



Ghani Global Group

# ANNUAL REPORT 2019



Faith  
Experience  
Innovation  
Growth

## Ghani Global Holdings Limited

(formerly Ghani Gases Limited)

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

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

## 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

## PRESIDENT

M. Ashraf Bawany

## COMPANY SECRETARY

Farzand Ali, FCS

## CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

## AUDITORS

Rizwan & Company  
Chartered Accountants  
Member Firm of DFK International

## BANKERS

Al Baraka Bank (Pakistan) Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Al Habib Limited  
Bank Alfalah Limited  
BankIslami Pakistan Limited  
Dubai Islamic Bank (Pakistan) 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 (Pakistan) Bank Limited  
Summit Bank Limited  
The Bank of Punjab  
The Bank of Khyber  
UBL Ameen

## LEGAL ADVISOR

Barrister Ahmed Pervaiz, Ahmed & Pansota  
Lahore.

## SHARE REGISTRAR

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

## REGIONAL OFFICE

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

## 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



- 🌐 Growth through the best value creation for the benefit of all stakeholders.

# MISSION



- 🌐 Invest in project that will optimize the risk-return profile of the Company.
- 🌐 Achieve excellence in business.
- 🌐 Continuously develop our human resource.
- 🌐 To be regarded by investors as amongst the best blue-chip stocks in the country.



# Group Structure

## Introduction

Since its inception, the **Ghani Global Group** has continuously strengthened and diversified its lines of operation and all group companies are working under common directorship / management.

## Ghani Chemical Industries Limited

On sanction of the scheme of Compromises, Arrangement and Reconstruction by the Court, Ghani Global Holdings Limited (formerly Ghani Gases Limited) transferred its entire manufacturing undertaking to the Company effective from 01 July 2018. It is one of the leading Company engaged in manufacturing and sales of industrial and medical gases and chemicals. The Company is subsidiary of Ghani Global Holdings Limited.

## Ghani Global Glass Limited

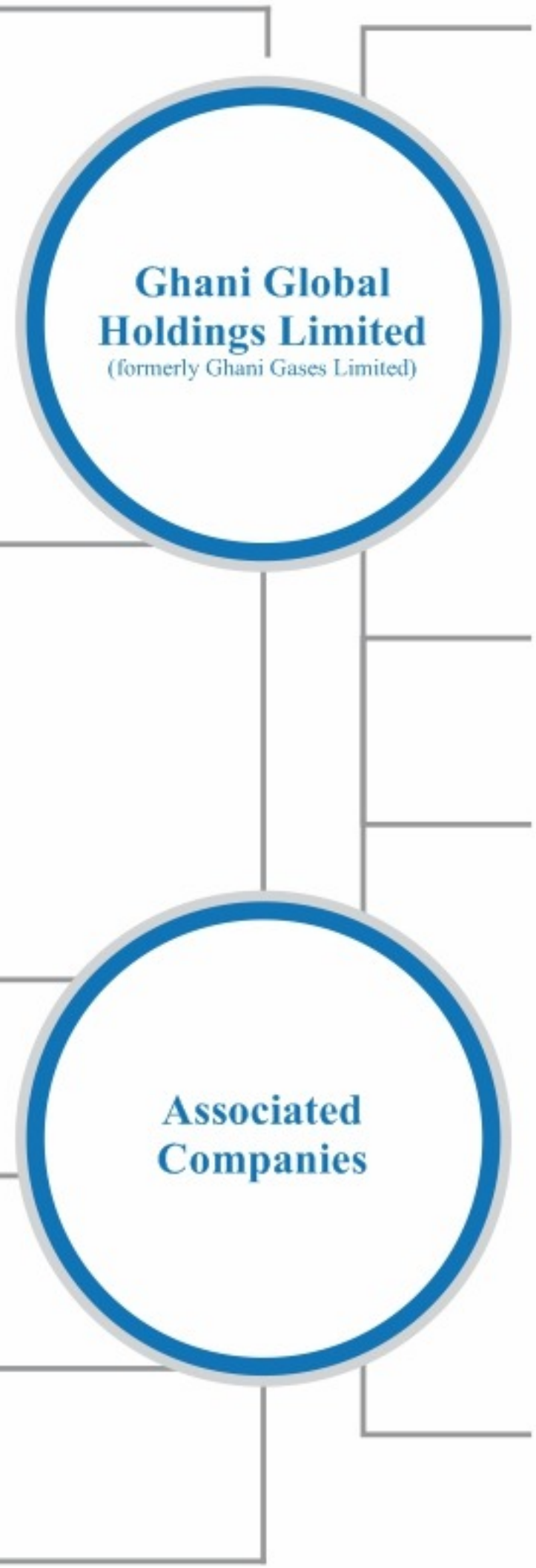
Company is engaged in manufacturing of import substitute Neutral Glass USP Type-I glass tubing, glass ampoules and glass vials since 2015. The Company is the subsidiary of Ghani Global Holdings Limited.

## Air Ghani (Pvt) Limited

## Ghani Engineering (Pvt) Limited

## Ghani Global Foods Limited

## Ghani Products (Pvt) Limited



# CHAIRMAN'S REVIEW

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

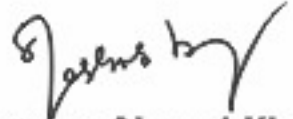
I am pleased to report that the Board has exercised its powers and performed its duties as envisaged in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2017 ("the Code") contained in the Rule Book of Pakistan Stock Exchange where the Company is Listed.

The Board during the year ended 30 June 2019 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 was able to provide effective leadership to the 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 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;
- The Board has obtained annual evaluation of Board of Directors from a professional firm of accountants for an independent evaluation of the Board and firm has issued fair report on overall performance of the board;
- 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 reviewed 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 Global Holdings Limited (formerly 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.

Lahore  
October 04, 2019

  
**Masroor Ahmad Khan**  
Chairman, Board of Directors

# DIRECTORS' REPORT

## Dear Shareholders

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The directors of Ghani Global Holdings Limited (formerly Ghani Gases Limited/ the Company) are pleased to present the unconsolidated audited financial statements of the Company for the year ended June 30, 2019, in compliance with the requirements of Companies Act, 2017.

## OVERVIEW OF THE NATIONAL ECONOMY

Pakistan's economy entering a critical crossroad, the past fiscal year has been full of challenges for industries and other segments. The 34% decline in the rupee's value since last July has contributed to rampant inflation, with headline CPI coming in at 8.9% in June 2019. The ongoing pains have long been in the making. But more importantly, the bold and necessary steps being implemented to bring long-term structural changes will set the base for robust and sustainable growth in the years to come. The SBP has responded to rising prices with a steady hike in the policy rate, now at 13.25%. As a result, economic activity and business confidence has dampened, with GDP growth in fiscal 2020 now expected to come around 3%. Concern over the currency regime, a weak external position and climbing debt has kept the global investment community on the sidelines. Nonetheless, there are signs of a turnaround in sight - the International Monetary Fund has recently approved a \$6 billion support program for Pakistan. While some tough structural measures are being taken, the IMF program is expected to allay some of the immediate liquidity concerns, and lead additional foreign investment in the country. The current account deficit in May was \$1.1 billion, a 29% improvement from last year. The government's fiscal policies continue to focus on the long run: implementing widespread tax compliance and business reform, encourage manufacturing, and discourage unnecessary imports. Much work still needs to be done to enhance the ease of doing business, digitize the economy through innovation, and strengthen and diversify our export base. Overall economic situation is indeed worrying. Growth rate fell by almost 50 percent from 6.2 percent to 3.3 percent. It is expected to down even further to 2.4 percent during next year, which will be the country's lowest in the past 10 years. Inflation is expected hover around 13 percent over the next 12 months, reaching a 10-year-high as well.

## FINANCIAL PERFORMANCE

In compliance with scheme of Compromises, Arrangement and Reconstruction approved by the Honourable Lahore High Court, Lahore on 06-02-2019 in Civil Original No. 221137 of 2018, effective from July 01, 2018 the Company transferred its manufacturing undertaking including all assets, liabilities, rights, title and interest including employees of the Company to Ghani Chemical Industries Limited a subsidiary of the Company.

In pursuance of the approved scheme effective from July 01, 2018 business conducted, any income or profit accruing or arising to the Company and all costs, charges, expenses and losses or tax incurred by the Company in relation to manufacturing undertaking have carried on in trust for Ghani Chemical Industries Limited (GCIL). Accordingly all manufacturing activities, sales, purchases, expenses conducted by the Company during the year ended June 30, 2019 have been made on behalf of GCIL.

## STANDALONE PERFORMANCE

A comparison of the key financial results of your Company for the year ended June 30, 2019 with the last year is as under:

Particulars	Rupees in '000' except EPS	
	June 2019	June 2018
Sales	-	2,330,253
Net sales	-	2,048,597
Gross profit	-	638,698
Distribution cost	-	229,973
Administrative & operating expenses	2,361	144,633
Other income	2,600	18,177
Profit before taxation	239	158,785
Net profit	170	157,705
Earnings per share	0.001	1.14

## CONSOLIDATED PERFORMANCE

Financial performance including subsidiaries for year ended June 30, 2019 in comparison with last year is as under:

Particulars	Rupees in '000' except EPS	
	June 2019	June 2018
Net sales	3,074,726	2,048,597
Gross profit	640,727	638,698
Selling and distribution expenses	291,369	227,161
Administrative expenses	207,481	118,781
Other income	21,362	17,494
Finance costs	313,734	123,489
(Loss) / profit after taxation	(212,100)	125,743
Attributable to:		
Owners of the Holding Company	(138,052)	125,763
Non-Controlling Interests	(74,048)	(20)
Earnings per share	(0.90)	0.91

### Ghani Chemical Industrial Limited

In the result of implementation of the scheme approved by the Honourable Lahore High Court, Lahore vide its order dated 06-02-2019, manufacturing undertaking of Ghani Global Holdings Limited (formerly Ghani Gases Limited) including all assets, liabilities and employees transferred to this subsidiary effective from 01-07-2018. The subsidiary is engaged in manufacturing of industrial and medical gases and chemicals. Before transfer of manufacturing undertaking to this subsidiary, the holding company (Ghani Global Holdings Limited formerly Ghani Gases Limited) was engaged in this business since 2009. On transfer of manufacturing undertaking to the subsidiary, all commitments for production & supply of quality products, understandings, agreements, assurances, promises, licenses, approvals, correspondence and guarantees by/in the name of the holding company (formerly Ghani Gases Limited) shall have been remain enforce and continue by and in the name of Ghani Chemical Industries Limited.



Operational and sales performance of this subsidiary remain above mark however reason for losses are due to substantial increase in electricity and gas prices, 34% decline in Pak rupees against US dollar, slow-down in economic activities and above all steady hike in the policy rate to 13.25%.

### **Ghani Global Glass Limited**

Ghani Global Glass Limited is engaged in manufacturing and sale of import substitute Glass Tubing, Glass Ampoules and Glass Vials since 2015. Performance of this subsidiary in terms of sales drastically improved particularly after full impact of implementation of value addition measures in shape of manufacturing of Ampoules and vials from own manufactured glass tubing. Products of this company has approved by multinational, middle and large scale national pharmaceutical companies across Pakistan. Company succeeded to enter in export business and trying to enter in MENA region, Argentina, Russia and Mexico markets. Despite 60% improvement in sales over last year, the company sustained loss because the competition is with low priced low quality Chinese glass tube and sale of high quality costly product at below cost in order to penetrate the market. Other reasons for losses are substantial increase in electricity and gas prices, decline in Pak rupees against US dollar and steady hike in the policy rate and these cost increase factors could not pass on to the customers.

### **HOW LOOKING 2020?**

Effective from July 2018, in the result of major reshuffle, the Company has diversified itself from manufacturing of industrial and medical gases business to holding company of Ghani Chemical Industries Limited and Ghani Global Glass Limited and to oversee, supervise and control these subsidiaries and its activities. Currently the country is facing critical situation where economic activities are slow, electric and gas prices have increased, rupee devalued and cost of business drastically increased. We are not seeing that this situation will improve in near future until and unless major initiatives have not been taken by the sitting Government.

