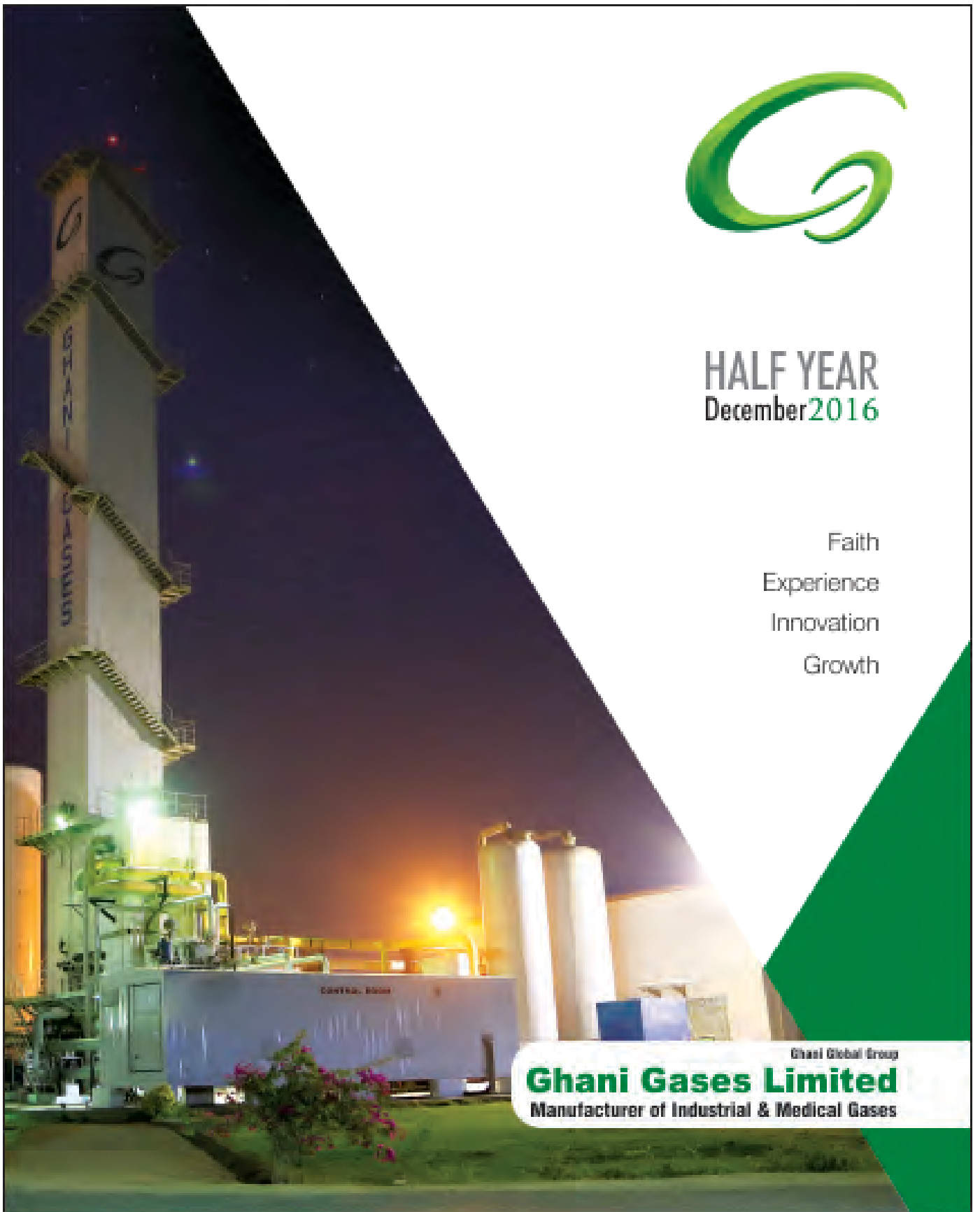




HALF YEAR
December 2016

Faith
Experience
Innovation
Growth



Ghani Global Group

Ghani Gases Limited

Manufacturer of Industrial & Medical Gases



CORPORATE INFORMATION

BOARD OF DIRECTORS

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

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director
Director

AUDIT COMMITTEE

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

HR & R COMMITTEE

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

COMPANY SECRETARY

Farzand Ali, FCS

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

LEGAL ADVISOR

DSK Law, Lahore

AUDITORS

Rizwan & Company
Chartered Accountants
Member Firm of DFK International

SHARE REGISTRAR

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

BANKERS

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

GGL-I PLANT

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Phool Nagar Distt. Kasur
Ph: (042) 37006353-54, Fax: (042) 37006356
E-mail: ggl1plant@ghaniglobal.com

GGL-II PLANT

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

GGL-III

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

REGIONAL MARKETING OFFICE

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

REGISTERED/CORPORATE OFFICE

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



DIRECTORS' REPORT

Dear Members

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The Directors of your Company (Ghani Gases Limited) are pleased to present the unaudited condensed interim financial statements of the Company for the half year ended December 31, 2016, along with review report of the auditors thereon, in compliance with the requirements of Companies Ordinance, 1984.

The latest macroeconomic data signal a stable growth momentum in the first half of FY2017. While the agricultural sector continued to recover, the manufacturing sector is still struggling to gain momentum. Moreover, the Central Bank highlighted recently that the country's trade deficit had widened significantly in the first seven months of FY2017. The increase in the deficit stemmed from a 3.3% year -on-year decrease in exports in the period between July and January, and a substantial 13.2% annual increase in imports. The drop in exports mainly reflects an appreciation of the currency and an increase in input costs due to power shortages. Meanwhile, the imports figure reflects that the China - Pakistan Economic Corridor (CPEC) is boosting domestic demand.

