil**	**Nil**	**Nil**	**Nil**

	June 30, 2017			
	Level 1	Level 2	Level 3	Total
	(Rupees '000')			
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through statement of profit or loss	Nil	Nil	Nil	Nil
Financial liabilities	Nil	Nil	Nil	Nil

44.2 Financial instruments not measured at fair value

The carrying values of all financial assets and liabilities reflected in consolidated financial statements approximate their fair values.

	Note	2018	2017
		(Rupees '000')	
Assets as per balance sheet			
Long term deposits	11	68,257	57,756
Trade debts	14	468,959	529,520
Trade deposits and margin against letter of credit	16	45,476	42,101
Other receivables	17	55	80
Cash and bank balances	19	177,733	262,303
		760,480	891,760
Financial liabilities at amortized cost			
Liabilities as per balance sheet			
Long term financing	23	59,470	24,284
Redeemable capital - Sukuk	24	1,029,166	1,245,833
Long term security deposits	25	33,025	26,620
Accrued profit on financings	28	23,957	16,535
Short term borrowings	29	955,986	273,000
Trade and other payables	27	125,627	53,231
Payable to Employees' Provident Fund		-	2,746
Unclaimed dividend		853	858
		2,228,084	1,643,107

45 INFORMATION FOR ALL SHARES ISLAMIC INDEX SCREENING

45.1 Information

Description	Note	June 30, 2018 Carried under		June 30, 2017 Carried under	
		Non - Sharia arrangements	Sharia arrangements	Non - Sharia arrangements	Sharia arrangements
		(Rupees '000')		(Rupees '000')	
(i) Assets					
Deposits	11 & 16	-	107,297	-	99,857
Bank balances	19	-	177,589	-	262,013
(ii) Liabilities					
Long term financing	23	-	59,470	-	24,284
Redeemable capital - Sukuk	24	-	1,029,166	-	1,245,833
Long term deposits	25	-	33,025	-	26,620
Short term borrowings	29	-	955,986	-	273,000
(iii) Other income	36	-	17,494	-	22,757
45.2 Sources of other income					
Profit on bank deposits		-	2,069	-	6,807
Commission on corporate guarantee		-	2,600	-	2,600
Rental income		-	12,000	-	12,000
Gain on disposal of operating fixed assets		-	825	-	1,350

45.3 Revenue of the Holding Company is from sale and trading of medical & industrial gases and chemicals. Whereas the Subsidiary Company has not yet commenced its operations.

45.4 Relationship with banks

The Holding Company is dealing with only islamic banks or islamic windows of banks.

46 FINANCIAL RISK MANAGEMENT

46.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and profit rate risk), credit risk and liquidity risk. Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies and provides principles for overall risk management, as well as policies covering specific areas such as currency risk, equity price risk, profit rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

The Group's audit committee monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of risk management framework in relation to risks faced by the Group. Audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes reviews of risk management controls and procedures, results of which are reported to audit committee.

(a) Market risk

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

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Group is exposed to currency risk arising from various currency exposures, primarily with respect to the Euro. Currently, the Group's foreign exchange risk exposure is restricted to the amounts payable to the foreign entities. The Group's exposure to currency risk was as follows:

Following is the gross balance sheet exposure classified into separate foreign currencies:

	2018	2017
	(EURO)	
Trade and other payables	**255,000**	-
Gross balance sheet exposure	**255,000**	-

The following significant exchange rates were applied during the year:

	Average rate		**Spot rate**	
	June 30, 2018	June 30, 2017	**June 30, 2018**	June 30, 2017
	(Rupees)		**(Rupees)**	
PKR per				
EURO	**132.02**	114.22	**141.57**	119.63

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the Euro with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 1.81 million higher / lower (2017: Nil), mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) Profit rate risk

Profit rate risk represents the risk that fair values of future cash flows of financial instruments which will fluctuate because of change in market profit rates. The Group has no significant long-term profit-bearing financial assets. The Group's profit rate risk arises from financial liabilities. Borrowings obtained at floating rates expose the Group to cash flow profit rate risk. Borrowings obtained at fixed rate expose the Group to fair value profit rate risk.

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

	2018	2017
	(Rupees '000)	
Floating rate instruments		
Financial assets		
Bank balances	**125,431**	193,130
Financial liabilities		
Long term financing	**59,470**	24,284
Redeemable capital - Sukuk	**1,029,166**	1,245,833
Short term borrowings	**955,986**	273,000

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

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

		Changes in Interest Rate	Effects on Profit Before Tax (Rupees '000)
Bank Balances - deposit accounts	**2018**	**+1.50**	**1,881**
		-1.50	**(1,881)**
	2017	+1.50	2,897
		-1.50	(2,897)
Long term financing	**2018**	**+2.00**	**(1,189)**
		-2.00	**1,189**
	2017	+2.00	(486)
		-2.00	486
Redeemable capital - Sukuk	**2018**	**+2.00**	**(20,583)**
		-2.00	**20,583**
	2017	+2.00	(24,917)
		-2.00	24,917
Short term borrowings	**2018**	**+2.00**	**(19,120)**
		-2.00	**19,120**
	2017	+2.00	(5,460)
		-2.00	5,460

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and outstanding liabilities of the Group at the year end.

(ii) Other price risk

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

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

(b) Credit risk

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

The Group is exposed to credit risk from its operating activities primarily for local trade debts, sundry receivables and other financial assets.

Exposure to credit risk

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

	Note	2018	2017
		(Rupees '000)	
Long term deposits	11	68,257	57,756
Trade debts	14	468,959	529,520
Trade deposits	16	39,040	42,101
Other receivables	17	55	80
Bank balances	19	177,589	262,013
		753,900	891,470

Concentration of credit risk

'The Group identifies concentrations of credit risk by reference to type of counterparty. Maximum exposure to credit risk by type of counterparty is as follows:

		2018	2017
		(Rupees '000')	
Customers	14	468,959	529,520
Banking companies and financial institutions	17 & 19	177,644	262,093

Out of the total financial assets credit risk is concentrated in trade debts and deposits with banks as they constitute 86% (2017: 89%) of the total financial assets. The Group's exposure to credit risk related to trade debts is disclosed in note 14.1.

Provision for doubtful debts

Based on age analysis, relationship with customers and past experiences no further provision for doubtful debts is required for the year ended June 30, 2018 (2017: Nil) and does not expect any party to fail to meet their obligation. Required provision of Rupees 2.84 million has been provided in these consolidated financial statements.

The credit quality of loans and other receivables can be assessed with reference to their historical performance with no or negligible defaults in recent history and no losses incurred. The credit quality of Group's bank balances can be assessed with reference to the external credit ratings follows:

Banks	Rating Agency	Short term	Long term	2018	2017
				(Rupees '000)	
MCB Bank Limited	PACRA	A1+	AAA	6,527	5,392
MCB Islamic Bank Limited	PACRA	A1	A	21	21
National Bank of Pakistan	PACRA	A1+	AAA	600	967
United Bank Limited	JCR-VIS	A-1+	AAA	2,614	938
Allied Bank Limited	PACRA	A1+	AAA	1,889	787
Balances carried down				11,651	8,105

Banks	Rating Agency	Short term	Long term	2018	2017
				(Rupees '000)	
Balances brought forward				**11,651**	8,105
Faysal Bank Limited	JCR-VIS	A-1+	AA	**4,878**	11,573
Habib Metropolitan Bank Limited	PACRA	A1+	AA+	**3,650**	22,168
Bank Islami Pakistan Limited	PACRA	A1	A+	**17,247**	10,243
Meezan Bank Limited	JCR-VIS	A-1+	AA+	**72,869**	51,611
AlBaraka Bank (Pakistan) Limited	JCR-VIS	A-1	A+	**16,789**	20,341
Bank Alfalah Limited	PACRA	A1+	AA+	**6,832**	11,013
The Bank of Khyber	PACRA	A1	A	**90**	40
Askari Bank Limited	PACRA	A1+	AA+	**8,395**	12,384
Soneri Bank Limited	PACRA	A1+	AA-	**176**	88
Habib Bank Limited	JCR-VIS	A-1+	AAA	**14,313**	954
Bank Al-Habib Limited	PACRA	A1+	AA+	**10,024**	5,947
Dubai Islamic Bank Pakistan Limited	JCR-VIS	A-1	AA-	**3,365**	28,139
Standard Chartered Bank (Pakistan) Limited	PACRA	A1+	AAA	**246**	2,243
The Bank of Punjab	PACRA	A1+	AA	**73**	67,056
Summit Bank Limited	JCR-VIS	A-1	A-	**5,635**	10,108
Silk Bank Limited	JCR-VIS	A-2	A-	**1,356**	-
				177,589	262,013

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

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or any other financial assets, or that such obligations will have to be settled in manners unfavorable to the Group.

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

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

	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years
	(Rupees '000)			
2018				
Long term financing	**59,470**	**59,470**	**25,613**	**33,857**
Redeemable capital - Sukuk	**1,029,166**	**1,029,166**	**216,667**	**812,499**
Long term security deposits	**33,025**	**33,025**	**-**	**33,025**
Trade and other payables	**125,627**	**125,627**	**125,627**	**-**
Short term borrowings	**955,986**	**955,986**	**955,986**	**-**
Unclaimed dividend	**853**	**853**	**853**	**-**
	2,204,127	**2,204,127**	**1,324,746**	**879,381**
2017				
Long term financing	24,284	24,284	12,512	11,772
Long term security deposits	1,245,833	1,245,833	216,667	1,029,166
Trade and other payables	53,231	53,231	53,231	-
Short term borrowings	273,000	273,000	273,000	-
Payable to Employee's Provident Fund	2,746	2,746	2,746	-
Unclaimed dividend	858	858	858	-
	1,599,952	1,599,952	559,014	1,040,938

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

46.2 Capital risk management

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

No changes were made in the objectives, policies or processes from the previous period. The Group monitors capital using gearing ratio, which is debt divided by equity plus net debt. Debt represents long term financing including current portion obtained by the Group as referred to in notes 23 and 24. Total capital employed includes 'total equity' as shown in the balance sheet plus debt. The Group's strategy, which was unchanged from last period, was to maintain optimal capital structure in order to minimize cost of capital.