### **PAY OUT TO THE SHAREHOLDERS**

As a policy matter management of your Company strongly believes in passing on the return of investment to their shareholders. However keeping in negligible profit earned during the year, the board of directors has skip the announcement of any dividend.

### **STATUS OF INVESTMENT IN ASSOCIATED/ SUBSIDIARY COMPANIES**

The shareholders of the Company in their 6TH Annual General Meeting held on October 30, 2013 passed a special resolution under section 208 of the repealed Companies Ordinance 1984 regarding issue of corporate guarantee up to Rs.650 million to the banks for financing facility to Ghani Global Glass Limited for a period of six years. Accordingly 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 subsidiary company (formerly associated Company). An amount of Rs. 2.600 million has been charged as commission for the year ended June 30, 2019 (2018: Rs.2.600 million) is included under the head other income in profit and loss of the Company. This approval is expiring on October 29, 2019. The board of directors has recommended to enhance this facility for a further period of two years. Agenda item to obtain approval of the shareholders for enhancement in time period of this facility is included under the head special business in notice of Annual General Meeting.

In addition to above, on the request of Ghani Global Glass Limited a subsidiary of company, the board of directors of the company has proposed to issue Cross Corporate Guarantee to the bank(s) of Ghani Global Glass Limited amounting to Rs. 125 million for a period of three years, subject to approval by shareholders of the company. Agenda item to obtain approval of the shareholders for cross corporate guarantee is included under the head special business in notice of Annual General Meeting.

In the result of implementation of scheme of Compromises, Arrangement and Reconstruction approved by the Court on 06-02-2019, status of investment of the Company in the following subsidiaries as on the date of report is as under:-

<b>Name of subsidiary</b>	<b>No. of shares held</b>	<b>% of holdings</b>
Ghani Chemical Industries Limited	114,300,000	99.39%
Ghani Global Glass Limited	50,098,200	50.10%

### **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 28, 2019. 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, 2020.

### **SHARE PRICE TREND**

The share price of Rs.10 each of your Company at one stage rose as high as Rs. 19.20 during August 2018, lowered as low as Rs. 7.01 during May 2019 and closed at Rs. 7.49 as on June 30, 2019.

### **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.

### **STAFF RETIREMENT BENEFIT**

In compliance with Honourable Lahore High Court, Lahore order dated 06-02-2019 in Civil Original No. 221137 of 2018 and approval of the scheme of Compromises, Arrangement and Reconstruction between the Company, Ghani Chemical Industries Limited and Ghani Global Glass Limited, all employees of the Company has deemed to be the employees of Ghani Chemical Industries Limited effective from July 01, 2018. Accordingly provident fund scheme maintained by the Company for the employee of the Company stand transferred in the name of Ghani Chemical Industries Limited.

### **COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE**

The Code of Corporate Governance (the Listed Companies (Code of Corporate Governance) Regulations, 2017) has been implemented. The representation of independent directors has been linked with the restructuring of the board not later than next election of Directors.

### **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 Global Holdings Limited (formerly Ghani Gases Limited) 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 Global Holdings Limited (formerly Ghani Gases Limited) has contributed Rs.NIL (2018: Rs. 884 million) in shape of taxes, duties and levies paid to central, provincial government and local authorities as in the result of implementation of the scheme approved by the Court, the entire figures of contribution have deemed to be paid/contributed by the subsidiary company (GCIL).

## 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 Director	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

## RELATIONS WITH STAKEHOLDERS

The Company is committed to establishing mutually beneficial relations with all stakeholders, 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

The Company 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.

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

The Company 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 directors:

Description	Number of Directors
Male	06
Female	03
<b>Total</b>	<b>09</b>

Composition of directors:

Categories	Number of Directors
Independent directors	02
Other non-executive directors	04
Executive directors	03
<b>Total</b>	<b>09</b>

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, 2019.

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 period of three years and shall retire on October 30, 2020.

## 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.

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

During the year ended June 30, 2019, no remuneration and/fee is paid to chief executive officer, executive directors, non-executive directors and independent directors for performing their duties and 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, 2019 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 shareholders of the Company in their extra-ordinary general meeting held on September 29, 2018 under the supervision of the Honourable Lahore High Court, Lahore (the Court) appointed Chairmen approved the scheme of Compromises, Arrangement and Reconstruction under section 279 to 283 of the Companies Act, 2017 amongst the Company, its subsidiary Ghani Chemical Industries Limited (GCIL) and Ghani Global Glass Limited (GGGL). Thereafter, the Honourable Court vide its order dated 06-02-2019 in Civil Original No. 221137 of 2018 sanctioned the scheme.

In compliance with the approved scheme, sponsors of GGGL transferred their 25,098,200 shares held by them in GGGL to the Company during March 2019 and accordingly holding percentage of the Company in GGGL increased to 50.10%. Upon transfer of these to the Company, the Company issued 14,424,253 shares to the sponsors of GGGL in the ratio of 1:1.74 (mean one share of the Company against every 1.74 shares of GGGL).

Thereafter completing the legal formalities of the approved scheme, the Company transferred its manufacturing undertaking including all assets, liabilities, business activities and employees to Ghani Chemical Industries Limited effective from July 01, 2018 upon allotment of 100,000,000 ordinary shares of Rs. 10 each of GCIL at a premium of Rs. 9.13951 per share to the Company. Accordingly holding percentage of the Company in GCIL has increased to 99.39%.

## 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 change of name of the Company from Ghani Gases Limited to Ghani Global Holdings Limited and transfer of manufacturing undertaking of the Company to Ghani Chemical Industries Limited effective from July 01, 2018.

## ACKNOWLEDGMENT

The directors express their deep appreciation to our valued stakeholders 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  
October 04, 2019

## حصص داران کا پیٹرن

کمپنیز ایکٹ 2017 دفعہ (f)(2) 227 کے مطابق حصص داران کا پیٹرن منسلک ہے۔

## سمجھوتوں ، انتظام اور تعمیر نو کی اسکیم

کمپنی کے حصص داران نے 29 ستمبر 2018 کو معزز لاہور ہائیکورٹ لاہور (عدالت) کے مقرر کردہ چیئرمینوں کی زیر نگرانی غیر معمولی اجلاس میں کمپنیز ایکٹ 2017 کے سیکشن 279 سے 283 کے تحت کمپنی اس کی ذیلی کمپنی غنی کیمیکل انڈسٹریز لمیٹڈ (جی سی آئی ایل) اور غنی گلوبل گلاس لمیٹڈ (جی جی ایل) کے درمیان سمجھوتہ، انتظام اور تعمیر نو کی اسکیم کو منظور دی۔ اس کے بعد معزز عدالت نے اپنے حکم مورخہ 06-02-2019 کے مطابق اس اسکیم کی منظوری دی۔

منظور شدہ اسکیم کی تعمیل میں جی جی ایل کے سپانسرز نے مارچ 2019 کے دوران جی جی ایل میں اپنے 25,098,200 شیئرز کمپنی کو منتقل کئے اور جی جی ایل میں کمپنی کی شیئر ہولڈنگ %50.10 تک بڑھ گئی۔ کمپنی کو ان شیئرز کی منتقلی کے بعد کمپنی نے جی جی ایل کے سپانسرز کو 1:1.74 کے تناسب سے (جی جی ایل کے ہر 1.74 شیئر کے بدلے میں کمپنی کا ایک شیئر) ٹوٹل 14,424,253 شیئرز جاری کیے۔ اس کے بعد منظور شدہ اسکیم کی قانونی و رسم کارروائیوں کو مکمل کرنے کے بعد کمپنی نے اپنے اثاثوں واجبات، کاروباری سرگرمیاں اور ملازمین سمیت اپنے مینوفیکچرنگ منصوبے کو 01 جولائی 2018 سے 100,000,000 عام شیئرز کے بدلے غنی کیمیکل انڈسٹریز لمیٹڈ کو منتقل کر دیا۔ جی سی آئی ایل نے 10 روپے کے شیئر پر فی شیئر 9.13951 روپے پر بیم چارج کیا۔ اس طرح جی سی آئی ایل میں کمپنی کی ہولڈنگ %99.39 فیصد ہو گئی۔

## بیلنس شیٹ کی تاریخ کے بعد کے واقعات

کمپنی کے مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے مابین کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی مادی تبدیلیاں یا وعدے نہیں ہوئے ہیں سوائے اس کے کہ کمپنی کے نام کو غنی گیسز لمیٹڈ سے تبدیل کر کے غنی گلوبل ہولڈنگز لمیٹڈ کر دیا گیا اور یکم جولائی 2018 سے کمپنی نے اپنے مینوفیکچرنگ انڈسٹریز لمیٹڈ کو اپنی ذیلی کمپنی غنی کیمیکل انڈسٹریز لمیٹڈ میں منتقل کر دیا۔

## اعترافی بیانہ

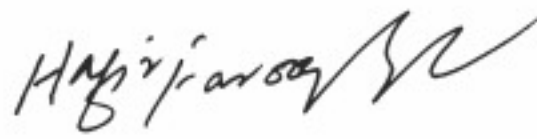
ڈائریکٹرز اپنے معزز کمسٹرز جنہوں نے کمپنی پر اعتماد کیا ان کی تہہ دل سے قدر کرتی ہے۔ ہم ملازمین کی پیشہ ورانہ فرائض کی ادائیگی پر تہہ دل سے قدر کرتے ہیں اور بینکرز اور گورنمنٹ اداروں کے تعاون پر مشکور ہیں جن کی وجہ سے کمپنی اچھے رزلٹ دینے میں کامیاب ہوئی۔ ہم اپنے حصص داران کا شکریہ ادا کرتے ہیں جنہوں 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 تعالیٰ کا شکر ادا کرتے ہوئے اللہ تعالیٰ 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

04 اکتوبر 2019

## بورڈ آف ڈائریکٹرز

کمپنی کے بورڈ آف ڈائریکٹرز تعداد میں نو ہیں جو اپنی آزاد ذمہ داریوں اور کمپنی کو شفاف طریقوں سے نگران کے طور پر اس طرح کے فیصلے کریں کہ اس کی پائیدار ترقی میں اضافہ ہو۔

### ڈائریکٹران کی تعداد

ڈائریکٹران کی تعداد	تفصیل
06	مرد
03	خواتین
09	کل تعداد

### ڈائریکٹران کی ساخت

ڈائریکٹران کی تعداد	تفصیل
02	آزاد/غیر متعلقہ ڈائریکٹرز
04	نان ایگزیکٹو ڈائریکٹرز
03	ایگزیکٹو ڈائریکٹرز
09	کل تعداد

بورڈ کا چیئر مین نان ایگزیکٹو ڈائریکٹرز میں سے ہے۔ میٹنگ کانٹریول، میٹنگ سے سات روز قبل بمعہ ورکنگ پیپرز ڈائریکٹرز کو ارسال کیا جاتا ہے۔ سال مختتمہ 30 جون 2019 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 ہوئے جو کہ 30 اکتوبر 2020 میں ریٹائر ہو جائیں گے۔

## ڈائریکٹرز کا معاوضہ

ڈائریکٹرز کا معاوضہ مارکیٹ میں معیارات کی بنیاد پر کمپنیز ایکٹ 2017 کے سیکشن 170 کی دفعات کے مطابق بورڈ کے ذریعہ مقرر کیا جاتا ہے اور وہ اپنے کام اور ذمہ داریوں کی وسعت کی روشنی میں اہلیت اور کوششوں کے مطالبے کی عکاسی کرتا ہے۔

سی ای او سمیت ایگزیکٹو ڈائریکٹرز کے معاوضے کا ہر سال بورڈ آف ڈائریکٹرز کے ذریعے جائزہ لیا جاتا ہے۔

30 جون 2019 کو ختم ہونے والے سال کے دوران چیف ایگزیکٹو ڈائریکٹرز نان ایگزیکٹو ڈائریکٹرز اور آزاد ڈائریکٹرز کو اپنے فرائض کی انجام دہی اور بورڈ آف ڈائریکٹرز اور کمپنیوں کے اجلاسوں میں شرکت کرنے پر معاوضہ اور فیس ادا نہیں کی گئی۔