Analysts are seeing GDP growth of 5.1% in FY 2017, well above the eight-year high of 4.7% in Fy2016. Growth will be underpinned by the recovery in the agricultural sector and boosted by power, road and hydroelectric projects under the CPEC.

Your Company's sales during the period have slightly decreased to Rs. 759.24 million against Rs. 795.81 million as compared to last period depicting dip of 4.60%. Gross profit decreased to Rs. 228.51 million against the gross profit of Rs. 231.54 million as compared to last period whereas there is increase in gross profit rate from 32.95% to 34.06%. Distribution cost and administrative expenses increased in absolute term and in terms of percentage of net sales it also increased from 8.91% to 11.66% and from 6.62% to 7.02%, respectively. This period operating profit has decreased to Rs. 110.32 million against profit of Rs. 181.50 million as compared to last period. During the period under reference, profit before taxation stands at Rs. 62.17 million as compared to last period's figure of Rs. 122.59 million. Profit after tax has also decreased to Rs. 62.81 million from Rs. 99.13 million, along with earnings per share (EPS) also decreased to Rs. 0.50 against EPS of Rs. 1.27 if compared with the last period due to decrease in profitability and increase in share capital issued under the period consideration.

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



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

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

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

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

on behalf of the Board of Directors

Atique Ahmad Khan
Chief Executive officer

Lahore
February 27, 2017



ڈائریکٹرز رپورٹ

پیارے ممبران

السلام علیکم ورحمۃ اللہ وبرکات

آپ کی کمپنی کے ڈائریکٹران کمپنیز آرڈیننس 1984 کی ضروریات کی تعمیل میں کمپنی (غنی گیسز لمیٹڈ) کے تخفیف شدہ آڈٹ کے بغیر عبوری سہ ماہی حسابات بابت 31 دسمبر 2016 بشمول (ان حسابات پر) آڈیٹرز کی جائزہ رپورٹ (Review Report) پیش کرنے میں خوشی محسوس کرتے ہیں۔

تازہ ترین میکر واکنٹا اعداد و شمار 2017 کی پہلی سہ ماہی مستحکم رفتار کے اشارے دے رہے ہیں۔ جبکہ زرعی شعبہ مسلسل بہتری اور پیداواری شعبہ بہتری کی جدوجہد میں مصروف ہیں مزید برآں سنٹرل بینک نے سال کے پہلے سات ماہ میں تجارتی خسارے میں نمایاں اضافے پر روشنی ڈالی ہے۔ تجارتی خسارہ سال ہا سال سے ایکسپورٹ میں 3.3 فیصد کمی اور ایمپورٹ میں 13.2 فیصد اضافہ کی بنیادی وجہ ہے۔ ایکسپورٹ میں کمی کی بنیادی وجہ کرنسی کی قدردانی اور بجلی کی کمی کی وجہ سے لاگت میں اضافہ ہے۔ دریں اثنا ایمپورٹ کے اعداد و شمار بتاتے ہیں کہ پاکستان چائنہ اکنامک کوریڈور کی وجہ سے مقامی مانگ میں اضافہ ہوا ہے۔

ماہرین 2017 میں GDP گر و تھ کو 5.1 فیصد دیکھ رہے ہیں جو پچھلے آٹھ سالوں کے ریکارڈ اور 2016 کے 4.7 فیصد سے آگے ہے۔ نمو میں اضافے کی وجہ زرعی شعبہ میں بہتری اور سی پیک کی وجہ سے پاور سٹرکیں اور بجلی کے منصوبے ہیں۔

اس عرصہ میں آپ کی کمپنی کی سیل 759.2 ملین روپے رہی جو پچھلے عرصے میں 795.81 ملین روپے تھی جو پچھلے عرصے سے 4.6 فیصد کم ہے۔ کل منافع 228.5 ملین روپے جو پچھلے عرصے میں 231.54 ملین روپے تھا اس طرح کل منافع کی شرح بہتر ہو کر 32.95 فیصد کے مقابلے میں 34.06 فیصد رہی۔ تقسیم کاری کی لاگت اور انتظامی اخراجات میں اضافہ خالص سیل کے تناسب سے بالترتیب 8.91 فیصد سے 11.66 فیصد اور 6.62 فیصد سے 7.2 فیصد رہا۔ اس مدت کے دوران آپریٹنگ منافع 181.50 ملین روپے سے کم ہو کر 110.30 ملین روپے رہا۔ اسی طرح اس مدت کے دوران ٹیکس سے قبل منافع 62.17 ملین روپے رہا جبکہ پچھلے عرصے میں یہ رقم 122.59 ملین روپے تھی۔ بعد از ٹیکس منافع کم ہو کر 62.81 ملین روپے رہا جبکہ پچھلے عرصے میں یہ رقم 99.13 ملین روپے تھی۔ اس طرح فی حصص آمدنی (EPS) کم ہو کر 50 پیسے جبکہ پچھلے عرصے میں یہ آمدن 1.27 روپے فی حصص تھی۔ اس کمی کی وجہ منافع میں کمی اور اس عرصے میں شیئر کیپٹل میں اضافہ ہے۔

اپنے مطلوبہ اہداف کے مطابق 110 ٹن یومیہ کے ASU پلانٹ کی تنصیب کے توسیعی منصوبے پر کام جاری ہے۔ پلانٹ و مشینری کا انتخاب کر لیا گیا ہے اور بہت جلد ہم مشینری کی درآمد کے آرڈر جاری کرنے کی پوزیشن میں ہونگے۔ دوسری طرف آپ کی کمپنی کا ذیلی ادارہ بنام غنی کیمیکل انڈسٹریز (پرائیوٹ) لمیٹڈ درآمد کے متبادل کیمیکل پروجیکٹ کی تنصیب کر رہا ہے۔ اس مقصد کے لئے زمین خریدی جا چکی ہے۔ پلانٹ و مشینری کا انتخاب اور پلانٹ کی تنصیب کی دوسری شرائط کو پورا کرنے کا کام جاری ہے۔