The gearing ratio as at year ended June 30, 2018 and June 30, 2017 is as follows:

	Note	2018	2017
		(Rupees '000)	
Debt	23 and 24	1,088,636	1,270,117
Equity		2,726,833	2,981,740
Total capital employed		3,815,469	4,251,857
Gearing ratio		28.53%	29.87%

47 SEGMENT INFORMATION

47.1 The Group's reportable segments are based on the following product lines:

Industrial and Medical Gases

This segment covers business with large-scale industrial consumers, typically in the oil, chemical, food and beverage, metal, glass sectors and medical customers in healthcare sectors. Gases and services are supplied as part of customer specific solutions. These range from supply by road tankers in liquefied form. Gases for cutting and welding, hospital, laboratory applications and a variety of medical purposes are also distributed under pressure in cylinders.

Industrial Chemicals

This segment covers business of trading of chemicals.

47.2 Segment results are as follows:

	2018			2017		
	Industrial and Medical Gases	Industrial chemicals	Total	Industrial and Medical Gases	Industrial chemicals	Total
	(Rupees '000)			(Rupees '000)		
Net sales	1,712,730	335,867	2,048,597	1,325,707	478,765	1,804,472
Cost of sales	(1,093,270)	(316,629)	(1,409,899)	(806,765)	(429,073)	(1,235,838)
Gross profit	619,460	19,238	638,698	518,942	49,692	568,634
Distributions cost	(223,572)	(6,401)	(229,973)	(173,572)	(6,421)	(179,993)
Administrative expenses	(110,171)	(5,798)	(115,969)	(112,172)	(5,904)	(118,076)
	(333,743)	(12,199)	(345,942)	(285,744)	(12,325)	(298,069)
Segment profit	285,717	7,039	292,756	233,198	37,367	270,565
Balances carried down			292,756			270,565

	2018 Industrial and Medical Gases	2018 Industrial chemicals	2018 Total	2017 Industrial and Medical Gases	2017 Industrial chemicals	2017 Total
		(Rupees '000)			(Rupees '000)	
Balances brought forward			**292,756**			270,565
Unallocated corporate expenses						
Other operating expenses			**(29,205)**			(16,704)
Other income			**17,494**			22,757
			281,045			276,618
Finance cost			**(123,489)**			(96,516)
Share of loss from associate			**(30,733)**			(13,141)
Profit before taxation			**126,823**			166,961
Taxation			**(1,080)**			(43,981)
Profit after taxation			**125,743**			122,980

47.3 Transfers between business segments are recorded at cost. There were no inter segment transfers during the year.

47.4 The Holding Company's customer base is diverse with no single customer accounting for more than 10% of the net sales.

47.5 The segment assets and liabilities as at balance sheet date and capital expenditure for the year then ended are as follows:

	2018 Industrial and Medical Gases	2018 Industrial chemicals	2018 Total	2017 Industrial and Medical Gases	2017 Industrial chemicals	2017 Total
		(Rupees '000)			(Rupees '000)	
Segment assets	**5,002,031**	**135,879**	**5,137,910**	4,461,598	234,732	4,696,330
Unallocated assets			**177,788**			262,383
Total assets			**5,315,698**			4,958,713
Segment liabilities	**2,544,552**	**40,835**	**2,585,387**	1,945,203	986	1,946,189
Unallocated liabilities			**3,478**			30,784
Total liabilities			**2,588,865**			1,976,973

47.6 All the non-current assets of the Group at reporting date are located in Pakistan.

48 NUMBER OF EMPLOYEES

	Factory 2018	Factory 2017	Others 2018	Others 2017
	(Number)		(Number)	
Total number of employees at year end	**181**	188	**126**	115
Average number of employees during the year	**188**	179	**121**	110

49 PLANT CAPACITY AND ACTUAL PRODUCTION

The following normal annual production capacity is worked out in triple shift basis.

	2018	2017
	(Cubic Meter)	
Industrial and medical gases		
Production at normal capacity - gross	**51,240,000**	51,240,000
Production at normal capacity - net of normal losses	**45,750,000**	45,750,000
Actual production - net of normal losses	**45,908,964**	33,476,381

49.1 The production for the period exceeded its installed capacity (production at normal capacity - net of normal losses) due to efficient utilization of available resources, better air flow and reduction in losses.

50 DISCLOSURE REQUIREMENTS FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act, 2017, shariah compliant companies and the companies listed on Islamic Index shall disclose the following:

(i) Loans / advances obtained as per Islamic mode - refer note 29
(ii) Markup paid on Islamic mode of financing - refer note 37
(iii) Shariah compliant bank deposits / bank balances - refer note 19
(iv) Profit earned from shariah compliant bank deposits / bank balances - refer note 36
(v) Revenue earned from a shariah compliant business segment - refer statement of profit or loss
(vi) Relationship with shariah compliant banks - refer note 19

51 GENERAL AND CORRESPONDING FIGURES

51.1 The corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of the Companies Act, 2017 and for the purposes of comparison and better presentation. Following important reclassifications have been made:

Reclassified from component	**Reclassified to component**	2017 (Rupees '000')
Trade and other payables	Unclaimed dividend (disclosed on the face of balance sheet)	858
Trade and other payables	Payable to Employee' provident fund (disclosed on the face of balance sheet)	2,746

51.2 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

52 EVENT AFTER THE REPORTING PERIOD

The Board of Directors of the Holding Company in their meeting held on September 01, 2018 proposed a stock dividend (bonus share) of 5 % (2017: 6%) amounting to Rupees 66.134 million (2017: Rupees 74.868 million) subject to approval of shareholders in the forthcoming annual general meeting. However, this event has been considered as non-adjusting event under IAS 10 'Event after the Reporting Period' and has not been recognized in these consolidated financial statements.

Under Section 5A of the Income Tax Ordinance, 2001, a tax shall be imposed at the rate of 7.5% of accounting profit before tax of the company which does not distribute at least 40% of its after tax profit for the year within six months of the end of the year ended June 30, 2018 through cash or bonus shares. The requisite bonus shares has been proposed by the Board of Directors of the Holding Company in their meeting held on September 01, 2018 and shares shall be issued within the stipulated time limit. Therefore, the recognition of any income tax liability in this respect is not considered necessary.

53 DATE OF AUTHORIZATION

These consolidated financial statements have been authorized for issue by the Board of Directors of the Holding Company on September 01, 2018.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

ASIM MAHMUD
(CHIEF FINANCIAL OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)

PATTERN OF THE SHARE HOLDING

As on 30-06-2018

FORM - 34

NUMBER OF SHARES		NO OF SHAREHOLDERS	NUMBER OF SHARES HELD	%ON ISSUED
From	To			
1	100	377	8,231	0.0062
101	500	374	143,988	0.1089
501	1000	650	489,239	0.3699
1001	5000	1,367	3,435,438	2.5973
5001	10000	457	3,339,305	2.5246
10001	15000	186	2,257,468	1.7067
15001	20000	125	2,226,282	1.6832
20001	25000	81	1,861,664	1.4075
25001	30000	55	1,521,956	1.1507
30001	35000	37	1,208,635	0.9138
35001	40000	23	868,451	0.6566
40001	45000	17	738,726	0.5585
45001	50000	19	926,534	0.7005
50001	55000	20	1,057,883	0.7998
55001	60000	8	472,424	0.3572
60001	65000	9	573,317	0.4335
65001	70000	6	408,065	0.3085
70001	75000	9	659,112	0.4983
75001	80000	4	312,275	0.2361
80001	85000	5	411,511	0.3111
85001	90000	1	87,000	0.0658
90001	95000	3	279,587	0.2114
95001	100000	12	1,195,920	0.9042
100001	105000	3	303,133	0.2292
105001	110000	8	854,808	0.6463
110001	115000	2	226,920	0.1716
115001	120000	1	120,000	0.0907
120001	125000	3	369,632	0.2795
130001	135000	2	265,739	0.2009
135001	140000	2	274,752	0.2077
140001	145000	2	288,360	0.2180
145001	150000	3	446,489	0.3376
150001	155000	1	153,378	0.1160
155001	160000	4	633,449	0.4789
160001	165000	5	812,556	0.6143
170001	175000	1	170,028	0.1285
180001	185000	1	180,350	0.1364
185001	190000	2	377,000	0.2850
195001	200000	3	600,000	0.4536
200001	205000	1	200,830	0.1518
210001	215000	4	845,600	0.6393
215001	220000	1	220,000	0.1663
220001	225000	1	222,625	0.1683
235001	240000	1	237,500	0.1796
245001	250000	3	750,000	0.5670
250001	255000	4	1,009,584	0.7633