## چیئر مین 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 30 جون 2019 کیلئے چیئر مین کی جائزہ رپورٹ منسلک ہے۔

کمپنی کے ممبران کے نام یہ ہیں۔

ڈائریکٹر کا نام	تخصیص	عہدہ
طاہر بشیر خان	غیر متعلقہ / آزاد ڈائریکٹر	چیئر مین
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 ڈائریکٹرز 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 ڈائریکٹر شامل ہیں۔ ہیومن ریسورس اور معاوضہ کے ممبران کے نام اس طرح ہیں۔

ڈائریکٹر کا نام	تخصیص	عہدہ
محمود احمد	غیر متعلقہ / آزاد ڈائریکٹر	چیئر مین
عتیق احمد خان	ایگزیکٹو ڈائریکٹر	ممبر
عائشہ مسرور	نان ایگزیکٹو ڈائریکٹر	ممبر
سائرہ فاروق	نان ایگزیکٹو ڈائریکٹر	ممبر

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 گلوبل ہولڈنگز لمیٹیڈ (سابقہ غنی گیسز لمیٹیڈ) اپنے بزنس پارٹنرز اور بینکرز، ملازمین، سٹاک ایکسچینج، ایس ای سی پی سے باہمی تعلقات خوشگوار رکھنے میں پرعزم ہے۔ الحمد للہ اس عرصہ کے دوران تمام سٹیک ہولڈرز سے تعلقات بہتر رہے۔

### کارپوریٹ سماجی ذمہ داری

کمپنی کارپوریٹ شہری کی حیثیت سے پائیدار کاروباری طریقوں اور اس کی ذمہ داریوں کے لئے پرعزم ہے۔ ہم سمجھتے ہیں کہ کارپوریٹ سماجی ذمہ داری بنیادی طور پر کاروبار کو شفاف اور اخلاقی طریقے سے چلانے کے بارے میں ہے جو نہ صرف ہمارے تمام اسٹیک ہولڈرز کی قدر و قیمت میں اضافہ کرتی ہے بلکہ معاشرے کی فلاح و بہبود کو بڑھانے والے پروگراموں کی حمایت کرتی ہے۔ کمپنی کارپوریٹ سماجی ذمہ داری اور کارپوریٹ گورننس کی رہنمائی سے صحیح سمت میں گامزن ہے۔ کمپنی ایک صاف ستھرے ماحول کی حوصلہ افزائی کرتی ہے اور اپنے ماتحت کمپنیوں کو اس مقصد میں شامل ہونے کی ترغیب دیتی ہے۔ کمپنی اس بات کی حتی الامکان کوشش کرتی ہے کہ کاروباری سرگرمیاں ماحول دوست ہوں اور معاشرے کے لئے نقصان دہ نہ ہوں۔

کمپنی 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۔



## کمپنی کے قانونی محاسبان

موجودہ آڈیٹرز رضوان اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس 28 اکتوبر 2019 کو ہونے والے سالانہ اجلاس کے بعد ریٹائر ہو جائیں گے۔ آڈٹ کمیٹی کے مشورہ کے مطابق بورڈ آف ڈائریکٹرز نے موجودہ آڈیٹرز کو 30 جون 2020 کے اختتامی سال کے لئے بطور کمپنی کے آڈیٹرز دوبارہ تعیناتی کی سفارش کی ہے۔

## حصص کی قیمت کا رجحان

آپ کی کمپنی کے 10 روپے والے شیئر کی قیمت اگست 2018 میں ایک موقع پر 19.20 روپے تک بڑھی، اور مئی 2019 میں اس کی قیمت 07.01 روپے تک کم ہو گئی جبکہ 30 جون 2019 کو یہ شیئر 07.49 روپے پر بند ہوا۔

## یکجا مالی حسابات

کمپنی 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۔

## عملے کی ریٹائرمنٹ کا فائدہ

معزز لاہور ہائیکورٹ کے آرڈر کی تعمیل میں لاہور سول اور جنرل نمبر 18-221137-2019 کے حکم مورخہ 06-02-2019 کے تحت 01 جولائی 2018 سے کمپنی کے تمام ملازمین غنی کیمیکل انڈسٹریز لمیٹڈ کے ملازم ہو گئے ہیں۔ اس کے مطابق کمپنی ملازمین کے لئے کمپنی کی زیر انتظام پروویڈنٹ فنڈ اسکیم کو غنی کیمیکل انڈسٹریز لمیٹڈ کے نام پر منتقل کر دیا گیا 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 ڈائریکٹرز کی شمولیت بارے قوانین، نئے بورڈ آف ڈائریکٹرز کے الیکشن کے ساتھ مشروط کئے گئے ہیں۔

## تعمیل کا بیانیہ

لیسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ایگولیشنز 2017 سے متعلق عمل کرنے کا بیانیہ اس رپورٹ میں شامل ہے۔

## ضابطہ اخلاق

غنی گلوبل ہولڈنگز لمیٹڈ (سابقہ غنی گیسز لمیٹڈ) 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 تمام متعلقہ لوگوں، سپلائرز سے متعلق ہیں اس پر عمل درآمد کریں۔

## قومی خزانے میں حصہ

زیر جائزہ سال میں غنی گلوبل ہولڈنگز لمیٹڈ (سابقہ غنی گیسز لمیٹڈ) نے NIL روپے (2018 میں 884 ملین روپے) بطور ٹیکس، ڈیوٹیاں اور لگان مرکزی اور صوبائی حکومتوں کو ادا کئے ہیں۔ جس کی وجہ کورٹ کی طرف سے اسکیم کا نفاذ ہے اور جو رقم اس ضمن میں ادا کی گئی اسے ذیلی کمپنی (جی سی آئی ایل) کی طرف سے سمجھا جائے گا۔

## محاسبی 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۔

غنی گلوبل گلاس لمیٹیڈ درآمد کے متبادل گلاس ٹیوبنگ، گلاس ایمپولز اور گلاس وائلز 2015 سے بنا رہی ہے۔ جب سے کمپنی نے والیو ایڈیشن اقدامات کرتے ہوئے اپنی ٹیوبنگ سے ایمپولز اور وائلز بنانا شروع کی ہیں سیل کے لحاظ سے اس ذیلی کمپنی کی کارکردگی زبردست ہو گئی ہے۔ اس کمپنی کی مصنوعات پورے پاکستان میں ملٹی نیشنل، ڈل اور لارج سکیل نیشنل فارماسیوٹیکل کمپنیوں میں منظور ہو گئی ہیں۔ کمپنی ایکسپورٹ بزنس میں داخل ہو چکی ہے اور MENA ریجن، ارجنٹائن، روس اور میکسیکو کی مارکیٹ میں داخل ہونے کی کوشش کر رہی ہے۔

پچھلے سال کی نسبت 60 فیصد تک سیل میں اضافے کے باوجود کمپنی نقصان میں رہی اور اسکی وجہ چائنہ سے کم قیمت اور غیر معیاری گلاس ٹیوبنگ کے مقابلے میں ہمیں مارکیٹ میں حصہ لینے کے لئے اعلیٰ معیار اور مہنگی گلاس ٹیوبنگ لاگت سے کم پریسل کرنی پڑی۔ نقصان کی دوسری وجوہات بجلی اور گیس کی قیمتوں میں بے پناہ اضافہ، ڈالر کے مقابلے روپے کی قدر میں کمی اور پالیسی ریٹ میں اضافے کو کسٹمرز کو منتقل نہ ہونا ہے۔

## 2020 کیسا دیکھ رہے ہیں؟

جولائی 2018 سے موثر ایک بڑے رد و بدل کی حیثیت سے کمپنی نے صنعتی اور میڈیکل گیسوں کے کاروبار کی تیاری کی غنی کیمیکل انڈسٹریز لمیٹیڈ اور غنی گلوبل گلاس لمیٹیڈ کی ہولڈنگ کمپنی کے طور پر خود کو متنوع کر دیا ہے۔ اس وقت ملک کو نازک صورتحال کا سامنا کرنا پڑ رہا ہے جہاں معاشی سرگرمیاں سست روی کا شکار ہیں بجلی اور گیس کی قیمتوں میں اضافہ ہوا ہے روپے کی قدر میں کمی اور کاروبار کی لاگت میں بے حد اضافہ ہوا ہے۔ ہم یہ نہیں دیکھ رہے ہیں کہ مستقبل میں اس صورتحال میں بہتری آجائے گی جب تک کہ موجودہ حکومت کی طرف سے اہم اقدامات نہیں کئے جاتے۔

## حصص یافتگان کے لئے ادائیگی

پالیسی کے لحاظ سے آپ کی کمپنی کی انتظامیہ ان کے حصص داران کو ڈیویڈنڈ دینے پر پختہ یقین رکھتی ہے۔ تاہم سال کے دوران کمائے جانے والے بہت ہی کم منافع کو مد نظر رکھتے ہوئے بورڈ آف ڈائریکٹرز نے کسی بھی منافع کا اعلان نہیں کیا ہے۔

## ایسوسی ایٹ / ضمنی کمپنی میں سرمایہ کاری کا احوال

کمپنی کے حصص داران نے 30 اکتوبر 2013 کو منعقدہ اپنے 6 ویں سالانہ اجلاس عام میں غنی گلوبل گلاس لمیٹیڈ کو چھ سال کی مدت کے لئے فنانسنگ کی سہولت کے لئے بیٹکوں کو 650 ملین روپے تک کارپوریٹ گارنٹی جاری کرنے سے متعلق منسوخ شدہ کمپنیز آرڈیننس 1984 کی دفعہ 208 کے تحت خصوصی قرارداد منظور کی۔ اس کے مطابق کمپنی نے غنی گلوبل گلاس لمیٹیڈ ذیلی کمپنی (سابقہ ساتھی کمپنی) 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۔ یہ 2.600 ملین روپے کمیشن کی رقم سال مختتمہ 30 جون 2019 (2018: 2.600 ملین روپے) پروفٹ اینڈ لاس اکاؤنٹ میں دوسری آمدن کے طور پر شامل کی گئی ہے۔ یہ منظوری 29 اکتوبر 2019 کو ختم ہو رہی ہے۔ بورڈ آف ڈائریکٹرز نے اس سہولت کو مزید دو سال کے لئے بڑھانے کی سفارش کی ہے۔ اس سہولت کے معیار میں اضافے کے لئے حصص یافتگان سے منظوری حاصل کرنے کے لئے ایجنڈا آئٹم کو سالانہ جنرل میٹنگ کے نوٹس میں خصوصی کاروبار کے ضمن کے تحت شامل کیا گیا ہے۔ سمجھوتوں، انتظامات اور تعمیر نو کی اسکیم کی عدالت سے منظوری کے نفاذ کے نتیجے میں اس رپورٹ کی تاریخ پر کمپنی کی اپنی ذیلی کمپنیوں میں سرمایہ کاری کی پوزیشن مندرجہ ذیل ہے۔

ماحتہ کمپنی کا نام	شیرتزی کی تعداد	کمپنی میں فیصد حصہ
غنی کیمیکل انڈسٹریز لمیٹیڈ	114,300,000	99.39%
غنی گلوبل گلاس لمیٹیڈ	50,098,200	50.10%

روپے '000' میں سوائے فی حصص		تفصیلات
جون 2018	جون 2019	
2,330,253	-	فروخت
2,048,597	-	خالص فروخت
638,698	-	مجموعی منافع
229,973	-	تقسیم کاری کی لاگت
144,633	2,361	انتظامی اور آپریٹنگ اخراجات
18,177	2,600	دوسری آمدنی
158,785	239	قبل از ٹیکس منافع
157,705	170	خالص منافع
1.14	0.001	فی حصص

## یکجا کارکردگی

30 جون 2019 کو ختم ہونے والے مالیاتی سال کا پچھلے سال سے موازنہ یکجا کارکردگی کے ساتھ درج ذیل ہے۔

روپے '000' میں سوائے فی حصص		تفصیلات
جون 2018	جون 2019	
2,048,597	3,074,726	خالص فروخت
638,698	640,727	مجموعی منافع
227,161	291,369	تقسیم کاری کی لاگت
118,781	207,481	انتظامی اخراجات
17,494	21,362	دوسری آمدنی
123,489	313,734	مالیاتی لاگت
125,743	(212,100)	بعد از ٹیکس منافع / (نقصان)
125,763	(138,052)	سے منسوب
(20)	(74,048)	ہولڈنگ کمپنی کے مالکان
		غیر کنٹرول مفادات
0.91	(0.90)	فی حصص