اوپر بیان کئے گئے منصوبوں کے علاوہ آپ کی کمپنی نے غنی گلوبل گلاس لمیٹڈ (جو کہ ایک ساتھی کمپنی ہے) کے 25,000,000 عمومی شیئرز (جو کل شیئرز کا 25 فیصد ہے) خریدنے کے لئے 450 ملین روپے کی سرمایہ کاری کی ہے۔ اس پراجیکٹ نے اپریل 2016 میں درآمد کے متبادل پروڈکشن شروع کی۔ اس کے علاوہ اس ساتھی کمپنی نے ابھی حال ہی میں ویلیو ایڈیشن پروڈکشن کی پروڈکشن کا آغاز کیا ہے۔



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

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

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

لاہور

27 فروری 2017

منجانب بورڈ
عتیق احمد خان
چیف ایگزیکٹو آفیسر



Rizwan & Company
CHARTERED ACCOUNTANTS



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION

Introduction

We have reviewed the annexed condensed interim unconsolidated balance sheet of **GHANI GASES LIMITED** as at **31 DECEMBER 2016** and the related condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim statement of changes in equity and condensed interim unconsolidated cash flow statement together with the notes forming part thereof, for the half year then ended (hereinafter referred to as the “interim financial information”).

Management is responsible for the preparation and presentation of this interim unconsolidated financial information in conformity with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim unconsolidated financial information based on our review.

The figures included in condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income for the quarters ended 31 December 2016 and 2015 and the notes forming part thereof have not been reviewed by us and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2016.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the annexed condensed interim unconsolidated financial information as at and for the half year ended 31 December 2016 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Rizwan & Company
Chartered Accountants
Engagement Partner: Rizwan Bashir

Lahore: 27 FEB 2017



CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 2016 (UN-AUDITED)

		UN-AUDITED December 31, 2016	AUDITED June 30, 2016		UN-AUDITED December 31, 2016	AUDITED June 30, 2016	
	Note	(Rupees '000)			(Rupees '000)		
EQUITY AND LIABILITIES				ASSETS			
Share capital and reserves				Non-current assets			
Authorized share capital			1,250,000	Property, plant and equipment	5	2,671,951	2,529,455
200,000,000 (June 2016: 125,000,000) ordinary shares of Rs. 10 each		2,000,000		Operating fixed assets - tangible	6	124,526	152,851
Issued, subscribed and paid up share capital	9	1,247,813	1,247,813	Assets subject to ijarah financing	7	93,875	79,409
Capital reserve - Share premium		535,067	535,067	Capital work in progress		2,890,352	2,761,715
Unappropriated profits		492,144	429,333	Intangible assets-good will		70	70
Loan from sponsors		738,000	501,200	Long term investment	8	47,500	500
Total equity		3,013,024	2,713,413	Long term deposits		64,915	68,909
						3,002,837	2,831,194
Non-current liabilities				Current assets			
Long term financing	10	426,604	399,408	Stores and spares		89,743	103,532
Liabilities against assets subject to ijarah financing		18,590	40,554	Stock in trade		24,180	26,282
Long term security deposits		18,800	19,800	Trade debts		316,154	406,397
Deferred taxation		230,041	194,227	Loans and advances		155,666	150,296
		694,035	653,989	Trade deposits and short term prepayments		47,812	48,053
Current liabilities				Balance with statutory authorities		25,149	24,076
Trade and other payables		133,452	296,823	Other receivables		182	1,759
Accrued profit on financing		13,199	24,733	Advance income tax		240,000	220,593
Short term financing - secured		486,941	431,034	Cash and bank balances		833,938	1,089,641
Current portion of long term liabilities		384,441	734,807				
Provision for taxation		10,569	47,024				
		1,028,602	1,534,421				
Total liabilities		1,722,637	2,188,410			1,732,824	2,070,629
CONTINGENCIES AND COMMITMENTS						4,735,661	4,901,823
	11	-	-	TOTAL ASSETS			
TOTAL EQUITY AND LIABILITIES		4,735,661	4,901,823				

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial information.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)



CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

	Note	HALF YEAR ENDED		QUARTER ENDED	
		December 31, 2016 (Rupees '000)	December 31, 2015	December 31, 2016 (Rupees '000)	December 31, 2015
Gross sales - local		759,238	795,806	406,797	418,810
Sales tax		(88,300)	(93,142)	(47,602)	(48,935)
Net sales		670,938	702,664	359,195	369,875
Cost of sales	12	(442,427)	(471,122)	(270,982)	(261,695)
Gross profit		228,511	231,542	88,213	108,180
Distribution cost		(78,230)	(62,607)	(39,187)	(28,660)
Administrative expenses		(47,118)	(46,530)	(23,811)	(23,866)
Other operating expenses		(4,473)	(4,730)	(711)	(2,661)
		(129,821)	(113,867)	(63,709)	(55,187)
		98,690	117,675	24,504	52,993
Other income		11,627	63,828	4,603	2,910
		110,317	181,503	29,107	55,903
Finance cost		(48,148)	(58,910)	(26,688)	(29,600)
Profit before taxation		62,169	122,593	2,419	26,303
Taxation		642	(23,467)	46,506	5,137
Profit after taxation		62,811	99,126	48,925	31,440
Earnings per share					
- basic and diluted (Rupees)	13	0.50	1.27	0.39	0.40

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial information.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)



**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	(Rupees '000)		(Rupees '000)	
Net profit for the period	62,811	99,126	48,925	31,440
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>62,811</u>	<u>99,126</u>	<u>48,925</u>	<u>31,440</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial information.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)



CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

		HALF YEAR ENDED	
		December 31, 2016	December 31, 2015
	Note	(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	14	87,377	228,870
Finance cost paid		(59,680)	(58,437)
Taxes paid		(19,407)	(35,914)
		(79,087)	(94,351)
Net cash generated from operating activities		8,290	134,519
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property, plant and equipment		(169,415)	(115,177)
Proceeds from disposal of property, plant and equipment		1,948	-
Long term investments		(47,000)	44,633
Proceeds from long term deposits		3,994	1,857
Net cash used in investing activities		(210,473)	(68,687)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing (repayments) / proceeds		(322,187)	60,822
Loan from sponsors received		236,800	11,416
Proceeds from short term financing		55,907	76,303
Dividend paid		(92)	(61,358)
Repayment of long term security deposits		(1,000)	(1,500)
Liabilities against assets subject to ijarah financing - paid		(22,948)	(34,096)
Net cash (used in) / generated from financing activities		(53,520)	51,587
Net (decrease) / increase in cash and cash equivalents		(255,703)	117,419
Cash and cash equivalents at the beginning of the period		1,089,641	226,739
Cash and cash equivalents at the end of the period		833,938	344,158

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial information.


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)



CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

	Issued, subscribed and paid up share capital	Capital reserve - Share premium	Unappropriated profit	Loan from sponsors	Total
(Rupees '000)					
Balance as at July 01, 2015 (audited)	742,746	30,000	341,627	1,027,969	2,142,342
Total comprehensive income	-	-	99,126	-	99,126
Final dividend @ Rs. 1 per share	-	-	(74,275)	-	(74,275)
<i>Transactions with sponsors</i>					
Loan received/(repaid) from sponsors	-	-	-	11,416	11,416
Balance as at December 31, 2015 (un-audited)	742,746	30,000	366,478	1,039,385	2,178,609
Total comprehensive income	-	-	62,855	-	62,855
Issued during the period	505,067	505,067	-	-	1,010,134
<i>Transactions with sponsors</i>					
Loan received/(repaid) from sponsors	-	-	-	(538,185)	(538,185)
Balance as at June 30, 2016 (audited)	1,247,813	535,067	429,333	501,200	2,713,413
Total comprehensive income	-	-	62,811	-	62,811
<i>Transactions with sponsors</i>					
Loan received/(repaid) from sponsors	-	-	-	236,800	236,800
Balance as at December 31, 2016 (un-audited)	1,247,813	535,067	492,144	738,000	3,013,024

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial information.


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)



SELECTED NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

1 LEGAL STATUS AND OPERATIONS

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

2 STATEMENT OF COMPLIANCE

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

2.2 This condensed interim unconsolidated financial information is unaudited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984.

2.3 *Functional and presentation currency*

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

3 BASIS OF PREPARATION

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

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

3.3 The Company has adopted the following amended International Financial Reporting Standards (IFRSs) which became effective during the period:

IFRS 10 - Consolidated Financial Statements

IFRS 12 - Disclosure of Interests in Other Entities

IFRS 13 - Fair Value Measurement



IAS 27 - Separate Financial Statements - Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 - Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)

IAS 1 - Presentation of Financial Statements - Disclosure Initiative (Amendment)

IAS 16 - Property, Plant and Equipment and IAS- 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)

IAS 16 - Property, Plant and Equipment IAS - 41 Agriculture - Agriculture: Bearer Plants (Amendment)

IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment)

Improvements to Accounting Standards Issued by the IASB in September 2014

IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal

IFRS 7 - Financial Instruments: Disclosures - Servicing contracts

IFRS 7 - Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements

IAS 19 - Employee Benefits - Discount rate: regional market issue

IAS 34 - Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

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

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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



	Note	Un-audited December 31, 2016 (Rupees '000)	Audited June 30, 2016
5 OPERATING FIXED ASSETS - TANGIBLE			
Opening balance		2,529,455	2,293,837
Additions and transfer during the period / year	5.1	180,402	306,717
Book value of disposals during the period / year	5.2	(2,062)	(4,150)
		<u>2,707,795</u>	<u>2,596,404</u>
Depreciation charged during the period / year		(35,844)	(66,949)
Closing balance		<u>2,671,951</u>	<u>2,529,455</u>
5.1 Additions and transfer during the period / year			
Land-Freehold		-	2,200
Building on freehold land		27	6,909
Plant and machinery		175,222	283,440
Furniture and fixtures		1,818	2,740
Office equipment		74	1,331
Computers		2,077	1,862
Vehicles		1,184	8,235
		<u>180,402</u>	<u>306,717</u>
5.2 Book value of disposals during the period / year			
Vehicles		2,062	4,150
		<u>2,062</u>	<u>4,150</u>
6 ASSETS SUBJECT TO IJARAH FINANCING			
Opening balance		152,851	231,223
Additions during the period / year	6.1	-	228
Book value of disposals / transfers during the period / year	6.2	(25,453)	(70,741)
		<u>127,398</u>	<u>160,710</u>
Depreciation charged during the period / year		(2,872)	(7,859)
Closing balance		<u>124,526</u>	<u>152,851</u>
6.1 Additions during the period / year			
Vehicles		-	228
6.2 Book value of disposals / transfers during the period / year			
Plant and machinery		25,403	65,435
Vehicles		50	5,306
		<u>25,453</u>	<u>70,741</u>
7 CAPITAL WORK IN PROGRESS			
Building		56,138	51,624
Plant and machinery		37,737	27,785
		<u>93,875</u>	<u>79,409</u>



	Note	Un-audited December 31, 2016 (Rupees '000)	Audited June 30, 2016
8 LONG TERM INVESTMENTS			
Opening balance-Investment in associated company		500	45,133
Investment made/(disposed off) during the period/year		-	(45,133)
Investment in wholly owned subsidiary	8.1	47,000	500
Closing balance		47,500	500
8.1	The wholly owned subsidiary company was incorporated in Pakistan as a private limited company on November 23, 2015 under Companies Ordinance, 1984.		