255001	260000	1	259,500	0.1962
260001	265000	2	528,250	0.3994
270001	275000	2	549,820	0.4157
290001	295000	1	293,500	0.2219
295001	300000	2	600,000	0.4536
300001	305000	1	304,000	0.2298
315001	320000	1	319,500	0.2416
340001	345000	1	340,122	0.2571
355001	360000	1	358,851	0.2713
395001	400000	2	800,000	0.6048
415001	420000	3	1,254,459	0.9484
430001	435000	1	435,000	0.3289
605001	610000	1	607,220	0.4591
710001	715000	1	715,000	0.5406
980001	985000	1	983,010	0.7432
1350001	1355000	1	1,350,969	1.0214
2805001	2810000	1	2,808,570	2.1234
4805001	4810000	1	4,809,878	3.6365
5485001	5490000	1	5,488,371	4.1494
5505001	5510000	1	5,506,623	4.1632
7400001	7500000	1	7,457,856	5.6384
13185001	13190000	1	13,186,048	9.9692
15500001	15550000	1	15,522,402	11.7356
16780001	16790000	1	16,789,653	12.6936
16950001	16955000	1	16,953,817	12.8178
		3,934	**132,268,163**	**100**

CATAGORIES OF SHAREHOLDERS

As At June 30, 2018

Catagories of Shareholders	Number of Shareholders	Number of Share held	Percentage %
Directors, Chief Executive Officer and their Spouce(s) and minor Children	9	67,752,178	51.22
Banks	3	13,439,426	10.16
Mutual Funds	3	38,595	0.03
Modaraba Companies	3	243,367	0.18
Provident Funds and Pension Fund	5	1,634,032	1.24
Government Institution	1	92,587	0.07
Trust	4	21,840	0.02
Joint Stock Companies	47	3,210,260	2.43
Individuals	3,859	45,835,878	34.65
TOTAL	**3,934**	**132,268,163**	**100.00**

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **11th Annual General Meeting** (AGM) of **Ghani Gases Limited** (the Company) will be held on Saturday October 27, 2018 at 10:30 AM at registered office of the Company at 10-N, Model Town Ext., Lahore to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended June 30, 2018 together with Directors' and Auditors ' Reports thereon.
2. To appoint Auditors of the Company for the year ending June 30, 2019 and to fix their remuneration. The retiring auditors' M/S Rizwan & Company, Chartered Accountants, being eligible, have offered themselves for re-appointment.
3. Any other business with permission of the Chair.

SPECIAL BUSINESS

4. To authorize and approve, as recommended by the Directors, issue of bonus shares in proportion of Five (5) Ordinary Share for every Hundred (100) Ordinary Shares held by the Members (i.e.@ 5%) by capitalization of a sum of Rs. 66,134,082/- out of the share premium account. Accordingly, it is proposed to consider and pass the following Resolution as an Ordinary Resolution:

   Resolved that:

   (i) A sum of Rs. 66,134,082/- be capitalized out of the share premium account of the Company and applied towards issue of 6,613,408 ordinary shares of Rs. 10 each to be allotted as fully paid bonus shares in the proportion of Five (5) ordinary shares for every Hundred (100) shares held by the Members of the Company whose names appear on the Members' Register at the close of the business on October 18, 2018.

   (ii) The bonus shares shall rank *pari passu* in all respects with the existing shares.

   (iii) Members' entitlement to fractional shares as a result of their entitlement being less than one ordinary share shall be consolidated into whole shares and sold on the Pakistan Stock Exchange Limited and the proceeds so realized shall be distributed to the entitled shareholders as per their entitlements.

   (iv) The Chief Executive Officer and Company Secretary be and are hereby jointly and/or severally authorized to give effect to this resolution and to do and cause to be done all acts, deeds and things that may be necessary or required for issue, allotment and distribution of the said bonus shares and payment of the sale proceeds of the fractional shares.

5. To consider and if deemed fit to pass, with or without modification(s), addition or deletion, the following resolution as an ordinary resolution by amending the para (c) of the Ordinary Resolution passed by the shareholders of the Company on January 11, 2017 in respect of investment of Rs. 360 million in Ghani Chemical Industries Limited out of funds raised through allotment of Right Issue during September 2016;

   Resolved that Para (c) of the Ordinary Resolution passed by shareholders of Ghani Gases Limited in their meeting held on January 11, 2017 be and is hereby amended as under:

   (c) To utilize Rs. 143 million out of the funds raised through allotment of Right Issue during September 2016 for investment in Ghani Chemical Industries Limited a subsidiary of the Company (Ghani Gases Limited) and the balance Rs.217 million be utilized by the Company in expansion plan for setting up of third 120 TPD ASU Plant of the Company.

By Order of the Board

FARZAND ALI
Company Secretary

Place: **Lahore**
Dated: **October 05, 2018**

Notes:

1. Book Closure

Share Transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from Friday, October 19, 2018 to Friday, October 26, 2018 (both days inclusive). Transfer received in order at the office of the share registrar

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

at the close of business on Thursday, October 18, 2018 will be treated in time for the purpose of determination of entitlement of bonus shares as recommended by the board of directors and attendance of the AGM.

2. Attendance of Meeting

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

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

CDC Account Holders will have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the SECP for attending the meeting

Attendance in the meeting shall be on production of original identity card or passport.

3. Consent for Video-link Facility

Members may participate in the meeting via video-link facility, if the company receives a demand from the members holding an aggregate 10% or more shareholding residing at a geographical location outside Lahore, to participate in the meeting through video-link at least 7 days prior to the date of meeting, the company will arrange video link facility in that city.

In this regard, Members who wish to participate through video-link facility, should send a duly signed request as per the format (available at website of the Company) to Registered Address of the company.

4. Annual Financial Statements

Annual financial statements of the company for the year ended June 30, 2018 have been placed at company's website (**www.ghaniglobal.com/www.ghanigases.com**).

In compliance with SRO No. 470(I) 2016 dated May 31, 2016, issued by the SECP, annual financial statements of the company for the year ended June 30, 2018, along with notice of this annual general meeting is being dispatched to the shareholders of the company through CD's.

5. Statement Under Section 134(3) of the Companies Act, 2017

This statement set out the material facts concerning the special business to be transacted at the annual general meeting of the Company to be held on October 27, 2018.

Issue of 5% Bonus Shares

The Board of Directors in their meeting held on September 01, 2018 have recommended issue of bonus shares out of share premium account in proportion of Five (5) Ordinary share for every Hundred (100) Ordinary shares held by the Members (i.e. 5%). The Directors are of the opinion that the reserves of the Company are adequate for capitalization of a sum of Rs. Rs. 66,134,082/- out of share premium account for issue of 5% bonus shares.

The Directors are not directly or indirectly interested in this special business except to the extent of entitlements of bonus shares to be allotted to them and their spouses as shareholders of the Company.

Utilization of funds allocated for investment in subsidiary

The Company raised funds Rs. 1010 million during September 2016 and out of these funds. Rs. 360 million was allocated for investment in Ghani Chemical Industries Limited (GCIL) a subsidiary of Ghani Gases Limited for setup of a chemical project. Keeping in extraordinary increase in project cost due to surge in US$ against PKR, uncertainty in political situation, delay in electricity provision at site and change in Government, management of GCIL has decided to timely freeze the said project. Further activity on the project will commence at some appropriate time. Holding company Ghani Gases Limited has so far invested Rs. 143 million in this subsidiary in shape of equity out of total approved investment of Rs. 360 million.

Keeping above facts, board of directors of the company subject to approval of shareholders of the company has decided to utilize the unutilized funds of Rs. 217 million in on going expansion plan for setting up of 120 TPD third ASU Plant at Phool Nagar, District Kasur. Partial shipments of this expansion plan have already arrived at site, around 80% of civil construction work has completed and after arrival of final shipment erection work is expected to be commenced during December 2018. Trial run operation of this expansion plan will commenced during March 2019.

All the directors of the Company are interested in the special business to the extent of their shareholding held in the Company. The directors have no other interest in special business and/or resolution except as specified above.

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- Ensure the correctness of securities balances and their status appearing in the statement received from the broker by comparing it with a statement directly obtained from CDC (Physical or eStatement)
- Please make sure that updated contact details are appearing in Central Depository System (contact details include: mailing address, email address and phone / mobile number); You can ensure this by obtaining registration details from CDC Web Access or Physical reports from any CDC office

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بورڈ آف ڈائریکٹرز، ایگزیکٹوڈائریکٹرزاور چیف ایگزیکٹو کے معاوضوں کا سالانہ جائزہ لیتے ہیں۔

نان ایگزیکٹوڈائریکٹرزاور آزادڈائریکٹرز کو کسی قسم کا معاوضہ، یا اجلاس یا اس کی ذیلی کمیٹیوں کے اجلاس میں شرکت کے لئے کوئی فیس نہیں دی جاتی۔

چئیرمین کی جائزہ رپورٹ:

کمپنیز ایکٹ 2017 کی دفعہ 192(4) کے تحت بورڈ کی مجموعی کارکردگی اور کمپنی کے مقاصد کے حصول کی خاطر بورڈ کا موثر رول سے متعلق اختتامی سال جون 30، 2017 کیلئے چیئرمین کا جائزہ منسلک ہے۔

حصص داران کا پیٹرن

کمپنیز ایکٹ 2017 کی دفعہ (f)(2)227 کے مطابق حصص داران کا پیٹرن منسلک ہے۔

سمجھوتے، انتظامات اور تعمیر نو کی سکیم:

غنی گیسز لمیٹڈ کے ڈائریکٹرز نے کمپنیز ایکٹ 2017 کی شقوں 283-229 کے تحت غنی کیمیکل انڈسٹریز لمیٹڈ اور غنی گلوبل گلاس لمیٹڈ کے ساتھ ادغام کے منظوری دی ہے۔ اس کا مقصد یہ ہے کہ غنی گیسز لمیٹڈ کے اثاثہ جات، واجبات اس کے حقوق اور ذمہ داریوں کو دو مختلف حصوں میں تقسیم کر دیا جائے جو کہ ایک پیداواری یونٹ اور دوسرا ہولڈنگ یونٹ پر مشتمل ہوگا۔ پہلا یونٹ جو پیداواری سہولیات، واجبات، حقوق اور دیگر ادائیگیوں پر مشتمل ہوگا، سکیم کی مئوثر تاریخ سے مدغم، تبدیل اور غنی کیمیکل انڈسٹریز لمیٹڈ میں یکجا تصور ہوگا اور غنی کیمیکل انڈسٹریز لمیٹڈ، غنی گیسز لمیٹڈ کو سکیم کے مطابق حصص جاری کرے گی۔ سمجھوتے، انتظامات اور تعمیر نو کی سکیم کے مکمل ہونے اور غنی کیمیکل انڈسٹریز لمیٹڈ کو اثاثہ جات منتقل ہونیکے بعد غنی گیسز لمیٹڈ ہولڈنگ کمپنی کے طور پر موجود رہے گی۔ مزید سکیم کے مطابق غنی گلوبل گلاس لمیٹڈ کے حصص جو اس کے سپانسرز کے پاس ہیں وہ غنی گلوبل گلاس لمیٹڈ کو ٹرانسفر ہو جائیں گے جس کے عوض غنی گیسز لمیٹڈ سپانسرز کو حصص جاری کرے گی۔ معزز لاہور ہائیکورٹ لاہور سے سکیم کی منظوری کے بعد غنی گیسز لمیٹڈ کا نام غنی گلوبل ہولڈنگز لمیٹڈ سے تبدیل کر دیا جائے گا اس سلسلے میں ایک مشترکہ رٹ پٹیشن معزز لاہور ہائیکورٹ لاہور میں فائل کر دی گئی ہے۔

معزز لاہور ہائیکورٹ لاہور نے اپنے آرڈر مورخہ 25 جون 2018 میں ہدایات جاری کی ہیں کہ غنی گیسز لمیٹڈ، غنی کیمیکل انڈسٹریز لمیٹڈ اور غنی گلوبل گلاس لمیٹڈ اپنے شیئر ہولڈرز کے غیر معمولی اجلاس عام منعقد کریں جو 29 ستمبر 2018 کو منعقد ہو رہے ہیں جس میں ادغام کی سکیم کی منظوری لی جائے گی۔ معزز عدالت کی جانب سے متعین کردہ چیئرمین اجلاسوں کی صدارت کریں گے اور عدالت کو اپنی رپورٹ پیش کریں گے۔

بیلنس شیٹ کی تاریخ کے بعد کے واقعات:

کمپنی کی مالی سال اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی تبدیلی یا وعدہ نہیں ہوا ماسوائے اس کے بورڈ آف ڈائریکٹرز نے شیئر پریمیم ریزرو میں سے 66.134 ملین روپوں کے عوض 10 روپے کے حساب سے 6.613 ملین عمومی حصص بطور بونس حصص جاری کرنے کی منظوری دی ہے جو کہ ہر 100 حصص پر 5 حصص کے تناسب سے جاری کیئے جائیں گے۔

اعترافی بیانیہ:

ڈائریکٹرز اپنے معزز کسٹمرز جنہوں نے کمپنی پر اعتماد کیا ان کی تہہ دل سے قدر کرتی ہے۔ ہم اپنے ملازمین کی پیشہ ورانہ فرائض کی ادائیگی پر تہہ دل سے قدر کرتے ہیں اور بینکرز اور گورنمنٹ اداروں کے تعاون پر مشکور ہیں جن کی وجہ سے کمپنی اچھے رزلٹ دینے میں کامیاب ہوئی۔

ہم اپنے حصص داران کا شکریہ ادا کرتے ہیں جنہوں نے کمپنی کی انتظامیہ پر اعتماد کیا، اسی طرح ہم ایس ای سی پی، سٹاک ایکسچینج، اور گورنمنٹ کے تمام کارکنان کا بھی شکریہ ادا کرتے ہیں، ہم اللہ تعالی کا شکر ادا کرتے ہوئے اللہ تعالی کے احکامات اور اس کے نبی حضرت محمد ﷺ کی سنت مبارکہ سے رہنمائی چاہتے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے

عتیق احمد خان
چیف ایگزیکٹو آفیسر

حافظ فاروق احمد
ڈائریکٹر

لاہور
01 ستمبر 2018

ہیومن ریسورس اور معاوضہ کی کمیٹی کے اپنے ٹرم آف ریفرنس ہیں جو کہ بورڈ آف ڈائریکٹرز نے کوڈ آف کارپوریٹ گورننس کے تحت منظور کئے ہیں۔

سٹیک ہولڈرز سے تعلقات:

غنی گیسز کسٹمرز، سپلائرز، بینکرز، ملازمین، سٹاک ایکسچینج، ایس ای سی پی اور دوسرے بزنس پارٹنرز سے باہمی تعلقات خوشگوار رکھنے میں پرعزم ہے۔ الحمد اللہ اس عرصہ کے دوران تمام سٹیک ہولڈرز سے تعلقات بہتر رہے۔

کارپوریٹ سماجی ذمہ داری:

ایک کارپوریٹ سٹیزن ہونے کے ناطے غنی گیسز پائیدار بزنس طریقوں اور ان کی ذمہ داریوں سے بہرہ مند ہونے کے لئے پرعزم ہے۔ ہم یقین رکھتے ہیں کہ شفاف اور اخلاقی طرز کاروبار سے نا صرف تمام سٹیک ہولڈرز میں قد آور ہو سکتے ہیں بلکہ اس سے کمیونٹی کی بہبود میں اضافہ میں مدد ملتی ہے۔

آپ کی کمپنی نے کارپوریٹ سماجی ذمہ داریوں کا تعین کر کے ان کی راہیں متعین کر دی ہیں۔ اسے کسٹمرز ریلیشن مینیجمنٹ نے اخلاقی پریکٹس کے طور پر اپنایا گیا ہے۔ کاروبار کی نمو کے ساتھ ہم اپنی ذمہ داری کو معاشرے، سٹیک ہولڈرز بشمول ملازمین، ان کے خاندان اور اپنے بزنس پارٹنرز کے لئے بھی اتنا ہی بڑھتا ہوا دیکھتے ہیں۔

غنی گیسز ایک صاف ستھرے ماحول کی حوصلہ افزائی کرتی ہے اور اپنے گاہکوں کو اس مقصد میں شامل ہونے کی ترغیب دیتی ہے۔ کمپنی اس بات کی حتی الامکان کوشش کرتی ہے کہ گاہکوں کی کاروباری سرگرمیاں ماحول دوست ہوں اور ان سے معاشرہ کہ نقصان نہ پہنچے۔

کمپنی پچھلے نو سالوں سے اپنے خرچ پر ایک ملازم کو قرعہ اندازی کے ذریعے حج پر بھیجتی ہے۔ غنی گیسز کوشش کرتی ہے کہ وہ ایک بھروسہ مند کارپوریٹ ہستی کے طور پر پہچانی جائے اور ماحولیات اور معاشرہ میں اپنی ذمہ داریوں کو احسن طریقے سے انجام دے۔

بورڈ آف ڈائریکٹرز:

کمپنی کے بورڈ آف ڈائریکٹرز جو تعداد میں نو ہیں اپنی آزاد ذمہ داریوں اور کمپنی کو شفاف طریقوں سے نگراں کے طور پر اس طرح کے فیصلے کریں کہ اس کی پائیدار ترقی میں اضافہ ہو۔

ڈائریکٹران کی تعداد

تفصیل	ڈائریکٹران کی تعداد
مرد	06
خواتین	03
کل تعداد:	**09**

ڈائریکٹران کی ساخت

تفصیل	ڈائریکٹران کی تعداد
آزاد/غیر متعلقہ ڈائریکٹرز	02
نان ایگزیکٹو ڈائریکٹرز	04
ایگزیکٹو ڈائریکٹرز	03
کل تعداد	**09**

بورڈ کا چیئرمین نان ایگزیکٹو ڈائریکٹر ہے۔ بورڈ میٹنگ کا نوٹس میٹنگ سے سات روز قبل بمعہ ورکنگ پیپرز ڈائریکٹرز کو ارسال کیا جاتا ہے۔

سال مختتمہ 30 جون 2018 کے دوران ڈائریکٹرز کے کل سات اجلاس ہوئے۔

اجلاس میں غیر حاضر رہنے والے ڈائریکٹرز کو چھٹی کی اجازت دی گئی۔

موجودہ بورڈ آف ڈائریکٹرز سالانہ اجلاس عام منعقدہ 28 اکتوبر 2017 کو تین سالوں کے لئے منتخب ہوا۔

ڈائریکٹران کا معاوضہ:

ڈائریکٹرز کا زر معاوضہ کمپنیز ایکٹ 2017 کی شق نمبر 170 کے تحت بورڈ طے کرتا ہے۔ ڈائریکٹران کا معاوضہ ان کی قابلیت اور مارکیٹ کے معیار کے مطابق طے کیا جاتا ہے۔ دوران سال مختتمہ 30 جون 2018 میں ایگزیکٹو اور نان ایگزیکٹوز کو بطور معاوضہ مندرجہ ذیل ادائیگیاں ہوئیں۔