## غنی کیمیکل انڈسٹریز لمیٹیڈ

معزز لاہور ہائیکورٹ کے سکیم منظور کرنے کے مورخہ 06-02-2019 کے حکم کی تعمیل میں غنی گلوبل ہولڈنگز لمیٹیڈ (سابقہ غنی گیسز لمیٹیڈ) نے اپنے تمام اثاثے، واجبات ملازمین کی جولائی 2018 سے اپنی اس ذیلی کمپنی کو منتقل کر دیئے۔ یہ ذیلی کمپنی انڈسٹریل و میڈیکل گیسز اور کیمیکل کی تیاری کا کام کر رہی ہے۔ ہولڈنگ کمپنی (غنی گلوبل ہولڈنگز لمیٹیڈ) سابقہ غنی گیسز لمیٹیڈ (مینیوفیکچرنگ انڈسٹریلنگ کی اس ذیلی کمپنی کو منتقلی سے قبل 2009 سے اس کاروبار سے منسلق تھی۔ مینیوفیکچرنگ انڈسٹریلنگ کو اس ذیلی کمپنی کو منتقلی کے ساتھ ہی کوالٹی پروڈکشن اور سپلائی کے تمام عہد و پیمانہ، افہام و تفہیم، سمجھوتے، تمام لائسنس، منظوریوں، خط و کتابت اور گارنٹیاں بنام ہولڈنگ کمپنی (سابقہ غنی گیسز لمیٹیڈ) یا اس سے متعلق ہوں وہ تمام اسی حالت میں موجود ہیں گے اور غنی کیمیکل انڈسٹریز لمیٹیڈ ان کو پورہ کرنے کی پابند ہوگی۔ ذیلی کمپنی کی آپریشنل اور سیل کی کارکردگی بہت اچھی رہی البتہ نقصان کی وجوہات بجلی، گیس کی قیمتوں میں اضافہ، ڈالر کے مقابلے میں روپے کی قدر میں 34 فیصد تک کمی، معاشی سرگرمیوں میں سست روی اور سب سے بڑھ کر پالیسی ریٹ میں 13.25 فیصد تک اضافہ ہے۔

# ڈائریکٹرز رپورٹ

معزز حصص داران

السلام وعلیکم ورحمة اللہ وبرکاتہ

غنی گلوبل ہولڈنگز لمیٹڈ (سابقہ غنی گیسز لمیٹڈ) کے ڈائریکٹران کمپنیز ایکٹ 2017 کی تصریحات کے تحت سالانہ تنقیح شدہ اور غیر یکجہ مالی حسابات برائے سال ختمہ 30 جون 2019 پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

## قومی معیشت کا جائزہ

گذشتہ مالی سال پاکستان کی معیشت صنعتوں اور دیگر طبقات کے چیلنجوں سے بھری ہونے کی وجہ سے ایک اہم سنگم میں داخل ہو گئی ہے۔ پچھلے جولائی کے بعد سے روپے کی قدر میں 34% کمی نے افراط زر کی شرح میں اہم کردار ادا کیا ہے جس کی وجہ یہ ہے کہ جون 2019 میں سی پی آئی کی (صارف قیمت اشاریہ) کی قیمت 8.9 فیصد تھی۔ جاری درد ایک طویل عرصہ سے تیار ہے۔ لیکن اس سے بھی اہم بات یہ ہے کہ طویل مدتی ساختی تبدیلیاں لانے کے لئے جو جرات مندانہ اور ضروری اقدامات نافذ کیے جا رہے ہیں وہ آنے والے سالوں میں مضبوط اور پائیدار ترقی کی بنیاد قائم کریں گے۔ اسٹیٹ بینک نے پالیسی شرح میں مستحکم اضافے کے ساتھ بڑھتی ہوئی قیمتوں پر جواب دیا ہے جو اب 13.25% ہے۔ نتیجے کے طور پر معاشی سرگرمی اور کاروباری اعتماد کم ہو گیا ہے مالی سال 2020 میں جی ڈی پی کی شرح نمو اب 3 فیصد کے قریب ہونے کی امید ہے۔ کرنسی کے نظام کی کمزوری بیرونی پوزیشن اور قرض چڑھنے کی تشویش نے عالمی سرمایہ کاری کی کمیونٹی کو ایک طرف رکھ دیا ہے۔ بہر حال نظر میں بدلاؤ کے آثار ہیں۔ بین الاقوامی مالیاتی فنڈ نے حال ہی میں پاکستان کے لئے 6 بلین امدادی پروگرام کی منظوری دی ہے۔ جبکہ کچھ سخت ساختی اقدامات اٹھائے جا رہے ہیں تو قریب ہی ہے کہ آئی ایم ایف پروگرام کے ذریعے فوری طور پر کچھ دقیقہ نوسی خدشات کو ختم کیا جاسکے گا اور ملک میں اضافی غیر ملکی سرمایہ کاری کی جائے گی۔ مئی میں جاری کھاتوں کا خسارہ 1.1 بلین ڈالر تھا جو گذشتہ سال کے مقابلے میں 29 فیصد بہتری ہے۔ حکومت کی مالی پالیسیاں طویل عرصے تک وسیع پیمانے پر ٹیکس کی تعمیل اور کاروباری اصلاحات پر عمل درآمد مینوفیکچرنگ کی حوصلہ افزائی اور غیر ضروری درآمدات کی حوصلہ شکنی پر توجہ مرکوز کرتی رہتی ہیں۔ کاروبار کرنے میں آسانی کو بڑھانے جدت کے ذریعہ معیشت کو ڈھکیچلا کر کرنے اور ہمارے برآمدی اڈے کو تقویت بخش اور متنوع بنانے کے لئے ابھی بھی بہت سارے کام کرنے کی ضرورت ہے۔ مجموعی طور پر معاشی صورتحال واقعتاً پریشان کن ہے۔ شرح نمو 6.2 فیصد تک قریب 50 فیصد گر گئی ہے۔ توقع ہے کہ اگلے سال کے دوران یہ مزید کم ہو کر 2.4 فیصد ہو جائے گی جو گذشتہ 10 سالوں میں ملک کا سب سے کم درجہ ہوگا۔ توقع ہے کہ افراط زر اگلے 12 ماہ کے دوران 13 فیصد کے لگ بھگ رہے گا جو 10 سال کی اونچی سطح تک بھی پہنچ جائے گا۔

## مالیاتی کارکردگی

01 جولائی 2018 سے لاگوسول اور جنرل نمبر 18-221137 میں 06-02-2019 کے حکم کے تحت معزز لاہور ہائیکورٹ لاہور نے منظور شدہ سمجھوتوں، انتظامات اور تعمیر نو کی اسکیم کی تعمیل میں کمپنی نے کمپنی کے ملازمین سمیت تمام اثاثے، واجبات، حقوق، عنوان دلچسپی سمیت اس کیمبیو فیکچرنگ منصوبے کو کمپنی کے ذیلی ادارہ غنی کیمیکل انڈسٹریز لمیٹڈ کو منتقل کر دیا۔ منظور شدہ اسکیم کے تحت جولائی 2018 کے بعد سے کمپنی کو حاصل کی جانے والی آمدنی یا منافع اور مینوفیکچرنگ منصوبوں کے سلسلے میں کمپنی کی ذریعہ ہونے والے تمام اخراجات، چارجز، آمدن اور نقصانات یا ٹیکس غنی کیمیکل انڈسٹریز لمیٹڈ (جی سی آئی ایل) کے لئے کئے گئے ہیں۔ اسی کے تحت کمپنی کی جانب سے 30 جون 2019 کو ختم ہونے والے سال کے دوران مینوفیکچرنگ کی تمام سرگرمیاں، فروخت، خریداری، اخراجات، جی سی آئی ایل کی جانب سے کئے گئے ہیں۔

## علیحدہ سے کارکردگی

آپ کی کمپنی کے 30 جون 2019 کو ختم ہونے والے سال کے اہم مالیاتی نتائج کا گذشتہ سال کے ساتھ موازنہ درج ذیل ہے۔

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

**Name of Company:** Ghani Gases Limited

**Year Ending:** June 30, 2019

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 meeting 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.

Consequence to implantation of Scheme of Compromises, Arrangement and Reconstruction with effect from July 01, 2018; remuneration to directors will be paid from the subsidiary company, i.e. Ghani Chemical Industries Limited, if any. It is emphasized that no remuneration will be paid from the Company and appropriate disclosures have been made in annual report of the Company to maintain fairness and transparency.

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

<b>Sr. No.</b>	<b>Name</b>
1.	Mr. Tahir Bashir Khan
2.	Mrs. Rabia Atique
3.	Mrs. Saira Farooq

On an overall basis, our directors taken as a whole are compliant as of June 30, 2019 with the requirements of the Directors' Training Programme contained in the regulations.

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.

Consequence to implantation of Scheme of Compromises, Arrangement and Reconstruction with effect from July 01, 2018; remuneration to CFO, Company Secretary and Head of Internal Audit will be paid from the subsidiary company, i.e. Ghani Chemical Industries Limited. It is emphasized that no remuneration will be paid from the Company and appropriate disclosures have been made in annual report of the Company to maintain fairness and transparency.

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**

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

**a. HR and Remuneration Committee**

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

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	Quarterly
a. HR and Remuneration Committee	Half-yearly

15. The board has set up an effective internal audit function which is supervised by the Head of Internal Audit who is considered suitably qualified and experienced for the purpose and are 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.



**ATIQUE AHMAD KHAN**  
(CHIEF EXECUTIVE OFFICER)



**HAFIZ FAROOQ AHMAD**  
(DIRECTOR)

Lahore  
October 04, 2019

## INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of Ghani Global Holdings Limited (Then 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 Global Holdings Limited (Then Ghani Gases Limited) for the year ended June 30, 2019 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, 2019.

Lahore:

Date: October 04, 2019

  
**RIZWAN & COMPANY**  
CHARTERED ACCOUNTANTS  
Engagement Partner: Imran Bashir  




# PATTERN OF THE SHARE HOLDING

## As on 30-06-2019

FORM - 34

NUMBER OF SHARES		NO OF SHAREHOLDERS	NUMBER OF SHARES HELD	%ON ISSUED
From	To			
1	100	412	10,495	0.01
101	500	236	73,001	0.05
501	1000	581	376,410	0.25
1001	5000	1,397	3,179,345	2.07
5001	10000	464	3,220,411	2.10
10001	15000	224	2,624,058	1.71
15001	20000	113	1,955,225	1.28
20001	25000	79	1,774,154	1.16
25001	30000	66	1,817,845	1.19
30001	35000	39	1,269,030	0.83
35001	40000	35	1,311,344	0.86
40001	45000	18	766,513	0.50
45001	50000	22	1,061,249	0.69
50001	55000	16	840,206	0.55
55001	60000	17	965,297	0.63
60001	65000	12	754,682	0.49
65001	70000	8	536,324	0.35
70001	75000	6	442,740	0.29
75001	80000	6	465,570	0.30
80001	85000	4	335,263	0.22
85001	90000	1	88,788	0.06
90001	95000	2	185,437	0.12
95001	100000	10	988,891	0.65
100001	105000	7	735,000	0.48
105001	110000	3	318,985	0.21
110001	115000	4	446,028	0.29
115001	120000	4	469,116	0.31
120001	125000	5	610,168	0.40
125001	130000	2	255,188	0.17
130001	135000	2	261,830	0.17
140001	145000	2	285,950	0.19
150001	155000	1	153,825	0.10
155001	160000	4	631,538	0.41
160001	165000	1	164,166	0.11
165001	170000	4	673,784	0.44
170001	175000	2	344,276	0.22
185001	190000	1	189,367	0.12
195001	200000	2	400,000	0.26
205001	210000	1	207,114	0.14
210001	215000	2	422,541	0.28
220001	225000	2	443,940	0.29
225001	230000	1	229,665	0.15
230001	235000	1	233,756	0.15
245001	250000	2	496,500	0.32
250001	255000	1	252,281	0.16
255001	260000	1	259,000	0.17
260001	265000	1	262,500	0.17