9 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un-audited December 31, 2016 (No. of Shares)	Audited June 30, 2016		Un-audited December 31, 2016 (Rupees '000)	Audited June 30, 2016
122,956,711	122,956,711	Ordinary shares of Rupees 10 each fully paid in cash	1,229,567	1,229,567
13,000	13,000	Ordinary shares of Rupees 10 each issued for consideration other than cash	130	130
1,811,575	1,811,575	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	18,116	18,116
124,781,286	124,781,286		1,247,813	1,247,813

10 LONG TERM FINANCING

Diminishing Musharaka facility

Beginning balance	1,095,717	641,715
(Payment) / proceeds during the period / year	(322,186)	454,002
Ending balance	773,531	1,095,717
Current portion of long term financing	(346,927)	(696,309)
	426,604	399,408

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

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

11.2 Commitments

11.2.1 Commitments in respect of letter of credit amounted to Rupees 99.23 million (June 2016: Rupees 140.97 million).

11.2.2 Commitments for construction of building as at balance sheet date amounted to Rupees 7.6 million (June 2016: Rupees 8 million).



	UN-AUDITED HALF YEAR ENDED		UN-AUDITED QUARTER ENDED	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	(Rupees '000)		(Rupees '000)	
12 COST OF SALES				
Fuel and power	233,166	234,081	134,514	144,579
Consumable spare	13,380	9,703	5,234	5,421
Salaries wages and other benefits	31,624	32,258	16,497	16,288
Communication	271	398	121	185
Repair and maintenance	22,583	16,402	4,859	10,962
Travelling, vehicle running and maintenance	3,190	2,342	1,135	1,454
Insurance	2,648	2,814	1,590	1,739
Depreciation	31,577	29,453	15,310	15,204
Staff welfare	4,669	1,847	2,388	153
Transportation	2,990	1,131	1,352	506
Other overheads	11,562	19,953	6,093	7,871
	357,660	350,382	189,093	204,362
Finished goods				
Opening stock	26,282	36,206	88,396	77,704
Purchases	82,665	120,972	17,673	16,067
Closing stock	(24,180)	(36,438)	(24,180)	(36,438)
	84,767	120,740	81,889	57,333
	442,427	471,122	270,982	261,695

13 EARNINGS PER SHARE - BASIC AND DILUTED

		UN-AUDITED HALF YEAR ENDED		UN-AUDITED QUARTER ENDED	
		December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Loss attributable to ordinary shareholders	Rupees (000)	62,811	99,126	48,925	31,440
Weighted average number of ordinary shares outstanding	Number (000)	124,781	77,864	124,781	77,864
Earnings per share - basic and diluted	(Rupees)	0.50	1.27	0.39	0.40

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



	Note	UN-AUDITED HALF YEAR ENDED	
		December 31, 2016	December 31, 2015
		(Rupees '000)	
14 CASH GENERATED FROM OPERATIONS			
Profit before taxation		62,169	122,593
Adjustments for:			
Depreciation		38,716	37,898
Finance cost		48,148	58,910
Loss on disposal of property, plant and equipment		114	-
Operating cash flows before working capital changes		149,147	219,401
Effect on cash flows due to working capital changes			
<i>(Increase) / decrease in current assets:</i>			
Stores and spares		13,789	(51,826)
Stock in trade		2,102	(232)
Trade debts		90,243	6,311
Loans and advances		(5,370)	23,009
Short term deposits and prepayments		241	6,557
Balances with statutory authorities		(1,073)	(4,758)
Other receivables		1,577	32
<i>Increase / (decrease) in current liabilities:</i>			
Trade and other payables		(163,279)	30,376
		87,377	228,870

15 SEGMENT INFORMATION

15.1 Segment results are as follows:

	HALF YEAR ENDED (UN-AUDITED)					
	December 31, 2016			December 31, 2015		
	Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
(Rupees '000)			(Rupees '000)			
Net sales	604,568	66,370	670,938	579,190	123,474	702,664
Cost of sales	(391,046)	(51,381)	(442,427)	(362,509)	(108,613)	(471,122)
Gross profit	213,522	14,989	228,511	216,681	14,861	231,542
Distributions cost	(75,323)	(2,907)	(78,230)	(61,886)	(721)	(62,607)
Administrative Expenses	(44,762)	(2,356)	(47,118)	(45,948)	(582)	(46,530)
	(120,085)	(5,263)	(125,348)	(107,834)	(1,303)	(109,137)
Segment Profit	93,437	9,726	103,163	108,847	13,558	122,405



HALF YEAR ENDED (UN-AUDITED)

HALF YEAR ENDED (UN-AUDITED)					
December 31 2016			December 31 2015		
Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
(Rupees '000)			(Rupees '000)		
Unallocated corporate expenses					
Other operating expenses		(4,473)			(4,730)
Other income		11,627			63,828
		110,317			181,503
Finance cost		(48,148)			(58,910)
Profit before taxation		62,169			122,593
Taxation		642			(23,467)
Profit after taxation		62,811			99,126

16 TRANSACTIONS WITH RELATED PARTIES

Name of related party	Nature of Transaction	UN-AUDITED HALF YEAR ENDED	
		December 31, 2016	December 31, 2015
		(Rupees '000)	
Associated Company	Supplies	20,805	29,499
	Disposal of investment	-	(45,133)
	Guarantee charges	1,300	1,300
	Services	6,000	2,000
Subsidiary Company	Investment	47,000	500
Staff Provident Fund	Contribution	7,420	7,153
Sponsors	Loan received / (repaid)	236,800	11,416

17 FINANCIAL RISK MANAGEMENT

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

18 FAIR VALUE ESTIMATION

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

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

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



The Company has no items to report in these levels.