قسم ڈائریکٹر	ڈائریکٹران کی تعداد	معاوضہ (روپے ہزاروں میں)
ایگزیکٹو ڈائریکٹرز بمعہ چیف ایگزیکٹو	03	35,132
آزاد/غیر متعلقہ ڈائریکٹرز	02	-
نان ایگزیکٹو ڈائریکٹرز	04	-

یورپیئن و چائینیز ٹیکنیکل سپورٹ:

اپنے دونوں پلانٹوں کے مسلسل آپریشن اور روزمرہ مینٹیننس کو یقینی بنانے کے لئے غنی گیسز نے جانی پہچانی بین الاقوامی یورپین و چائینیز کمپنیوں سے معاہدے کئے ہیں۔ اس سال کے دوران بھی یورپین اور چائینیز ایکسپرٹ کی ٹیمیں ایکسپرٹ کی ٹیمیں ہماری پیشہ ورانہ لوکل ٹیم کی سپورٹ کے لئے موجود رہیں۔

پراڈکٹ ڈلیوری سسٹم:

غنی گیسز کے پاس ایک شاہکار اور منوٹر 28 VIT پر مشتمل فلیٹ ہے جو ایک وقت میں 390,500 کیوبک میٹر گیس اپنے کسٹمرز کو مہیا کر سکتا ہے۔ بہترین پر کارکردگی حاصل کرنے کے لئے ہم دن رات (24/7) کوشاں ہیں تاکہ تمام کسٹمرز کو وقت پر سپلائی مہیا کی جاسکے۔

فوائد برائے سٹاف ریٹائرمنٹ:

غنی گیسز لمیٹیڈ اس کے ملازمین کے لئے ایک فنڈ، معاون سکیم وصائل فنڈ چلاتا ہے ملازمین کی تنخواہ میں سے رقم جمع کر دی جاتی ہے اور کمپنی ماہانہ طور پر فنڈ کے برابر رقم بھی ادا کرتی ہے۔

کوڈ آف کارپوریٹ گورننس کی تعمیل:

نئی کوڈ آف کارپوریٹ گورننس جو کہ (دی لسٹڈ کمپنیز) کوڈ آف کارپوریٹ گورننس) ریگولیشن، 2017) میں مختلف تبدیلیاں لائی گئی ہیں تاکہ یہ مقامی کمپنیوں کے لئے گورننس کو عالمی معیار کے مطابق بنایا جاسکے۔ کمپنی نے نئے کوڈ کی تعمیل کے لئے مختلف اقدامات کئے ہیں۔ آزاد ڈائریکٹر کی شمولیت بارے قوانین، نئے بورڈ آف ڈائریکٹرز کے الیکشن کے ساتھ مشروط کئے گئے ہیں۔ جبکہ بورڈ آف ڈائریکٹرز کی جانچ 31 دسمبر 2018 سے پہلے پہلے مکمل ہونی ہے۔

تعمیل کا بیانیہ:

لسٹیڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2017 سے متعلق عمل کرنے کا بیانیہ اس رپورٹ میں شامل ہے۔

ضابطہ اخلاق:

غنی گیسز لمیٹیڈ کے بورڈ نے، بورڈ آف ڈائریکٹرز اور ملازمین کے لئے علیحدہ علیحدہ ضابطہ اخلاق مرتب کیا ہے۔ تمام متعلقہ لوگوں کو اس بابت اطلاع دے دی گئی ہے کہ اس ضابطہ کے رولز جو گاہکوں، سپلائرز سے متعلق ہیں اس پر عمل درآمد کریں۔

قومی خزانے میں حصہ:

زیر جائزہ سال میں غنی گیسز لمیٹیڈ نے 884 ملین روپے (2017 میں 763 ملین روپے) بطور ٹیکس، ڈیوٹیاں اور لگان مرکزی اور صوبائی حکومتوں اور شہری حکومتوں کو ادا کئے ہیں۔

محاسبتی کمیٹی:

بورڈ نے ایک آڈٹ کمیٹی قائم کی ہے جو چار ممبران پر مشتمل ہے جن میں سے ایک غیر متعلقہ اور تین نان ایگزیکٹو ڈائریکٹرز ہیں۔

کمیٹی کے ممبران کے یہ نام ہیں۔

ڈائریکٹر کا نام	تخصیص	عہدہ
طاہر بشیر خان	غیر متعلقہ/ آزاد ڈائریکٹر	چیئرمین
مسرور احمد خان	نان ایگزیکٹو ڈائریکٹر	ممبر
رابعہ عتیق	نان ایگزیکٹو ڈائریکٹر	ممبر
سائرہ فاروق	نان ایگزیکٹو ڈائریکٹر	ممبر

آڈٹ کمیٹی کا اپنا ٹرم آف ریفرنس ہے جو بورڈ آف ڈائریکٹر نے (دی لسٹڈ کمپنیز) کوڈ آف کارپوریٹ گورننس) ریگولیشن، 2017) کے تحت مرتب کیا ہے۔

ہیومن ریسورس اور معاوضہ کی کمیٹی:

بورڈ نے ہیومن ریسورس اور معاوضہ کی کمیٹی تشکیل دی ہوئی ہے۔ یہ کمیٹی چار ممبران پر مشتمل ہے جن میں سے ایک غیر متعلقہ/ آزاد، دو نان ایگزیکٹو ڈائریکٹرز اور ایک ایگزیکٹو ڈائریکٹر شامل ہے۔

ہیومن ریسورس اور معاوضہ کمیٹی کے ممبران کے نام اس طرح ہیں۔

ڈائریکٹر کا نام	تخصیص	عہدہ
محمود احمد	غیر متعلقہ/ آزاد ڈائریکٹر	چیئرمین
عتیق احمد خان	ایگزیکٹو ڈائریکٹر	ممبر
عائشہ مسرور	نان ایگزیکٹو ڈائریکٹر	ممبر
سائرہ فاروق	نان ایگزیکٹو ڈائریکٹر	ممبر

کمپنی کے قانونی محاسبان:

موجودہ آڈیٹرز میسرز رضوان اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس 27 اکتوبر 2018 کو ہونے والی سالانہ اجلاس کے بعد ریٹائر ہو جائیں گے۔ آڈٹ کمیٹی کے مشورہ کے مطابق بورڈ آف ڈائریکٹرز نے موجودہ آڈیٹرز کو 30 جون 2019 کے اختتامی سال کے لئے بطور کمپنی کے آڈیٹر دوبارہ تعیناتی کی سفارش کی ہے۔

حصص کی قیمت کا رجحان:

آپ کی کمپنی کے 10 روپے والے شیئر کی قیمت اگست 2017 میں ایک موقع پر 31.85 روپے تک بڑھی، اور دسمبر 2017 میں اس کی قیمت 14 روپے تک کم ہو گئی جبکہ 30 جون 2018 کو یہ شیئر 16.12 روپے پر بند ہوا۔

یکجا مالی حسابات:

کمپنیز ایکٹ 2017 کے سیکشن 228 کی ضروریات کو سامنے رکھتے ہوئے کمپنی کی یکجا مالی حسابات کے ساتھ آڈیٹرز اور ڈائریکٹرز کی رپورٹ کمپنی کے مالی حسابات کے ساتھ منسلک ہے۔

غیر سودی کاروبار:

الحمد اللہ غنی گیسز میں تمام کاروباری لین دین اور فنانشل اعمال شریعہ کے مطابق کرنے کو یقینی بنایا جاتا ہے۔ پاکستان سٹاک ایکسچینج لمیٹیڈ کی طرف سے کمپنی کا نام "انڈیکس برائے اسلامک حصص" کی فہرست میں شامل کیا گیا ہے۔

حفاظت، صحت، ماحول اور کوالٹی:

غنی گیسز کا پہلا مقصد پہلے حفاظت ہے۔ آپ کی کمپنی نے تمام کاروباری مقامات پر حفاظتی اقدامات کئے ہوئے ہیں۔ سال کے دوران کسی بھی مقام پر کوئی حادثہ رونما نہیں ہوا۔ حفاظتی کمیٹیاں جو ہر مقام کے لئے بنائی گئی ہیں، وہ باقاعدگی سے اپنے اجلاس منعقد کر رہی ہیں اور ان کی کارکردگی ہر مہینے جانچی جاتی ہے۔ حفاظتی اقدامات جو ٹرکوں کو لئے بنائے گئے ہیں انھیں کلی طور پر نافذ کیا گیا ہے جو بہترین نتائج دے رہے ہیں۔

فیکٹری کے تمام مقامات پر باقاعدگی سے حفاظتی اقدامات اور عمومی جانکاری کے بارے میں کارکنان کے ساتھ "منگل کو گفت وشنید" کی جاتی ہے۔ اس گفت وشنید میں کام کے دوران اور کام کے بعد سے متعلق حفاظتی نکات کا تبادلہ خیال کیا جاتا ہے جو کہ کارکنان کی شمولیت سے بہتر نتائج دے رہا ہے۔

حفاظتی نظامات کی کامیابی کے لئے اندرونی اور بیرونی محاسبین نظام کی باقاعدگی سے جانچ پڑتال کر رہے ہیں۔

آپ کی کمپنی انگلینڈ کے آرڈی آر ایجنٹ کے ذریعے بین الاقوامی ایوارڈز ISO 9001 اور ISO 14001 حاصل کر چکی ہے۔

غنی گیسز لمیٹڈ کی مشینری کسی قسم کی آلودگی نہیں پھیلا رہی۔ اس کے باوجود زمینی اور فضائی آلودگی کو کنٹرول کرنے کے لئے سخت اقدامات کئے گئے ہیں۔ آپ کی کمپنی سرسبز ماحول کی طرف مائل ہے اور اس سلسلے میں کمپنی نے اپنے تمام کاروباری مقامات پر شجرکاری شروع کر رکھی ہے۔