275001	280000	1	277,462	0.18
295001	300000	1	300,000	0.20
305001	310000	1	307,475	0.20
310001	315000	2	628,500	0.41
320001	325000	1	320,818	0.21
335001	340000	1	335,475	0.22
375001	380000	1	376,793	0.25
395001	400000	1	400,000	0.26
405001	410000	1	410,000	0.27
415001	420000	1	420,000	0.27
435001	440000	1	438,226	0.29
455001	460000	1	456,750	0.30
495001	500000	1	500,000	0.33
545001	550000	1	546,000	0.36
610001	615000	1	611,931	0.40
625001	630000	1	625,550	0.41
895001	900000	1	900,000	0.59
1030001	1035000	1	1,032,160	0.67
2945001	2950000	1	2,948,998	1.92
3505001	3510000	1	3,509,300	2.29
5405001	5410000	1	5,407,499	3.53
5780001	5785000	1	5,781,954	3.77
6180001	6185000	1	6,182,329	4.03
7700001	7705000	1	7,704,288	5.03
13845001	13850000	1	13,845,350	9.03
20235001	20240000	1	20,237,959	13.20
22305001	22310000	1	22,305,918	14.55
22705001	22710000	1	22,706,293	14.81
		<b>3,853</b>	<b>153,305,824</b>	<b>100</b>

## CATEGORIES OF SHAREHOLDERS

### As At June 30, 2019

Categories of Shareholders	Number of Shareholders	Number of Share held	Percentage %
Directors, Chief Executive Officer and their Spouse(s) and minor Children	9	85,594,369	55.83
Banks	2	13,901,396	9.07
Mutual Funds	2	18,999	0.01
Modaraba Companies	2	33,564	0.02
Provident Funds and Pension Fund	4	296,165	0.19
Government Institution	1	97,216	0.06
Trust	4	11,931	0.01
Joint Stock Companies	36	2,221,737	1.45
Individuals	3,789	51,130,447	33.35
<b>TOTAL</b>	<b>3,849</b>	<b>153,305,824</b>	<b>100.00</b>

# SIX YEARS AT A GLANCE

	Rs. (in 000)					
	2019	2018	2017	2016	2015	2014
<b>Operating Results</b>						
Sales (gross)	-	2,330,253	2,053,432	2,013,015	1,967,317	1,558,692
Gross profit	-	638,698	568,634	575,635	569,924	327,306
Profit before tax	239	158,785	181,084	276,612	249,239	103,536
<b>Financial data</b>						
Fixed assets	-	3,039,513	2,838,962	2,682,306	2,525,060	2,334,225
Capital work in progress	-	4,800	100,146	79,409	41,612	14,030
Intangible assets	70	14,631	70	70	70	350
Long term deposits	-	68,257	57,756	68,909	68,151	64,162
Long term investment	2,779,267	593,000	593,000	500	45,133	45,000
Current assets	1,973	1,606,976	1,374,818	2,070,629	963,017	679,629
Current liabilities	1,803	1,426,491	654,930	1,534,421	821,671	676,662
	<b>2,779,507</b>	<b>3,900,686</b>	<b>4,309,822</b>	<b>3,367,402</b>	<b>2,821,372</b>	<b>2,460,734</b>
<b>Financed by:</b>						
Ordinary capital	1,533,059	1,322,682	1,247,813	1,247,813	742,746	742,746
Reserves	522,137	460,198	535,067	535,067	30,000	30,000
Un appropriated profit	724,311	724,141	566,436	429,333	341,627	227,696
<b>Shareholder's equity</b>	<b>2,779,507</b>	<b>2,507,021</b>	<b>2,349,316</b>	<b>2,212,213</b>	<b>1,114,373</b>	<b>1,000,442</b>
Loan from sponsors (interest fee)	-	231,450	638,500	501,200	1,027,969	1,004,104
Non-current liabilities	-	1,162,215	1,322,006	653,989	679,030	456,188
<b>Finances and deposits</b>	<b>-</b>	<b>1,393,665</b>	<b>1,960,506</b>	<b>1,155,189</b>	<b>1,706,999</b>	<b>1,460,292</b>
Funds invested	<b>2,779,507</b>	<b>3,900,686</b>	<b>4,309,822</b>	<b>3,367,402</b>	<b>2,821,372</b>	<b>2,460,734</b>
Earning per-share (Rs.)	0.001	1.14	1.04	1.90	2.13	0.98
Break-up-value (Rs.)	18.13	18.95	18.83	17.73	15.00	13.47
Cash Dividend %	-	-	-	-	16	5
Bonus Share %	-	5	6	-	-	5
Right Share % (at premium of Rs 10)	-	-	-	68	-	-

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 12th Annual General Meeting (AGM) of **Ghani Global Holdings Limited** (formerly Ghani Gases Limited/the Company) will be held on Monday October 28, 2019 at 11:30 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, 2019 together with Directors' and Auditors' Reports thereon.
2. To appoint Auditors of the Company for the year ending June 30, 2020 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 approve alteration in Clause III of the Memorandum of Association of the Company by passing the resolution as a special resolution proposed in the Statement annexed to the notice of AGM.
5. To consider and if deemed fit pass the following resolution as a special resolution with or without modification, addition or deletion to extend the period of corporate guarantee issued to the banks for financing facility to Ghani Global Glass Limited a subsidiary of the Company (formerly associated company) from six years to eight years.

**RESOLVED** that approval of the members of Ghani Global Holdings Limited be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 to extend the period of the corporate guarantee of up to Rs. 650 million provided to the banks for financing facility to Ghani Global Glass Limited a subsidiary of the Company (formerly associated company) in terms of special resolution passed by shareholders of Ghani Global Holdings Limited (formerly Ghani Gases Limited) under section 208 of the repealed Companies Ordinance 1984, in their Annual General Meeting held on October 30, 2013 from six years to eight years.

6. To consider and if deemed fit pass the following resolution as a special resolution with or without modification, addition or deletion to accord the approval for cross corporate guarantee to be issued to the bank for financing facility to Ghani Global Glass Limited a subsidiary of the Company.

**RESOLVED** that pursuant to the requirements of Section 199 of the Companies Act 2017, Ghani Global Holdings Limited (formerly Ghani Gases Limited/the Company) be and is hereby authorized to issue cross corporate guarantee up to Rs.125 million to the bank(s) for financing facility to Ghani Global Glass Limited a subsidiary of the Company, for a period of three years subject to terms and conditions mentioned in the statement under Section 134(3) of the Companies Act, 2017.

**Further Resolved** that the Chief Executive and Company Secretary of the Company be and is hereby singly authorized to take any and/or all actions to implement and give effect to the above resolution and to complete any or all necessary required corporate and legal formalities for the purpose of implementation of the above resolution.

By Order of the Board



**FARZAND ALI**  
Company Secretary

Place: **Lahore**  
Dated: **October 05, 2019**

**Notes:**

**1. Book Closure**

Share Transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from Tuesday, October 22, 2019 to Monday, October 28, 2019 (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 Monday, October 21, 2019 will be treated in time for the purpose of attendance in the AGM.

**2. Attendance of Meeting**

A member entitled to attend, speak and vote at the AGM 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, 2019 has been placed at company's website **www.ghaniglobal.com**.

Annual financial statements of the Company for the year ended June 30, 2019, along with notice of this AGM 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 AGM of the Company on October 28, 2019 is as under:

### Agenda Item No. 4

#### Amendment/ Alteration in Memorandum of Association

The Honourable Lahore High Court, Lahore vide its order dated 06-02-2019 in Civil Original No, 221137-18 has sanction the scheme of Compromises, Arrangements and Reconstruction between Ghani Global Holdings Limited (formerly Ghani Gases Limited), Ghani Chemical Industries Limited a subsidiary company and Ghani Global Glass Limited. In compliance with the Court Order, the Company has transferred its manufacturing undertaking including all assets and liabilities to Ghani Chemical Industries Limited (subsidiary of the Company) against allotment of shares by the subsidiary to the Company. In pursuance of the Court Order and the approved scheme, the Company changed its name from Ghani Gases Limited to Ghani Global Holdings Limited. Accordingly, the Company has been acting as holding company of Ghani Chemical Industries Limited and Ghani Global Glass Limited.

No directors or Chief Executive of the Company or their relatives have any interest in the proposed alterations of the Memorandum of Association of the Company except in their capacities as directors/Chief Executive/shareholders.

#### Draft proposed Resolutions:

The following resolution is proposed to be passed as Special Resolution, with or without modifications to amend the Memorandum of Association of the Company:

**RESOLVED** that subject to confirmation of the Securities and Exchange Commission of Pakistan (SECP), the following new sub-clause be and is hereby added in clause III of the Memorandum of Association immediately before the existing sub-clause to read as follows:

“To carry on the business of holding company, and to acquire by purchase, lease, concession, grant, licence or otherwise such businesses, options, rights, privileges, lands, buildings, leases, underleases, stocks, shares, debentures, debenture stock, bonds, obligations, securities, reversionary interests, annuities, policies of assurance and other property and rights and interests in property as the company shall deem fit and generally to hold, manage, develop, lease, sell or dispose of the same; and to vary any of the investments of the company, to act as trustees of any deeds constituting or securing any debentures, debenture stock or other securities or obligations; to establish, carry on, develop and extend investments and holdings and to sell, dispose of or otherwise turn the same to account and to coordinate the policy and administration of any companies of which this company is a member or which are in any manner controlled by or connected with the company.”

**FURTHER RESOLVED THAT** the aforesaid new sub-clause be and is hereby numbered as (1) and the existing sub-clause (1) be renumbered as sub-clause (1a) of Clause III of the Memorandum of Association.

**FURTHER RESOLVED THAT** the amended Memorandum of Association, as laid before the members, bearing the initials of the Company Secretary for the purpose of identification be and is hereby approved and adopted.

**FURTHER RESOLVED** that the Chief Executive Officer and / or Company Secretary be and are hereby authorized to do all acts, deeds and things, take any or all necessary actions to complete all legal and corporate formalities, make amendments, modification addition or deletion and file all requisite documents and/or application with requisite documents with the Registrar to effectuate and implement this special resolution.

**FURTHER RESOLVED** that the aforesaid alteration in the Memorandum of the Company shall be subject to any amendment, modification, addition or deletion as may be deemed appropriate by the authorized person or as may be suggested, directed and advised by the SECP which suggestion, direction and advise shall be deemed to be have been approved as part of the passed Special Resolution without the need of the members to pass a fresh Special Resolution.”

### **Comparative Analysis**

It is purposed to add a new clause to the existing Object Clause of the Memorandum of Association of the Company as mentioned herein above.

### **Reasons for Alteration in Memorandum of Association:**

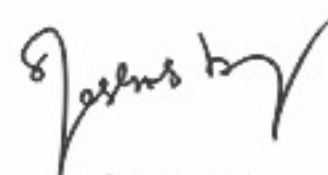
The proposed alteration is being made to reflect the business of the amalgamating company.

### **Availability of Relevant Documents and Inspection**

A copy each of the existing and proposed Memorandum of Association indicating the proposed amendments are available for inspection at the registered office of the Company from 9.00 a.m. to 5.00 p.m. on any working day, upto the last working day before the date of the Annual General Meeting. The same shall also be available for inspection by the members in the Annual General Meeting.

### **Statement of the Board of Directors**

We, the members of the Board of Directors of the Company hereby confirm that the proposed amendments/alterations in the Memorandum of Association of the Company comply with the applicable laws and regulatory framework.



Chairman  
Board of Directors

## **Agenda Item No. 5**

### **Modification in Special resolution dated October 30, 2013**

The shareholders of Ghani Global Holdings Limited (formerly Ghani Gases Limited /the Company) in their 6TH Annual General Meeting held on October 30, 2013 passed a special resolution under section 208 of the repealed Companies Ordinance 1984 regarding issue of corporate guarantee up to Rs.650 million to the banks for financing facility to Ghani Global Glass Limited for a period of six years.