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

The carrying amounts of financial assets and liabilities as at December 31, 2016 and as at June 30, 2016 are approximate at their fair values.

18 DATE OF AUTHORIZATION

This financial information has been authorized for issue by the Board of Directors of the Company on February 27, 2017.

19 CORRESPONDING FIGURES

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

19.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting' corresponding figures in the unconsolidated condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended June 30, 2016 and the corresponding figures in the unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim cash flow statement comprise of balances of comparable period as per the unconsolidated condensed interim financial information of the Company for the half year ended December 31, 2015.

19.3 Corresponding figures have been rearranged or reclassified, wherever necessary, for the purposes of comparison. However, no material reclassification has been made in the corresponding figures.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)



Consolidated Financial Statements



CONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2016

		UN-AUDITED December 31, 2016	AUDITED June 30, 2016			UN-AUDITED December 31, 2016	AUDITED June 30, 2016
	Note	(Rupees '000)			Note	(Rupees '000)	
EQUITY AND LIABILITIES				ASSETS			
Share capital and reserves				Non-current assets			
Authorized share capital				Property, plant and equipment	5	2,717,221	2,529,455
200,000,000 (June 2016: 125,000,000) ordinary shares of Rs. 10 each		2,000,000	1,250,000	Operating fixed assets - tangible	6	124,526	152,851
Issued, subscribed and paid up share capital	8	1,247,813	1,247,813	Assets subject to ijarah financing	7	93,875	79,409
Capital reserve - Share premium		535,067	535,067	Capital work in progress		2,935,622	2,761,715
Unappropriated profits		491,076	429,180	Intangible assets		70	70
Loan from sponsors		739,200	501,200	Long term deposits		64,915	68,909
Total equity		3,013,156	2,713,260			3,000,607	2,830,694
Non-current liabilities				Current assets			
Long term financing	9	426,604	399,408	Stores and spares		89,743	103,532
Liabilities against assets subject to ijarah financing		18,590	40,554	Stock in trade		24,180	26,282
Long term security deposits		18,800	19,800	Trade debts		316,154	406,397
Deferred taxation		230,041	194,227	Loans and advances		155,766	150,296
		694,035	653,989	Trade deposits and short term prepayments		47,812	48,053
Current liabilities				Balance with statutory authorities		25,149	24,076
Trade and other payables		133,446	296,853	Other receivables		182	1,759
Accrued profit on financing		13,199	24,733	Advance income tax		241,901	220,593
Short term financing - secured		486,941	431,034	Cash and bank balances		834,106	1,090,018
Current portion of long term liabilities		384,441	734,807			1,734,993	2,071,006
Provision for taxation		10,382	47,024			4,735,600	4,901,700
		1,028,409	1,534,451				
Total liabilities		1,722,444	2,188,440				
CONTINGENCIES AND COMMITMENTS							
	11	-	-				
TOTAL EQUITY AND LIABILITIES		4,735,600	4,901,700	TOTAL ASSETS		4,735,600	4,901,700

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial information.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)



CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR DECEMBER 31, 2016 (UN-AUDITED)

	Note	HALF YEAR ENDED		QUARTER ENDED	
		December 31, 2016 (Rupees '000)	December 31, 2015	December 31, 2016 (Rupees '000)	December 31, 2015
Gross sales - local		759,238	795,806	406,797	418,810
Sales tax		(88,300)	(93,142)	(47,602)	(48,935)
Net sales		670,938	702,664	359,195	369,875
Cost of sales	11	(442,427)	(471,122)	(270,982)	(261,695)
Gross Profit		228,511	231,542	88,213	108,180
Distribution cost		(78,230)	(62,607)	(39,187)	(28,660)
Administrative expenses		(48,276)	(46,649)	(24,965)	(23,985)
Other operating expenses		(4,415)	(4,730)	(653)	(2,661)
		(130,921)	(113,986)	(64,805)	(55,306)
		97,590	117,556	23,408	52,874
Other income		11,627	63,828	4,603	2,910
		109,217	181,384	28,011	55,784
Finance cost		(48,149)	(58,910)	(26,689)	(29,600)
Profit before taxation		61,068	122,474	1,322	26,184
Taxation		828	(23,467)	46,692	5,137
Profit after taxation		61,896	99,007	48,014	31,321
Earnings per share -basic and diluted (Rupees)	12	0.50	1.27	0.38	0.40

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial information.


ATIQUE AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)



**CONDENSED CONSOLIDATED INTERIM
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2016 (Rupees '000)	December 31, 2015	December 31, 2016 (Rupees '000)	December 31, 2015
Net profit for the period	61,896	99,007	48,014	31,321
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	61,896	99,007	48,014	31,321

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial information.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)



CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

		HALF YEAR ENDED	
		December 31, 2016	December 31, 2015
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Cash generated from operations	13	86,141	228,751
Finance cost paid		(59,682)	(58,437)
Taxes paid		(21,308)	(35,914)
		(80,990)	(94,351)
Net cash generated from operating activities		5,151	134,400
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property, plant and equipment		(214,685)	(115,177)
Proceeds from disposal of property, plant and equipment		1,948	-
Proceeds from long term investments		-	45,133
Proceeds from long term deposits		3,994	1,857
Net cash used in investing activities		(208,743)	(68,187)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing (repayments) / proceeds		(322,187)	60,822
Loan from sponsors received		238,000	11,416
Proceeds from short term financing		55,907	76,303
Dividend paid		(92)	(61,358)
Repayment of long term security deposits		(1,000)	(1,500)
Liabilities against assets subject to ijarah financing paid		(22,948)	(34,096)
Net cash (used in) / generated from financing activities		(52,320)	51,587
Net (decrease) / increase in cash and cash equivalents		(255,912)	117,800
Cash and cash equivalents at the beginning of the period		1,090,018	226,739
Cash and cash equivalents at the end of the period		834,106	344,539

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial information.