ماحول اور کوالٹی سسٹم:

غنی گیسز ماحولیات طور پر زندہ ہے اور اس بات کو یقینی بناتا ہے کہ ہوا، پانی اور زمین میں آلودگی نہ جائے۔ کمپنی نے اپنی سائٹوں پر باغات اور پودے لگائے ہیں تا کہ ملازمین زائرین اور کسٹمر کو بھلا لگے اور ماحولیات کشش محسوس ہو۔ آپ کی کمپنی نے دنیا کی بہترین ماحولیاتی مینجمنٹ سسٹم ISO-1400:2006 کو اپنایا ہے اس کی سرٹیفیکشن دنیا کے جانے ہوئے "UKAS" سے حاصل کی گئی ہے یہ سرٹیفیکشین ایجنسی اس کا سالانہ آڈٹ بھی کرتی ہے اور اس کے علاوہ پلانٹوں پر تمام سرگرمیاں ماحولیاتی تحفظ کے رولز اور قوانین کو مدنظر رکھ کر کی جاتی ہیں۔

کوالٹی مینیجمنٹ سسٹم:

سیفٹی، ہیلتھ اور ماحول کے ساتھ ساتھ غنی گیسز نے کوالٹی سٹینڈرڈ پر بہت توجہ دی ہے۔ غنی گیسز نے دنیا کے بہترین کوالٹی مینیجمنٹ سسٹم ISO-9001:2008 کو اپنایا ہے۔ اس کی سرٹیفکیشن دنیا کے جانے ہوئے "UKAS" سے حاصل کی گئی ہے۔ یہ سرٹیفکیشن ایجنسی اس کا سالانہ آڈٹ بھی کرتی ہے۔

انسانی وسائل:

انسانی وسائل کی ترقی غنی گیسز کی ترجیحات میں سے ایک ہے۔ کیونکہ انتظامیہ انسانی وسائل کو ایک اثاثے کے طور پر لیتی ہے۔ الحمد اللہ غنی گیسز نے اعلیٰ تعلیم یافتہ تجربہ کار سٹاف، مارکیٹنگ، پلانٹ، آپریشن، فرنس، کوالٹی، تقسیم کاری، فنانس اور کارپوریٹس کے شعبوں میں رکھا ہوا ہے۔

غنی گیسز کے ملازمین نے اپنے وعدوں کی تکمیل، پیشہ ورانہ مہارت، کوالٹی پر توجہ اور کسٹمرز کو سہولت مہیا کرنے کے باعث مارکیٹ شیئرز میں بہتری آ رہی ہے۔

تربیت اور ترقی:

بہتر اور محفوظ کارکردگی کے لئے آپ کی کمپنی نے بہترین ملازمین رکھے ہوئے ہیں۔ اس مقصد کو حاصل کرنے کے لئے ملازمت کی جگہ پر اندرونی ذرائع اور بیرونی ذرائع سے متعدد تربیتی کورس کروائے گئے ہیں۔ ملازمین کو تربیت کی ضرورت کے مطابق تجزیہ کے دوران پائی گئی کمی کو ختم کرنے کے لئے تربیتی کورس منعقد کئے جاتے ہیں۔ بیرونی ذرائع سے حفاظتی تربیت کے لئے مختلف تربیتی پروگرام کروائے جاتے ہیں جن کے اب تک بہت اچھے نتائج حاصل ہوئے ہیں۔

اس سال ہماری ترجیحات کارکردگی میں بہتری لانے پر مرکوز رہیں اور بڑی صنعتوں کے ساتھ بڑے منصوبے قابل ذکر ہیں۔ ہم اپنی سرگرمیوں کے تبادلے پر عمل درآمد کے ساتھ جدت انگیزی اور اس کے ساتھ غنی گیسز کے ماڈل پر عمل پیرا ہیں۔

غنی گیسز لمیٹڈ مسلسل استحکام کو بہتر بنانے پر توجہ دئے ہوئے ہے۔ یہ بہت سے لوگوں، ملازمین دوسرے متعلقین اور متوقع گاہکوں کی ہم سے ایک اہم امید ہے جس طرح ترقی ہم پا رہے ہیں۔ جبکہ ہم اپنی کامیابیوں پر فخر محسوس کرتے ہیں۔ ہم تسلیم کرتے ہیں کہ ترقی کے سفر میں پائیداری کا عمل شامل ہے اور ہمیں اس بات کی ضرورت ہے کہ ہم ان چیزوں میں بہتری لاتے ہوئے صنعت میں راہنماؤں کے ساتھ کھڑے رہیں۔

ہمارا مقصد بڑھتی ہوئی آبادی اور بنیادی ڈھانچے میں اضافے کو مدنظر رکھتے ہوئے توانائی کو بچانے، ماحولیات اور نئی مارکیٹوں میں اضافہ کرنے پر توجہ دینا ہے، جو ہم ٹیکنالوجی اور اپنی مصنوعات کے ذریعے اقتصادی پیداوار اور وسائل کی افادیت میں اضافہ کے ذریعے حاصل کریں گے۔

اللہ کے فضل و کرم سے ہم آئندہ سال اپنے کاروبار میں بہتری کو جاری رکھتے ہوئے دیکھ رہے ہیں۔ تیسرا 120 TPD ASU پلانٹ کا توسیعی منصوبہ زیر تکمیل ہے جو کہ مارچ 2019 میں مکمل ہونے کی توقع ہے۔

قیمتوں میں اتار چڑھاؤ کے ساتھ ساتھ اور شرح منافع کو بہتر کرنے کے لئے آپ کی کمپنی بروقت مختلف قسم کے اقدامات کر رہی ہے جس میں جدید ٹیکنالوجی اور بہتر سرمایہ کاری انتظام کے ذریعے مصنوعات کی لاگت میں کمی، مصنوعات کے نقصانات میں کمی کو بروئے کار لا رہی ہے۔

منجمند گیسز کا کاروبار، صنعتی کارکردگی اور انسانی صحت کے ساتھ جڑا ہوا ہے۔ توانائی کی صورتحال کو بہتر کرتے ہوئے ہم صنعت اور دوسری ترجیحات میں بڑے پیمانے پر بہتری دیکھ رہے ہیں۔

سی پیک کے جاری اور متوقع منصوبوں اور گوادر پورٹ کی شروعات اور صنعتی زون کا قیام ملک کی ترقی میں اہم سنگ میل ثابت ہوگا۔ آپ کی کمپنی پہلے ہی سی پیک سے منسلک منصوبوں پر کام کر رہی ہے۔

نئی گورنمنٹ کے آنے سے ہم مستقبل میں ملک اور آپ کی کمپنی کا بہتر مستقبل دیکھ رہے ہیں۔

توسیعی منصوبہ جات:

صنعتی اور میڈیکل گیس کی بڑھتی ہوئی ڈیمانڈ کو پورا کرنے کے لئے آپ کی کمپنی ایک جدید قسم کا 120 TPD ASU پلانٹ لگا رہی ہے۔ کمپنی کی جزوی ترسیل پہلے سے ہی سائٹ پر پہنچ جا چکی ہے اور تقریباً 80 فیصد سول تعمیراتی کام مکمل کر دیا گیا ہے۔ حتمی شپمنٹ کے آنے کے بعد دسمبر 2018 کے دوران پلانٹ کی تعمیر کا کام شروع ہوگا۔ توسیعی پلان کی آزمائشی پیداوار مارچ 2019 میں متوقع ہے۔

حصص داران کو ادائیگی:

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے سال مختتمہ 30 جون 2018 کے لئے 05% (2017:06%) بونس حصص دینے کا اعلان کیا ہے۔ جو کہ شیئر پریمیم ریزرو سے دیئے جائیں گے۔ یہ بونس حصص ان حصص داران کو دیئے جائیں گے جن کے نام ممبرز کے رجسٹر میں 18 اکتوبر 2018 کو موجود ہوں گے۔

شیئر پریمیم ریزرو میں سے 66.134 ملین روپے کے عوض 6.613 ملین عمومی حصص 10 روپے کے حساب سے جاری کرنے کے لئے جو کہ ہر 100 شیئر رکھنے والے کو 5 شیئرز جاری کرنے کے حوالے سے ایجنڈہ سالانہ اجلاس عام کے نوٹس میں شامل ہے۔

ذیلی/ایسوسی ایٹس کمپنی میں سرمایہ کاری کی صورتحال:

کمپنی نے غنی گلوبل گلاس لمیٹڈ کے لئے 650 ملین روپے کی کارپوریٹ گارنٹی دی ہے جس پر وہ 0.10 فیصد سہ ماہی کے حساب سے کمیشن وصول کر رہی ہے۔ 2.600 ملین روپے کی رقم سال مختتمہ 30 جون 2018 (2017: Rs. 2.600) ملین پرافٹ اینڈ لاس اکاؤنٹ میں دوسری آمدن کے طور پر شامل کی گئی ہے۔

کمپنی کے حصص داران نے اپنے اجلاس منعقدہ 31 اکتوبر 2016 میں 200 ملین روپے غنی گلوبل گلاس لمیٹڈ جو کہ ایک ایسوسی ایٹڈ کمپنی ہے کو ادھار دینے کے لئے منظوری دی تھی۔ مالی سال مختتمہ 30 جون 2018 کے آخر تک غنی گلوبل گلاس لمیٹڈ نے یہ رقم مکمل یا جزوی طور پر استعمال نہیں کی۔