In pursuance to the approval granted by the shareholders under section 208 of the repealed Companies Ordinance 1984, the Company has issued corporate guarantee for Rs. 650 million to the banks for financing facility to Ghani Global Glass Limited (now one of the subsidiary of the Company). The Company has been charging commission on corporate guarantee @ 0.10% per quarter amounting to Rs. Rs.2.600 million per annum. As a security against issuance of corporate guarantee, the Company has obtained personal guarantees of directors of this subsidiary company as collateral security.

On the request of Ghani Global Glass Limited to cover the grace period of financing facility, the board of directors of the Company has proposed to extend the corporate guarantee period from six years to eight years subject to approval of members in terms of Section 199 of the Companies Act, 2017. Rate of commission and other terms attached to the approval as described in statement under section 160 of the repealed Companies Ordinance 1984 circulated to the shareholders of the Company with notice of Annual General Meeting dated October 08, 2013 shall remain unchanged.

## Agenda Item No. 6

### Special Resolution for Issuance of Cross Corporate Guarantee

On the request of Ghani Global Glass Limited a subsidiary of the Company, the Board of Directors of the Company has proposed to issue Cross Corporate Guarantee to the bank(s) of Ghani Global Glass Limited subject to approval by shareholders of the Company.

Ghani Global Glass Limited is engaged in manufacturing and sale of import substitute Glass Tubing, Glass Vials and Glass Ampoules since 2015. To meet the security requirements of the bank, the board of directors of Ghani Global Glass Limited has requested to the Company to issue the Cross Corporate Guarantee amounting to Rs. 125 million to the bank for a period of three years.

The information required under SRO 1240(1)/2017 dated 06 December 2017 are as under:

#### (a) DISCLOSURES:

##### (A) Regarding associated company or associated undertaking:

Sr. No.	Requirement	Information																										
(i)	Name of Associated Company	Ghani Global Glass Limited (GGGL)																										
(ii)	Basis of relationship	-Common directorship -Subsidiary company with 50.10% holding																										
(iii)	Earnings per share for the last three years	Year 2019: Rs. (1.48) Year 2018: Rs. (1.23) Year 2017: Rs. (1.27)																										
(iv)	Break-up value per shares, based on latest audited financial statements	Rs. 13.19 (with sponsors loan) Rs. 5.50 (without sponsors loan)																										
(v)	Financial position, including main items of statement of financial position and profit and loss accounts on the basis of its latest financial statements.	Audited Financial Statements of GGGL for the year ended June 30, 2019 showed:  <table><thead><tr><th></th><th>Rupees in "000"</th></tr></thead><tbody><tr><td><b>Profit &amp; Loss:</b></td><td></td></tr><tr><td>Sales (net)</td><td>792,027</td></tr><tr><td>Gross profit</td><td>52,173</td></tr><tr><td>Administrative expenses</td><td>61,580</td></tr><tr><td>Other income</td><td>6,895</td></tr><tr><td>Finance cost</td><td>103,058</td></tr><tr><td>Loss after taxation</td><td>147,599</td></tr><tr><td><b>Financial Position:</b></td><td></td></tr><tr><td>Operating fixed assets</td><td>1,531,018</td></tr><tr><td>Other non-current assets</td><td>24,679</td></tr><tr><td>Current assets</td><td>897,043</td></tr><tr><td><b>Total Assets</b></td><td><b>2,452,740</b></td></tr></tbody></table>		Rupees in "000"	<b>Profit &amp; Loss:</b>		Sales (net)	792,027	Gross profit	52,173	Administrative expenses	61,580	Other income	6,895	Finance cost	103,058	Loss after taxation	147,599	<b>Financial Position:</b>		Operating fixed assets	1,531,018	Other non-current assets	24,679	Current assets	897,043	<b>Total Assets</b>	<b>2,452,740</b>
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<b>Total Assets</b>	<b>2,452,740</b>																											



		Rupees in "000"
	<b>Profit &amp; Loss:</b>	
	Paid up Capital	1,000,000
	Accumulated loss	(449,771)
	Loan from sponsors	768.960
		<hr/>
	Total equity	1,319,189
	Non- current liabilities	262,163
	Current liabilities	871,388
	<b>Total Equity and Liabilities</b>	<b>2,452,740</b>

**(B) General Disclosures:**

(i)	Maximum amount of investment to be made	Rs.125 million as Cross Corporate Guarantee.																																				
(ii)	Purpose,	To earn commission without any investment																																				
(iii)	Source of funds to be utilized for investment.	Not applicable.																																				
(iv)	Salient features of the agreement (if any) with associated company or associated undertaking with regards to proposed investment.	Agreement will be executed before issuing the guarantee with the terms and conditions as approved by the shareholders.																																				
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives , if any, in the associates company or associated undertaking or the transaction under consideration:	<p>Currently shareholding position of the following directors and majority shareholders of the Company (Ghani Global Holdings Limited) in associated company (GGGL) is as under:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><b>Name</b></th> <th style="text-align: center;"><b>Number of Shares</b></th> <th style="text-align: center;"><b>Holdings %</b></th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Directors</b></td> </tr> <tr> <td>Mr. Masroor Ahmad Khan</td> <td style="text-align: center;">1,000</td> <td style="text-align: center;">0.001</td> </tr> <tr> <td>Mr. Atique Ahmad Khan</td> <td style="text-align: center;">1,000</td> <td style="text-align: center;">0.001</td> </tr> <tr> <td>Hafiz Farooq Ahmad</td> <td style="text-align: center;">1,000</td> <td style="text-align: center;">0.001</td> </tr> <tr> <td>Mr. Tahir Bashir Khan</td> <td style="text-align: center;">1,539,550</td> <td style="text-align: center;">1.54</td> </tr> <tr> <td>Mr. Mahmood Ahmad</td> <td style="text-align: center;">25</td> <td style="text-align: center;">0.00</td> </tr> <tr> <td>Mrs. Ayesha Masroor</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Mrs. Rabia Atique</td> <td style="text-align: center;">1,000</td> <td style="text-align: center;">0.001</td> </tr> <tr> <td>Mrs. Saira Farooq</td> <td style="text-align: center;">1,000</td> <td style="text-align: center;">0.001</td> </tr> <tr> <td>Mr. Farzand Ali</td> <td style="text-align: center;">4,000</td> <td style="text-align: center;">0.004</td> </tr> <tr> <td>Ghani Global Holdings Ltd. (formerly Ghani Gases Ltd.)</td> <td style="text-align: center;">50,098,200</td> <td style="text-align: center;">50.10</td> </tr> </tbody> </table> <p>GGGL hold no share in GGL. The sponsors, directors of GGGL holds the following shares in GGL:</p>	<b>Name</b>	<b>Number of Shares</b>	<b>Holdings %</b>	<b>Directors</b>			Mr. Masroor Ahmad Khan	1,000	0.001	Mr. Atique Ahmad Khan	1,000	0.001	Hafiz Farooq Ahmad	1,000	0.001	Mr. Tahir Bashir Khan	1,539,550	1.54	Mr. Mahmood Ahmad	25	0.00	Mrs. Ayesha Masroor	-	-	Mrs. Rabia Atique	1,000	0.001	Mrs. Saira Farooq	1,000	0.001	Mr. Farzand Ali	4,000	0.004	Ghani Global Holdings Ltd. (formerly Ghani Gases Ltd.)	50,098,200	50.10
<b>Name</b>	<b>Number of Shares</b>	<b>Holdings %</b>																																				
<b>Directors</b>																																						
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Mr. Atique Ahmad Khan	1,000	0.001																																				
Hafiz Farooq Ahmad	1,000	0.001																																				
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Mr. Mahmood Ahmad	25	0.00																																				
Mrs. Ayesha Masroor	-	-																																				
Mrs. Rabia Atique	1,000	0.001																																				
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Mr. Farzand Ali	4,000	0.004																																				
Ghani Global Holdings Ltd. (formerly Ghani Gases Ltd.)	50,098,200	50.10																																				

		<b>Name Directors</b>	<b>Number of Shares</b>	<b>Holdings %</b>
		Mr. Masroor Ahmad Khan	22,737,793	14.83
		Mr. Atique Ahmad Khan	20,269,459	13.22
		Hafiz Farooq Ahmad	22,337,418	14.57
		Mr. Tahir Bashir Khan	27	00.00
		Mr. Mahmood Ahmad	33,185	0.02
		Mrs. Ayesha Masroor	5,781,954	3.77
		Mrs. Rabia Atique	7,704,288	5.03
		Mrs. Saira Farooq	6,182,329	4.03
		Mr. Farzand Ali	1,196	0.00
(vi)	Already investment in associated company.	Corporate guarantee Rs. 650 million		
(vii)	Any other important details necessary for the member to understand the transaction.	Nil		

**(b) In case of Investments in the form of Guarantees**

(i)	Category wise amount of investments	Rs.125 million as Cross Corporate Guarantee
(ii)	Average borrowing cost of the investing company	Commission on guarantees @ 0.10% per quarter
(iii)	Rate of interest, markup, profit, fees or commission etc to be charged	Commission @ 0.10% per quarter
(iv)	Particulars of collateral security to be obtained in relation to the proposed investment.	-Demand Promissory Note of subsidiary company. -Personal guarantees of sponsoring directors of subsidiary company.
(v)	If the investment carry conversion features:	Not applicable
(vi)	Repayment schedule	-Cross Corporate Guarantee is for a period of three years.
(vi)	Terms & conditions of loans or advances	-Commission on quarterly basis -Collateral security(s) from subsidiary company. -Personal guarantees of sponsoring directors. -any other term or condition approved by shareholders of the company.

In pursuance to Regulation No. 3 (3) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 under SRO 1240(1)/2017 dated 6th December 2017, the directors of the Company have carried out due diligence for the proposed investment in Ghani Global Glass Limited (GGGL).

The following documents shall be available to the members of the Company for inspection in the general meeting being held on October 28, 2019:

1. Recommendations of due diligence report of investing company.
2. Latest annual audited financial statements of subsidiary company (GGGL).

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An investor education initiative of the SECP



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# INVEST IN STOCK MARKET WITH CONFIDENCE



**To protect your assets, we advise you to follow the guidelines below:**

- You cannot trade unless you have a Central Depository Company (CDC) Account
- Use Central Depository Company (CDC), free-of-cost eAlert, eStatement and SMS "Alert" services. Make sure that your correct mobile number and email address is entered in Central Depository System to ensure receipt of alert every time you move your securities from your account
- 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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# UNCONSOLIDATED FINANCIAL STATEMENTS



## INDEPENDENT AUDITOR'S REPORT

To the members of Ghani Global Holdings Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of Ghani Global Holdings Limited (the Company), which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss, statement of 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, statement of 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, 2019 and of the profit, the comprehensive income, 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 Matter	How our audit addressed the key audit matter
<b>Implementation of Scheme of Compromises, Arrangement and Reconstruction</b>	
A Scheme of Compromises, Arrangement and Reconstruction among the shareholders of Ghani Global Glass Limited, Ghani Chemical Industries Limited and Ghani Gases Limited was approved by the Honorable Lahore High Court, Lahore through its Order dated February 06,	We assessed the procedures applied by the management for identification of the assets and liabilities pertaining to manufacturing undertaking to be transferred to Ghani Chemical Industries and net assets to be retained by the Company.



2019 and granted Sanction Order with certain modification for the separating / demerging of 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 and transfer of shares of Ghani Global Glass Limited held by sponsors to Ghani Gases Limited against issuance of shares by Ghani Gases Limited.

The significance of transactions coupled with the judgment involved in transfer of assets and liabilities along with the operations of manufacturing undertaking and consequent impact on long term investment being identified as Key Audit Matter.

We also evaluated the basis by the management for segregation of the assets and liabilities.

We also considered the basis of segregation of assets, liabilities, income and expenses in accordance with the provisions of the Scheme of Compromises, Arrangement and Reconstruction read with Order of Honorable Lahore High Court, Lahore.

We ensure that appropriate of the additional disclosures made in these financial statements with regard to transfer of assets, liabilities, income and expenses, wherever necessary.

We also checked appropriateness and accuracy of entries relating to long term investments incorporated in these financial statements pursuant to the Scheme.

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

Management is responsible for the other information. The other information comprises the information incurred 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.