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)



CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

	Issued, subscribed and paid up share capital	Capital reserve - Share premium	Unappropriated profits	Loan from sponsors	Total
(Rupees '000)					
Balance as at July 01, 2015 (audited)	742,746	30,000	341,627	1,027,969	2,142,342
Total comprehensive income	-	-	99,007	-	99,007
<i>Transactions with sponsors</i>					
Final dividend @ Rs. 1 per share	-	-	(74,275)	-	(74,275)
Loan received / (repaid) from sponsors	-	-	-	11,416	11,416
Balance as at December 31, 2015 (un-audited)	742,746	30,000	366,359	1,039,385	2,178,490
Total comprehensive income	-	-	62,821	-	62,821
Shares issued during the period	505,067	505,067	-	-	1,010,134
<i>Transactions with sponsors</i>					
Loan received / (repaid) from sponsors	-	-	-	(538,185)	(538,185)
Balance as at June 30, 2016 (audited)	1,247,813	535,067	429,180	501,200	2,713,260
Total comprehensive income	-	-	61,896	-	61,896
<i>Transactions with sponsors</i>					
Loan received / (repaid) from sponsors	-	-	-	238,000	238,000
Balance as at December 31, 2016 (un-audited)	1,247,813	535,067	491,076	739,200	3,013,156

The annexed notes from 1 to 19 form an integral part of these consolidated condensed interim financial information.


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)



SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

1 THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company - *Ghani Gases Limited*

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

Ghani Gases Limited

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

Ghani Chemical Industries (Private) Limited

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

2 STATEMENT OF COMPLIANCE

- 2.1** This consolidated condensed interim financial information of the group has been prepared in accordance with the International Accounting Standard (IAS) 34 'Interim Financial Reporting' as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP) and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed.
- 2.2** This consolidated condensed interim financial information is unaudited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984.
- 2.3** This consolidated condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency for the Company.

3 BASIS OF PREPARATION

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



- 3.2 The accounting policies and methods of computations adopted for the preparation of this consolidated condensed interim financial information are the same as applied in the preparation of the preceding audited annual published consolidated financial statements of the Company for the year ended June 30, 2016.
- 3.3 The Company has adopted the following amended International Financial Reporting Standards (IFRSs) which became effective during the period:
- IFRS 10 - Consolidated Financial Statements
 - IFRS 12 - Disclosure of Interests in Other Entities
 - IFRS 13 - Fair Value Measurement
 - IAS 27 - Separate Financial Statements - Investment Entities: Applying the Consolidation Exception (Amendment)
 - IFRS 11 - Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation
 - IAS 1 - Presentation of Financial Statements - Disclosure Initiative (Amendment)
 - IAS 16 - Property, Plant and Equipment and IAS - 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
 - IAS 16 - Property, Plant and Equipment IAS - 41 Agriculture - Agriculture: Bearer Plants
 - IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements

Improvements to Accounting Standards Issued by the IASB in September 2014

- IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations - Changes in methods
- IFRS 7 - Financial Instruments: Disclosures - Servicing contracts
- IFRS 7 - Financial Instruments: Disclosures - Applicability of the offsetting disclosures to consolidated condensed interim financial statements
- IAS 19 - Employee Benefits - Discount rate: regional market issue
- IAS 34 - Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

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

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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



	Un-audited December 31, 2016	Audited June 30, 2016
	(Rupees '000)	
5 OPERATING FIXED ASSETS - TANGIBLE	Note	
Opening balance	2,529,455	2,293,837
Additions and transfer during the period / year	5.1 225,672	306,717
Book value of the disposals during the period / year	5.2 (2,062)	(4,150)
	2,753,065	2,596,404
Depreciation charged during the period / year	(35,844)	(66,949)
Closing balance	2,717,221	2,529,455
5.1 Additions / transfers during the period / year		
Land-Freehold	45,270	2,200
Building on freehold land	27	6,909
Plant and machinery	175,222	283,440
Furniture and fixtures	1,818	2,740
Office equipment	74	1,331
Computers	2,077	1,862
Vehicles	1,184	8,235
	225,672	306,717
5.2 Book value of the disposals during the period / year		
Vehicles	2,062	4,150
	2,062	4,150
6 ASSETS SUBJECT TO IJARAH FINANCING		
Opening balance	152,851	231,223
Additions during the period / year	6.1 -	228
Book value of the disposals / transfers during the period / year	6.2 (25,453)	(70,741)
	127,398	160,710
Depreciation charged during the period / year	(2,872)	(7,859)
Closing balance	124,526	152,851
6.1 Additions during the period / year		
Vehicles	-	228
	-	228
6.2 Book value of the disposals / transfers during the period / year		
Plant and machinery	25,403	65,435
Vehicles	50	5,306
	25,453	70,741
7 CAPITAL WORK IN PROGRESS		
Building	56,138	51,624
Plant and machinery	37,737	27,785
	93,875	79,409



8 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un-audited December 31, 2016 (No. of Shares)	Audited June 30, 2016		Un-audited December 31, 2016 (Rupees '000)	Audited June 30, 2016
122,956,711	122,956,711	Ordinary shares of Rupees 10 each fully paid in cash	1,229,567	1,229,567
13,000	13,000	Ordinary shares of Rupees 10 each issued for consideration other than cash	130	130
1,811,575	1,811,575	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	18,116	18,116
124,781,286	124,781,286		1,247,813	1,247,813

9 LONG TERM FINANCING

Diminishing Musharaka facility

Opening balance

(Payments) / proceeds during the period / year

Current portion of long term financing

Closing balance

1,095,717	641,715
(322,186)	454,002
773,531	1,095,717
(346,927)	(696,309)
426,604	399,408

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

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

10.2 Commitments

10.2.1 Commitments in respect of letter of credit amounted to Rupees 99.23 million (June 30, 2016: Rupees 140.97 million).