جنوری 2017 کے دوران کمپنی کے شیئر ہولڈرز نے 360 ملین روپے کی انویسٹمینٹ (ستمبر 2016 کے رائٹ ایشو کے فنڈ میں سے) غنی کیمیکل انڈسٹریز لمیٹڈ کے نام سے ذیلی ادارہ کے پروجیکٹ لگانے کیلئے منظوری دی۔ یہ ذیلی ادارہ حطار اکنامک زون میں کیمیکلز بنانے کا پروجیکٹ لگا رہا تھا۔ پروجیکٹ کی لاگت میں غیر معمولی اضافہ، جو کہ ڈالر کے مقابلے میں روپے کی قدر میں کمی، سیاسی بے یقینی سائیٹ پر بجلی مہیا کرنے میں دیر اور گورنمنٹ میں تبدیلی کے باعث وقتی طور پر اس پروجیکٹ پر کام روک دیا ہے۔ پروجیکٹ پر مزید کاروائی کسی مناسب وقت پر کی جائیگی۔ کمپنی نے اب تک اس پروجیکٹ پر 143 ملین روپے انویسٹ کئے ہیں۔ اور بیان کردہ وجوہات کے باعث کمپنی کے بورڈ آف ڈائیریکٹرز نے شیئر ہولڈرز کی منظوری سے مشروط فیصلہ کیا ہے کہ بجائے ذیلی کمپنی میں بقایا 217 ملین کے فنڈز کو 120-TPD کا تیسرا ASU پلانٹ جو کمپنی پھول نگر ضلع قصور میں لگا رہی ہے اسے وہاں استعمال کیا جائے۔

کاروباری معاملات اور ترقیاتی کاموں کی کارکردگی:

الحمداللہ کمپنی نے ایک اور کاروباری سال کو مکمل کرلیا ہے۔ دوران سال شمال مغربی اور جنوبی خطوں میں کاروبار بغیر کسی رکاوٹ چلتا رہا۔ پلانٹس اپنی بہترین استعداد کار کے مطابق چلتے رہے اور پچھلے سال کی نسبت لاہور میں 24 فیصد اور کراچی میں 30 فیصد کے حساب سے پیداوار میں اضافہ ہوا۔

غنی گیسز واحد کمپنی ہے جو پاکستان میں ہر جگہ کام کر رہی ہے بشمول گلگت۔ تقسیم کار شعبہ نے بہترین خدمات پیش کرتے ہوئے تیل کی پیداواری کمپنیوں، صنعتوں، ہسپتالوں، دفاعی اداروں، بحری جہاز کی تڑوائی اور تاجروں میں اچھی ساکھ بنائی ہے۔ ترسیل نظام بہتر کارکردگی پیش کرتے ہوئے پچھلے سال کی نسبت 32 فیصد کی شرح سے نمو پائی۔ اس مشکل اور قابل ذکر کام کو سرانجام دیتے ہوئے دوران سال کوئی حادثہ نہیں ہوا۔ گاہکوں کے لئے انجینئرنگ شعبہ نے بہترین خدمات پیش کی ہیں۔ دوران سال نئے گاہکوں کے لئے 20 نئی تنصیبات کی گئیں۔ جو کہ پچھلے سال کی نسبت 20 فیصد زیادہ ہیں۔

بجلی گھر نے دوران واپڈا لوڈ شیڈنگ یا پانی کی کمی بیشی کے وقت یا جب بھی ضرورت پڑی نظام کو چلانے میں کلیدی کردار ادا کیا ہے۔ اس کی مدد سے کم وقت میں پیداواری نظام دوبارہ بحال ہوگا جس سے ایک بہت بڑی رقم جو لا حاصل میں ضائع ہوتی ہے اس کی بچت ہوگی۔

لاہور کو گردونواح میں منجمد اور خالص گیس کی بڑھتی ہوئی طلب کے پیش نظر کارکردگی گرمیوں میں مزید اضافہ کیا ہے تاکہ وسطی پنجاب میں گاہکوں کی بڑھتی ہوئی طلب کو پورا کیا جاسکے۔ گاہکوں کی توقعات اور ضروریات کو مدنظر رکھتے ہوئے ترنول میں واقع نظام کاری سہولیات جہاں سے اسلام آباد، خیبر پختونخواہ اور اس کے اردگرد علاقہ جات کے ہسپتالوں اور تاجروں کو گیس فراہم کی جاتی ہے، کو بہتر کیا گیا ہے۔

جنوبی خطے میں بجلی کی عدم دستیابی کا سامنا رہا ہے۔ کے الیکٹرک بجلی پیداواری نظام کی وجہ سے اس خطے میں موجود تمام صنعتوں کو نقصان کا سامنا رہا ہے۔

فروخت اور مارکیٹنگ:

دوران سال عالمی کساد بازاری کے باوجود غنی گیسز نے ایک بار پھر آمدن میں اضافہ، اپریٹنگ مارجن اور خالص نفع میں اضافہ کی روایت کو برقرار رکھا ہے۔

سال 2018 میں کمپنی کی خطے میں نمائندگی مضبوط ہوئی ہے۔ خاص طور پر شمال مغربی خطہ جہاں پر صنعتی گیس کی بڑی مارکیٹ موجود ہے کمپنی نے گاہکوں کے ساتھ معاہدوں کے تحت نئی مصنوعات کو متعارف کرواتے ہوئے مارکیٹ میں اپنی پوزیشن کو مضبوط کیا ہے۔ سال 2018 گاہکوں کے ساتھ مربوط اور اطمینان بخش تعلقات کی وجہ سے بہت اہم رہا ہے۔

کمپنی مقابلہ سازی کے رجحان کو سرمایہ کاری کے فیصلوں اور نئی ایجادات کے ذریعے بہتر کیا ہے۔

عالمی سطح پر غنی گیسز ہر سال ایک اعلی سطح پر کارکردگی تک پہنچنے کے لئے پرعزم ہے۔ مالیات، معاشرے اور مارکیٹ میں بہتر شراکت داری کے عزم کے ساتھ ہم اپنے کاروبار کو ایک لمبے عرصے تک کامیاب رکھنے کے لئے کوشاں ہیں۔

غنی گیسز لمیٹڈ نے تیل، گیس، صحت کے شعبوں اور پاکستان اٹامک انرجی کمیشن کے ساتھ لمبے عرصے کے لئے فروختگی کے معاہدے کئے ہیں۔ یہ معاہدے غنی گیسز لمیٹڈ کی قابل اعتماد ہونے اور مارکیٹ میں بہتر ساکھ کی بدولت سرانجام پائے۔ ہم اپنی مصنوعات کی کوالٹی اور متعلقہ قوانین پر پوری توجہ سے عمل درآمد کر رہے ہیں۔ ہم اپنے گاہکوں کی ضروریات کے مطابق ان کو بروقت گیس فراہم کر رہے ہیں۔ تاکہ وہ اپنے کاروبار کو مسلسل جاری رکھیں۔

دوران سال غیر مستحکم ملکی اور سیاسی صورتحال کی وجہ سے مارکیٹ سست روی کا شکار رہی۔ کامیابی کے سفر میں توانائی بحران بھی رکاوٹ رہا، سی پیک کے تمام منصوبوں میں عدم استحکام نہیں دیکھا گیا اور کوئی دوسرا منصوبہ بھی ابھر کر سامنے نہیں آیا۔ تیل اور گیس کے شعبہ جات بھی بحران کا شکار رہے اور وہ پچھلے سالوں کی طرح بہتر کارکردگی نہیں دکھا سکے۔ توانائی بحران کے لئے ہم نے اپنا بزنس ماڈل دیا ہے جس کی وجہ سے ہمارے اپنے اور گاہکوں کی طرف سے ماحولیاتی اور توانائی میں تواتر سے بہتری آرہی ہے اس چیز کی اہمیت اس جگہ اور بڑھ جاتی ہے جہاں پر توانائی کی ضرورت بڑھنے کے ساتھ ساتھ قدرتی وسائل پر انحصار کرنا ہے۔ ہم نے اپنی فروختگی اور مارکیٹنگ ٹیم کو سات حصوں میں تقسیم کیا ہے تاکہ زیادہ آمدن حاصل ہو سکے۔ وقت کے ساتھ یہ ٹیمیں سمجھداری کے ساتھ گاہکوں کے ساتھ بہترین تعلقات استوار کر رہے ہیں۔ پچھلے سال سے ہم نے نئے سیلز چینلز کو متعارف کروانا شروع کیا ہے۔ سالوں سے کامیابی سے سیکیورٹی مصنوعات فروخت کرتے ہوئے ایسے تربیت یافتہ اور ماہر لوگوں کو تعینات کیا ہے جو گیس سے متعلقہ مصنوعات، ویلڈنگ اور حفاظتی مصنوعات کو فروخت کرنے میں ماہر ہیں۔ غنی گیسز کی سیلز اور انتظامی ٹیم اس چیز کو یقینی بنا رہے ہیں کہ ہر سال نئے ریکارڈ بنیں اور نئے سنگ میل حاصل کیئے جائیں۔

ہماری ٹیم مختلف شعبوں میں ان گاہکوں تک پہنچ رہی ہے جنہیں اس سے پہلے کسی نے نہیں پوچھا۔ اور انھیں ایک بہتر خریداری کے تجربہ کی پیشکش کرتے ہوئے ہمیں سب سے اوپر رہنے کا موقع دے رہے ہیں۔