*Two*

## 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.
- 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

*Two*

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 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).

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

Lahore:

Date: October 04, 2019

  
**RIZWAN & COMPANY**  
CHARTERED ACCOUNTANTS  
Engagement Partner: Imran Bashir

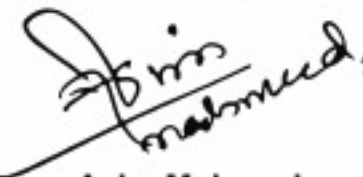


**Ghani Global Holdings Limited (Formerly Ghani Gases Limited)**  
**Statement of Financial Position**  
**As as June 30, 2019**

	Note	2019 (Rupees '000')	2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	-	3,044,313
Intangible assets	7	70	14,631
Long term investments	8	2,779,267	593,000
Long term deposits	9	-	68,257
		<b>2,779,337</b>	<b>3,720,201</b>
<b>Current assets</b>			
Stores, spares and loose tools	10	-	201,566
Stock in trade	11	-	94,343
Trade debts	12	-	468,959
Loans and advances	13	1,973	195,853
Trade deposits and prepayments	14	-	47,420
Other receivables		-	864
Tax refunds due from government	15	-	47,503
Advance income tax - net		-	376,706
Cash and bank balances	16	-	173,762
		<b>1,973</b>	<b>1,606,976</b>
<b>TOTAL ASSETS</b>		<b>2,781,310</b>	<b>5,327,177</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital 200,000,000 (June 2018: 200,000,000) ordinary shares of Rs. 10 each		<b>2,000,000</b>	2,000,000
Issued, subscribed and paid up share capital	17	<b>1,533,059</b>	1,322,682
Capital reserve - share premium	18	<b>522,137</b>	460,198
Unappropriated profit		<b>724,311</b>	724,141
Loan from sponsors	19	-	231,450
		<b>2,779,507</b>	<b>2,738,471</b>
<b>Non-current liabilities</b>			
Long term financing	20	-	33,857
Redeemable capital - Sukuk	21	-	812,499
Long term security deposits	22	-	33,025
Deferred taxation	23	-	282,834
		-	<b>1,162,215</b>
<b>Current liabilities</b>			
Trade and other payables	24	<b>890</b>	199,937
Unclaimed dividend		<b>844</b>	853
Accrued profit on financing	25	-	23,957
Short term borrowings	26	-	955,986
Current portion of long term liabilities	27	-	242,280
Provision for taxation	35	<b>69</b>	3,478
		<b>1,803</b>	<b>1,426,491</b>
<b>Total liabilities</b>		<b>1,803</b>	<b>2,588,706</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,781,310</b>	<b>5,327,177</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	28	-	-

The annexed notes from 1 to 49 form an integral part of these financial statements.

  
**Atique Ahmad Khan**  
**Chief Executive**

  
**Asim Mahmud**  
**Chief Financial Officer**

  
**Hafiz Farooq Ahmad**  
**Director**

**Ghani Global Holdings Limited (Formerly Ghani Gases Limited)**

**Statement of Profit or Loss**

*For the year ended June 30, 2019*

	2019	2018
Note	(Rupees '000')	
Gross sales	-	2,330,253
Less: Sales tax	-	(281,656)
Net sales	-	2,048,597
Cost of sales	-	(1,409,899)
<b>Gross profit</b>	-	638,698
Distribution costs	-	(229,973)
Administrative expenses	(1,471)	(115,649)
Other operating expenses	(890)	(28,984)
	(2,361)	(374,606)
	(2,361)	264,092
Other income	2,600	18,177
<b>Profit from operations</b>	239	282,269
Finance costs	-	(123,484)
<b>Profit before taxation</b>	239	158,785
Taxation	(69)	(1,080)
<b>Profit after taxation</b>	170	157,705
Earnings per share	0.001	1.14

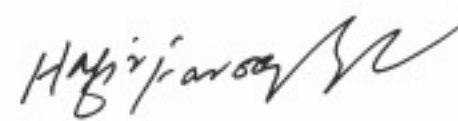
The annexed notes from 1 to 49 form an integral part of these financial statements.



**Atique Ahmad Khan**  
Chief Executive



**Asim Mahmud**  
Chief Financial Officer



**Hafiz Farooq Ahmad**  
Director

**Ghani Global Holdings Limited (Formerly Ghani Gases Limited)**  
**Statement of Comprehensive Income**  
**For the year ended June 30, 2019**

	Note	2019 (Rupees '000')	2018
Profit after taxation		170	157,705
Other comprehensive income		-	-
Total comprehensive income for the year		<u>170</u>	<u>157,705</u>

The annexed notes from 1 to 49 form an integral part of these financial statements.



**Atique Ahmad Khan**  
**Chief Executive**



**Asim Mahmud**  
**Chief Financial Officer**



**Hafiz Farooq Ahmad**  
**Director**

**Ghani Global Holdings Limited (Formerly Ghani Gases Limited)**  
**Statement of Changes in Equity**  
**For the year ended June 30, 2019**

	Capital Reserve	Revenue Reserve			
Share capital	Share premium	Retained earnings	Loan from sponsors	Total	
(Rupees '000')					
<b>Balance as at July 01, 2017</b>	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
<b>Transactions with owners/sponsors</b>					
Issuance of bonus shares	74,869	(74,869)	-	-	-
Loan repaid to sponsors	-	-	-	(407,050)	(407,050)
<b>Balance as at June 30, 2018</b>	<b>1,322,682</b>	<b>460,198</b>	<b>724,141</b>	<b>231,450</b>	<b>2,738,471</b>
Profit for the year	-	-	170	-	170
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	170	-	170
<b>Transactions with owners/sponsors</b>					
Issuance of bonus shares	66,134	(66,134)	-	-	-
Issuance of shares pursuant to Scheme	144,243	128,073	-	-	272,316
Transfer of Loan pursuant to Scheme	-	-	-	(231,450)	(231,450)
<b>Balance as at June 30, 2019</b>	<b>1,533,059</b>	<b>522,137</b>	<b>724,311</b>	<b>-</b>	<b>2,779,507</b>

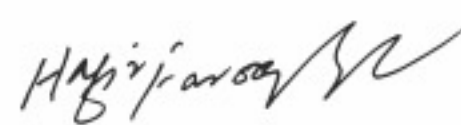
The annexed notes from 1 to 49 form an integral part of these financial statements.



**Atique Ahmad Khan**  
Chief Executive



**Asim Mahmud**  
Chief Financial Officer



**Hafiz Farooq Ahmad**  
Director

**Ghani Global Holdings Limited (Formerly Ghani Gases Limited)**

**Statement of Cash Flows**

*For the year ended June 30, 2019*

	Note	2019 (Rupees '000')	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operating activities	37	-	302,194
Finance costs paid		-	(116,062)
Income tax paid		-	(111,370)
		-	(227,432)
<b>Net cash generated from operating activities</b>		-	74,762
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions in operating fixed assets		-	(31,453)
Additions in capital work in progress		-	(187,993)
Additions in intangible assets		-	(14,808)
Proceeds from disposal of operating fixed assets		-	8,744
Long term deposits - net		-	(10,501)
<b>Net cash used in investing activities</b>		-	(236,011)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds of long term financing		-	35,186
Repayments of redeemable capital - Sukuk		-	(216,667)
Repayments of loan from sponsors - net		-	(407,050)
Short term borrowings		-	682,986
Dividend paid		-	(5)
Proceeds from long term deposits		-	6,405
<b>Net cash generated from financing activities</b>		-	100,855
<b>Net decrease in cash and cash equivalents</b>		-	(60,394)
<b>Cash and cash equivalents at the beginning of the year</b>		<b>173,762</b>	234,156
<b>Cash and cash equivalents transferred during the year</b>		<b>(173,762)</b>	-
<b>Cash and cash equivalents at the end of the year</b>	<b>16</b>	<b>-</b>	<b>173,762</b>

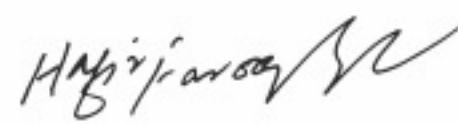
The annexed notes from 1 to 49 form an integral part of these financial statements.



**Atique Ahmad Khan**  
Chief Executive



**Asim Mahmud**  
Chief Financial Officer



**Hafiz Farooq Ahmad**  
Director

# Ghani Global Holdings Limited (Formerly Ghani Gases Limited)

## Notes to the financial statements

For the year ended June 30, 2019

### 1 THE COMPANY AND ITS OPERATIONS

Ghani Global Holdings Limited (Formerly known as Ghani Gases Limited) 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 principal activity of the Company, subsequent to the separation of manufacturing undertaking (note 2), is to manage investments in its subsidiary and associated company for which approval from shareholders with regard to change in object clause are being obtained in next annual general meeting of the Company.

### 2 Scheme of Compromises, Arrangement and Reconstruction

2.1 Effective 01 July 2018, Honorable Lahore High Court, Lahore through its order dated February 06, 2019 approved the Scheme of Compromises, Arrangement and Reconstruction among Ghani Global Glass Limited, Ghani Chemical Industries Limited and Ghani Gases Limited with certain modification and granted sanction order for the separating / demerging of 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 issuance of shares by Ghani Gases Limited. The Board of Directors of the Company, in their meeting held on June 24, 2018, approved the Scheme of Compromises, Arrangement and Reconstruction, while the shareholders of the respective companies approved the said Scheme in their Extraordinary General Meeting held on September 26, 2018.

In consideration, the Company has issued 14,424,253 ordinary shares in favour of the sponsors shareholders of Ghani Global Glass Limited on the basis of swap ratio of 1 (one) ordinary share of the Ghani Gases Limited for every 1.74 ordinary shares of the Ghani Global Glass Limited and allotment of 100,000,000 ordinary shares by the Ghani Chemical Industries Limited in favour of Ghani Gases Limited in consideration of transfer of manufacturing undertaking. As per the Scheme, the difference between the net assets of manufacturing undertaking transferred to Ghani Chemical Industries Limited and consideration of Rupees 1,000,000,000 has been transferred as share premium account.

### 2.2 Transfer from Ghani Gases Limited

The net assets of manufacturing undertaking of Ghani Gases Limited transferred to Ghani Chemical Industries Limited as at July 01, 2018 amounting to Rupees 1,913.951 million are summarized below:

	Note	July 1, 2018 Rupees "000"
Total Assets		4,733,254
Less: Total Liabilities		2,819,303
Net assets transferred to Ghani Chemical Industries Limited		1,913,951
Less: Share premium		913,951
		<u>1,000,000</u>

## 2.3 Bifurcated Statement of Financial Position as at July 01, 2018

In order to determine the net assets of the Retained Undertaking and manufacturing undertaking for the aforementioned transfer/demerger of the Company, the assets and liabilities of the Company, as at July 01, 2018 were bifurcated, as per the Scheme, between the Retained Undertaking and manufacturing undertaking. The bifurcated statement of financial position as at July 01, 2018, duly audited by the external auditors, is summarised below:

	Ghani Gases Limited	Manufacturing Undertaking (Rupees '000)	Retained Undertaking
	30-Jun-18	1-Jul-18	1-Jul-18
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3,044,313	3,044,313	-
Intangible assets	14,631	14,561	70
Long term investments	593,000	-	2,651,194
Long term deposits	68,257	68,257	-
	<u>3,720,201</u>	<u>3,127,131</u>	<u>2,651,264</u>
<b>Current assets</b>			
Stores, spares and loose tools	201,566	201,566	-
Stock in trade	94,343	94,343	-
Trade debts	468,959	468,959	-
Loans and advances	195,853	195,000	853
Trade deposits and prepayments	47,420	47,420	-
Other receivables	864	864	-
Tax refunds due from government	47,503	47,503	-
Advance income tax - net	376,706	376,706	-
Cash and bank balances	173,762	173,762	-
	<u>1,606,976</u>	<u>1,606,123</u>	<u>853</u>
<b>TOTAL ASSETS</b>	<u><u>5,327,177</u></u>	<u><u>4,733,254</u></u>	<u><u>2,652,117</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Issued, subscribed and paid up share capital	1,322,682	-	1,322,682
Shares to be issued against scheme of arrangement	-	-	144,243
Share premium	460,198	-	460,198
Unappropriated profit	724,141	-	724,141
Loan from sponsors	231,450	231,450	-
	<u>2,738,471</u>	<u>231,450</u>	<u>2,651,264</u>
<b>Non-current liabilities</b>			
Long term financing	33,857	33,857	-
Redeemable capital - Sukuk	812,499	812,499	-
Long term security deposits	33,025	33,025	-
Deferred taxation	282,834	282,834	-
Balance carried forward	<u>1,162,215</u>	<u>1,162,215</u>	<u>-</u>