10.2.2 Commitments for construction of building as at balance sheet date amounted to Rupees 7.6 million (June 30, 2016: Rupees 8 million).

11 COST OF SALES

Fuel and power

Consumable spares

Salaries wages and other benefits

Communication

Repair and maintenance

Travelling, vehicle running and maintenance

Insurance

Depreciation

Staff welfare

Transportation

Other overheads

Finished goods

Opening stock

Purchases

Closing stock

	UN-AUDITED HALF YEAR ENDED		UN-AUDITED QUARTER ENDED	
	December 31, 2016 (Rupees '000)	December 31, 2015	December 31, 2016 (Rupees '000)	December 31, 2015
	233,167	234,081	134,514	144,579
	13,380	9,703	5,234	5,421
	31,624	32,258	16,497	16,288
	271	398	121	185
	22,584	16,402	4,859	10,962
	3,190	2,342	1,135	1,454
	2,648	2,814	1,590	1,739
	31,577	29,453	15,310	15,204
	4,669	1,847	2,388	153
	2,990	1,131	1,352	506
	11,560	19,953	6,093	7,871
	357,660	350,382	189,093	204,362
	26,282	36,206	88,396	77,704
	82,665	120,972	17,673	16,067
	(24,180)	(36,438)	(24,180)	(36,438)
	84,767	120,740	81,889	57,333
	442,427	471,122	270,982	261,695



12 EARNINGS PER SHARE - BASIC AND DILUTED

		UN-AUDITED HALF YEAR ENDED		UN-AUDITED QUARTER ENDED	
		December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Profit attributable to ordinary shareholders	Rupees (000)	61,896	99,007	48,014	31,321
Weighted average number of ordinary shares outstanding	Number (000)	124,781	77,864	124,781	77,864
Earnings per share - basic and diluted	(Rupees)	0.50	1.27	0.38	0.40

12.1

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

13

CASH GENERATED FROM OPERATIONS

Profit before taxation

Adjustments for:

Depreciation

Finance cost

Loss on disposal of property, plant and equipment

Operating cash flows before working capital changes

Effect on cash flows due to working capital changes:

(Increase) / decrease in current assets:

Stores and spares

Stock in trade

Trade debts

Loans and advances

Trade deposits and short term prepayments

Balances with statutory authorities

Other receivables

Increase / (decrease) in current liabilities:

Trade and other payables

Note

	UN-AUDITED HALF YEAR ENDED	
	December 31, 2016	December 31, 2015
	(Rupees '000)	
	61,068	122,474
	38,716	37,898
	48,149	58,910
	114	-
	148,047	219,282
	13,789	(51,826)
	2,102	(232)
	90,243	6,311
	(5,470)	23,009
	241	6,557
	(1,073)	(4,758)
	1,577	32
	(163,315)	30,376
	86,141	228,751

14 SEGMENT INFORMATION

14.1 Segment results are as follows:

	HALF YEAR ENDED (UN-AUDITED)					
	December 31, 2016			December 31, 2015		
	Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
	(Rupees '000)			(Rupees '000)		
Net sales	604,568	66,370	670,938	579,190	123,474	702,664
Cost of sales	(391,046)	(51,381)	(442,427)	(362,509)	(108,613)	(471,122)
Gross profit	213,522	14,989	228,511	216,681	14,861	231,542
Distributions cost	(75,323)	(2,907)	(78,230)	(61,886)	(721)	(62,607)
Administrative expenses	(45,862)	(2,414)	(48,276)	(45,949)	(700)	(46,649)
	(121,185)	(5,321)	(126,506)	(107,835)	(1,421)	(109,256)
Segment Profit	92,337	9,668	102,085	108,846	13,440	122,286



HALF YEAR ENDED (UN-AUDITED)					
December 31, 2016			December 31, 2015		
Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
(Rupees '000)			(Rupees '000)		
Unallocated corporate expenses					
Other operating expenses		(4,415)			(4,730)
Other income		11,627			63,828
		109,217			181,384
Finance cost		(48,149)			(58,910)
Profit before taxation		61,068			122,474
Taxation		828			(23,467)
Profit after taxation		61,896			99,007

15 TRANSACTIONS WITH RELATED PARTIES

Name	Nature of Transaction	UN-AUDITED HALF YEAR ENDED	
		December 31, 2016	December 31, 2015
		(Rupees '000)	
Associated Company	Supplies	20,805	29,499
	Disposal of investment	-	(45,133)
	Guarantee charges	1,300	1,300
	Services	6,000	2,000
Staff Provident Fund	Contribution	7,420	7,153
Sponsors	Loan received / (repaid)	238,000	11,416

16 FINANCIAL RISK MANAGEMENT

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

17 FAIR VALUE ESTIMATION

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

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

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

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

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

The Group has no items to report in these levels.

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

The carrying amounts of financial assets and liabilities as at December 31, 2016 and as at June 30, 2016 are approximate at their fair values.

18 DATE OF AUTHORIZATION

This unaudited consolidated condensed interim financial information for the half year ended December 31, 2016 has been authorized for issue by the Board of Directors of the Company on February 27, 2017.

19 CORRESPONDING FIGURES

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



- 19.2** In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the consolidated condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended June 30, 2016 and the corresponding figures in the consolidated condensed interim profit and loss account, consolidated condensed interim statement of other comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim cash flow statement comprise of balances of comparable period as per the consolidated condensed interim financial information of the Company for the half year ended December 31, 2015.
- 19.3** Consequent to substitution of Fourth Schedule to the Companies Ordinance, 1984 and more appropriate financial information, corresponding figures have been re-arranged and re-classified wherever necessary for the purpose of comparison and better presentation.

ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)

HAFIZ FAROOQ AHMAD
(DIRECTOR)