سال 2019 کا نقطہ نظر:

غنی گیسز لمیٹڈ کا مقصد طویل مدتی کارکردگی اور ذمہ داری کے ساتھ انڈسٹری کو لیڈ کرنا ہے۔ کمپنی اپنی کارکردگی میں مہارت، بڑھتی ہوئی مارکیٹ میں سرمایہ کاری کے اہداف اور طویل مدتی نئی منافع بخش ایجادات پر انحصار کر رہی ہے۔ ہم پر اعتماد ہیں کہ ہم اس ماحول میں بہتر اقدار متعارف کروا رہے ہیں۔ ملازمین کے لئے انہیں دی گئی سہولیات کی بدولت نا صرف ہمارے 2018 کے نتائج بہتر ہوئے ہیں بلکہ آئندہ آنے والے سالوں کے لئے اچھے نتائج کی بنیاد ثابت ہوں گے۔ اگرچہ ہم یہاں پر رکیں گے نہیں، ہماری ذمہ داری ہے کہ ہم اپنے حصص داران کے لئے بہتر مواقع کے تحت ان کی قدر میں میں اضافہ کر سکیں۔ باوجود اس کے کہ جو ہم نے رستہ اپنایا ہے ہماری کوشش ہوگی کہ ہم بہتر کارکردگی اور سرمایہ کاری کے لئے بہترین فیصلوں کے ساتھ ہر کاروباری شعبہ میں بہتر کارکردگی پیش کریں۔ یہ ہی وجہ ہے کہ آج ہم اس مقام پر ہیں اور اپنے حصص داران کو مستقبل میں عالمی معیار کی قدر دیں گے۔

ڈائریکٹرز رپورٹ

معزز حصص داران

السلام وعلیکم ورحمۃ اللہ برکاتہ

آپ کی کمپنی کے ڈائریکٹران کمپنیز ایکٹ 2017 کی تصریحات کے تحت سالانہ تنقیح شدہ اور غیر یکجا مالی حسابات برائے سال مختتمہ 30 جون 2018 پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

ملکی معیشت پر نظر:

پاکستانی معیشت کو مالی سال 2018 کے دوران بے شمار جھٹکے لگے اور تمام معاشی اعشاریئے برے رہے۔ معیشت کو سال 2019 میں اور بڑے مسائل درپیش ہیں۔ اس دہائی میں سال 2017 میں معیشت میں مجموعی پیداوار میں ریکارڈ 5.3 فیصد شرح سے ترقی کی جبکہ سال 2018 میں ملکی معیشت 13 سال بعد مجموعی پیداوار 5.7 فیصد سے 5.8 فیصد رہی۔ جبکہ 2019 کے مالی سال میں ملکی مجموعی پیداوار میں کمی کے ساتھ 4.7 فیصد سے 4.8 فیصد تخمینہ متوقع ہے۔ ملکی معاشی اعشاریئے پچھلے سال سے برے نتائج پیش کر رہے ہیں۔ پانی میں کمی کا مسئلہ بھی معاشی ترقی کو مزید دباؤ میں رکھے گا۔ بین الاقوامی تنظیموں کے مطابق پاکستان کو سال 2025 تک پانی کے بڑے بحران کا سامنا ہوگا۔ یہ بحران اس مالی سال میں ذرعی ترقی میں کمی کا باعث ہوگا۔

ذراعت کا شعبہ ملکی ترقی میں 1.5 فیصد کا حامل ہے۔ مخدوش معاشی صورتحال اور ذرمبادلہ کے گرتے ہوئے ذخائر کو سامنے رکھتے ہوئے گورنمنٹ نے مالی سال 2019 میں مجموعی معاشی ترقی کے لئے 6 فیصد کا حدف مقرر کیا ہے۔ جبکہ مالی سال 19-2018 میں معاشی ترقی 4.8 فیصد پر متوقع ہے۔ معیشت میں متاثرکن ترقی نہ ہونے کی وجہ سے پاکستان کو سال 19-2018 میں مسائل درپیش ہوں گے۔ جب تک بروقت منؤثر اقدامات نے کئے گئے۔ پاکستان کو روپے کی گرتی ہوئی قدر کے ساتھ ساتھ جاری کھاتے میں بھی کمی کا سامنا ہے جو آئندہ سال 19-2018 میں بھی متوقع ہے۔

اصولی کاروباری سرگرمیاں:

زیر جائزہ سال کے دوران آپ کی کمپنی صنعتی، مائع گیس، میڈیکل گیس، ٹھنڈی گیس کی پیداواری، تقسیم کاری اور فروختگی کے کاروبار کے ساتھ متفرق کاروبار اور کیمیکل کے کاروبار سے منسلک رہی ہے۔

مالی کارکردگی:

الحمداللہ آپ کی کمپنی کا فروختگی حجم 3.48 فیصد اضافہ کے ساتھ 2053 ملین روپوں سے بڑھ کر 2330 ملین روپے ہو چکا ہے۔ کمپنی کا مجموعی منافع 638.70 ملین روپے تک بڑھ چکا ہے جبکہ یہ پچھلے سال میں 568.63 ملین روپے تھا۔ تقسیم کاری کی لاگت میں اضافہ ہوا ہے جو کہ فروختگی تناسب کے لحاظ سے 9.97 فیصد سے بڑھ کر 11.23 فیصد ہوگئی ہے اور انتظامی اخراجات میں فروختگی کے تناسب سے 6.49 فیصد سے کم ہو کر 5.65 فیصد ہوگئی ہے۔ دوران سال قبل از ٹیکس منافع 158.79 ملین روپے رہا جو کہ پچھلے سال 181.08 ملین روپے تھا۔ بعد از ٹیکس منافع 157.71 ملین روپے ہے جو کہ پچھلے سال 137.10 ملین روپے تھا۔ منافع فی حصہ 1.04 سے بڑھ کر 1.91 روپے ہو گیا ہے اگر اس کا پچھلے سال سے موازنہ کیا جائے تو آپ کی کمپنی کا بنیادی مالی حسابات برائے سال 30 جون 2018 اور پچھلے سال کا تقابلی جائزہ نیچے دیا گیا ہے۔

تفصیلات	'000' روپے سوائے فی حصص آمدنی			
	جون 2018	جون 2017	تبدیلی	%
مجموعی فروخت	2,330,253	2,053,432	276,821	13.48
خالص فروخت	2,048,597	1,804,472	244,125	13.53
مجموعی منافع فیصد کے طور پر فیصد کے طور پر	638,698 31.18%	568,634 31.51%	70,064	12.32
تقسیم کاری کی لاگت فیصد کے طور پر	229,973 11,23%	179,993 9.97%	49,980	27.77
انتظامی اخراجات فیصد کے طور پر	115,649 5.65%	117,127 6.49%	(1,478)	(1.26)
ٹیکس سے پہلے منافع	158,785	181,084	(22,299)	(12.31)
خالص منافع	157,705	137,103	20,602	15.03
فی حصص آمدنی	1.19	1.04	0.15	14.42

GHANI GASES LIMITED

FORM OF PROXY

11th Annual General Meeting

I/We ______________________________

of ______________________________

being a member of GHANI GASES LIMITED ______________________________

hereby appoint ______________________________

of ______________________________

failing him ______________________________

as my / our Proxy to attend act and vote for me/us on my/our behalf at 11th Annual General Meeting of the members of the Company to be held at Lahore on Saturday, October 27, 2018 at 10:30 AM and at any adjournment(s) thereof.

Signed this __________ day of October 2018.

Sign by the said Member

Signed in the presence of:

1. Signature: ______________________________
   Name: ______________________________
   Address: ______________________________
   CNIC/Passport No. ______________________________

2. Signature: ______________________________
   Name: ______________________________
   Address: ______________________________
   CNIC/Passport No. ______________________________

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

Affix Revenue Stamp of Rs.5/

(*) Upon failing of appointed Proxy.

غنی گیسز لمیٹیڈ

پراکسی فارم برائے گیارواں سالانہ اجلاس

میں مسمّٰی/مسمّاۃ --- ساکن ----------------------

ضلع ------------ بحیثیت ممبر غنی گیسز لمیٹیڈ، مسمّٰی/مسمّاۃ ------------------------------

ساکن ---------------- کو بطورِ مختار (پراکسی) مقرر کرتا ہوں تا کہ وہ میری جگہ اور میری طرف سے

کمپنی کے گیارواں سالانہ اجلاس جو بتاریخ ہفتہ اکتوبر 27, 2018 میں 10:30 بجے صبح کمپنی کے رجسٹرڈ لاہور آفس میں منعقد ہو رہا ہے میں اور اس کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

آج بروز ---------- بتاریخ ---------- اکتوبر 2018ء کو دستخط کئے گئے۔

دستخط ممبر

گواہان:

1. دستخط: ____________________
نام: ____________________
پتہ: ____________________
شناختی کارڈ نمبر: ____________________

2. دستخط: ____________________
نام: ____________________
پتہ: ____________________
شناختی کارڈ نمبر: ____________________

ضرورتِ معلومات		رکن کے لئے (شیئر ہولڈر)	پراکسی کے لئے	متبادل پراکسی کے لئے (*)
			(اگر رکن ہے)	
حصص کی تعداد				
فولیو نمبر				
سی۔ڈی۔سی اکاؤنٹ نمبر	پارٹیسپنٹ آئی۔ڈی			
	اکاؤنٹ نمبر			

پانچ روپے
مالیت کے رسیدی
ٹکٹ پر دستخط

(*) مقرر کردہ پراکسی کی ناکامی پر

Ghani Global Group

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