	Ghani Gases Limited	Manufacturing Undertaking (Rupees '000)	Retained Undertaking
	30-Jun-18	1-Jul-18	1-Jul-18
Balance brought forward	1,162,215	1,162,215	-
<b>Current liabilities</b>			
Trade and other payables	199,937	199,937	-
Unclaimed dividend	853	-	853
Accrued profit on financing	23,957	23,957	-
Short term borrowings	955,986	955,986	-
Current portion of long term liabilities	242,280	242,280	-
Provision for taxation	3,478	3,478	-
	<b>1,426,491</b>	<b>1,425,638</b>	<b>853</b>
<b>Total liabilities</b>	<b>2,588,706</b>	<b>2,587,853</b>	<b>853</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,327,177</b>	<b>2,819,303</b>	<b>2,652,117</b>

Ghani Chemical Industries Limited in return has issued 100,000,000 ordinary shares of Rupees 10 each in addition to existing 14,300,000 ordinary shares of Rupees 10 each, fully paid ordinary shares of Rupees 10 each plus share premium to the Company against the above net adjustments as following:

	<b>Rupees "000"</b>
Share's par value	1,000,000
Share premium	913,951
	<b><u>1,913,951</u></b>

### 3 BASIS OF PREPARATION

#### 3.1 Separate financial statements

These financial statements are the separate financial statements of the Company in which investment in subsidiaries 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:

<b>Subsidiary Companies</b>	<b>2019</b>	<b>2018</b>
	<b>(Direct holding %age)</b>	
Ghani Chemical Industries Limited	<b>99.39</b>	95.33
Ghani Global Glass Limited	<b>50.10</b>	25.00

#### 3.2 Statement of compliance

These financial statements have been prepared in accordance with 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 INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR INTERPRETATIONS TO EXISTING STANDARDS**

#### **3.3.1 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 have been published that are applicable to Company's financial statements covering annual period, beginning on or after the following dates:

- IFRS 9 'Financial instruments'. 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'. IFRS 15 'Revenue from Contracts with Customers' supersedes IAS 11 'Construction Contracts', IAS 18 'Revenue' and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

##### **b) New accounting standards, amendments and IFRIC interpretations that are not yet**

The following standards, amendments and interpretations of approved accounting standards that will be effective for the periods beginning on or after January 1, 2019, that may have an impact on the financial statements of the company.

- IFRS 16 'Leases' (effective for annual period beginning on or after January 01, 2019). IFRS 16

replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The management is in the process of analysing the potential impacts on adoption of this standard.

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after January 01, 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 01, 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.
- Amendment to IFRS 9 'Financial Instruments' - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after January 01, 2019). For a debt instrument to be eligible for measurement at amortised cost or FVOCI, IFRS 9 requires its contractual cash flows to meet the SPPI criterion - i.e. the cash flows are 'solely payments of principal and interest'. Some prepayment options could result in the party that triggers the early termination receiving compensation from the other party (negative compensation). The amendment allows that financial assets containing prepayment features with negative compensation can be measured at amortised cost or at fair value through other comprehensive income (FVOCI) if they meet the other relevant requirements of IFRS 9. The application of amendment is not likely to have an impact on Company's financial statements.
- IAS 12 Income taxes (effective for annual periods beginning on or after January 01, 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.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after January 01, 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on the Company's financial statements.
- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after January 01, 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the

plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on the Company's financial statements.

- Amendment to IFRS 3 'Business Combinations' - Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after January 01, 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after January 01, 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallise. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of January 01, 2020, unless the new guidance contains specific scope outs.
- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:
  - IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
  - IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.
  - IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The above new standards, amendments and interpretations are not likely to have an impact on Company's 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 financial statements are presented in Pak rupees, which is the functional and presentation currency for the Company.

## 4 BASIS OF MEASUREMENT

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

### 4.2 Significant accounting judgments and critical accounting estimates / assumptions

The preparation of 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 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) *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.

## 5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 5.1 Changes in significant accounting policies

The Company has adopted IFRS 15 'Revenue from Contracts with Customers' and IFRS 9 'Financial Instruments' from July 01, 2018 which are effective from annual periods beginning on or after July 01, 2018 and for reporting period / year ending on or after June 30, 2019 respectively.

#### a) **IFRS 15 "Revenue from contracts with customers"**

The Company has adopted IFRS 15 'Revenue from Contracts with Customers' from 01 July 2018 which are effective from annual periods beginning on or after July 01, 2018 and for reporting period / year ending on or after June 30, 2019 respectively.

#### **Nature and impact from adoption of new accounting policy**

On 28 May 2014, the International Accounting Standards Board ("IASB") issued International

Financial Reporting Standards ("IFRS") 15 "Revenue from Contracts with Customers" which provides a unified five-step model for determining the timing, measurement and recognition of revenue. The focus of the new standard is to recognize revenue as performance obligations are made rather than based on the transfer of risk and rewards. IFRS 15 includes a comprehensive set of disclosure requirements including qualitative and quantitative information about contracts with customers to understand the nature, amount, timing and uncertainty of revenue. The standard supersedes IAS 18 "Revenue", IAS 11 "Construction Contracts" and the number of revenue related interpretations.

The Company has applied the modified retrospective method upon adoption of IFRS 15 as allowed under the Standard. This method requires the recognition of the cumulative effect (without practical expedients) of initially applying IFRS 15 to retained earnings. Under this transition method, comparative information for prior periods has not been restated and continues to be reported in accordance with the previous standard under IAS 18 and related interpretations

Apart from providing more extensive disclosures, the application of IFRS 15 has not had a significant impact on the financial position and / or financial performance of the Company for the reasons described below. Accordingly there was no adjustment to retained earnings on application of IFRS 15 at July 01, 2018.

Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement. Control of the underlying goods could be transferred and revenue recognized when the product leaves the seller's location, based on legal title transfer, the entity's right to receive payment, or the customer's ability to redirect and sell the goods, but there might be additional performance obligations for shipping and in-transit risk of loss. The Company allocates the transaction price to each of the performance obligations, and recognize revenue when each performance obligation is satisfied, which might be at different times.

Revenue is measured based on the consideration specified in a contract with a customer, net of sales commission and excludes amounts collected on behalf of third parties.

The Company used to manufactures and sale of industrial gases and industrial chemicals which generally include single performance obligation. Management has concluded that revenue from sale of goods be recognised at the point in time when control of the asset is transferred to the customer, which is upon the delivery of goods. Delivery occurs when the products have been shipped to the specific location and the risks of loss have been transferred to the customers. The transfer can be either in the form of acceptance by the customer of products as per the sales contract or lapse of acceptance provision or the Company has objective evidence that all criteria for acceptance have been satisfied.

Invoices were generated at the point in time when control of the asset is transferred and revenue is recognised at that point in time. Receivable is also recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The above is generally consistent with the timing and amounts of revenue the Company recognised in accordance with the previous standard, IAS 18. Therefore, the adoption of IFRS 15 did not have an impact on the timing and amounts of revenue recognition of the Company.

The Company also used to receives short term advances from some of its customers. Prior to adoption of IFRS 15, advance consideration received from customers was included in 'Trade and other payables' which now required to be reclassified as 'Contract liabilities' and presented

separately on statement of financial position. In addition, reclassification has been made from 'Trade and other payables' to 'Contract liabilities' for outstanding balance of advance from customers for prior year to provide comparison. The amount of contract liabilities, i.e. advance consideration received from customers at the beginning of the period has been transferred to Ghani Chemical Industries Limited pursuant to Scheme of Compromise and Arrangement.

Upon the adoption of IFRS 15, for short-term advances, the Company used the practical expedient. As such, the Company will not adjust the promised amount of the consideration for the effects of a financing component in contracts, where the Company expects, at Contract inception, that the period between the time the customer pays for the goods and when the Company transfers that promised goods to the customer will be one year or less.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of transaction prices for the time value of money. As required for the financial statements, the Company disaggregated revenue recognised from contracts with customers into primary geographical markets and major product lines.

## **b) IFRS 9 "Financial Instruments"**

IFRS 9 replaced the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' that relates to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. Changes in accounting policies resulting from adoption of IFRS 9 have been applied retrospectively. The Company has applied IFRS 9 'Financial Instruments' with the effect from July 1, 2018 as notified by Securities and Exchange Commission of Pakistan. The details of new significant accounting policies adopted and the nature and effect of the changes to previous accounting policies are set out below:

### **i) Classification and measurement of financial assets and financial liabilities**

IFRS 9 largely retains the existing requirements of IAS 39 for the classification and measurement of financial liabilities. The Company's deposits, trade and other receivables (financial assets) were all classified as financial assets measured at amortised cost under IAS 39. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables, held for trading and available for sale. IFRS 9, classifies financial assets in the following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through Profit or loss (FVTPL);
- Measured at amortised cost.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of business model within which a financial asset is held; and
- The designation and revocation of previous designation of certain financial assets as measured at FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within business model whose objective is to hold assets to collect contractual cash 'flows;

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Under IFRS 9, the business model under which each portfolio of financial assets held has been assessed. The Company has portfolios in each of the three business models under IFRS 9: to collect the contractual cash flows (measured at amortised cost), to sell the contractual cash flows (measured at fair value through profit or loss), and both to collect and to sell the contractual cash flows (measured at fair value through other comprehensive income).

There is no significant impact of IFRS 9 on the classification and measurement of financial assets for the year ended June 30, 2019. The adoption of IFRS 9 did not have a significant effect on the Company's accounting policies related to financial liabilities.

## **ii) Hedge accounting**

IFRS 9 requires that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness. There is no impact of the said change on these financial statements as there is no hedge activity carried on by the Company during the year ended June 30, 2019.

## **iii) Impairment of financial assets**

IFRS 9 replaces the 'incurred credit loss' model of IAS 39 with an 'expected credit loss' model. The expected credit loss model requires the Company to account for expected losses as a result of credit risk on initial recognition of financial assets and to recognise changes in those expected credit losses at each reporting date. Under IFRS 9, credit losses are recognised earlier than under IAS 39. Under IFRS 9, loss allowances are measured on either of the following basis:

- 12 months expected credit losses: These are expected credit losses that result from possible default events within the 12 months after the reporting date; and

- Lifetime expected credit losses: These are expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are applied to all financial assets not measured at fair value through profit or loss. There were no transition adjustments arising from the change in impairment basis as the Company used to receive advance payments from its customers against supply of goods.

Lifetime expected credit loss is only recognised if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such Company's internal factors and economic environment of the country of customers) on expected credit loss.

#### **Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive).

#### **Presentation of impairment**

Provision against financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

#### **Impact of the new impairment model**

For assets within the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile.

During the year, no item of statement of financial position is required to be adjusted owing to implementation of IFRS 9.

## **5.2 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 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 other comprehensive income or directly in equity.

### **5.3 Loans and borrowings**

Loans and borrowings are measured 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 statement of profit or loss over the period of borrowings on effective profit rate. All borrowings relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

### **5.4 Trade and other payables**

Liabilities for trade and other amounts payable are measured at amortized cost which is the fair value of the consideration to be paid in the future for goods and services received. All Trade and other payables relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

### **5.5 Provisions and contingencies**

A provision is recognized in the 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. All provisions and contingencies relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

### **5.6 Property, plant and equipment**

#### **5.6.1 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 statement of profit or loss as and when incurred.

#### ***Depreciation***

Depreciation is charged to 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 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 off.

### ***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 statement of profit or loss.

### **5.6.2 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 statement of profit or loss.

All property, plant and equipment relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

### **5.7 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. All stores, spares and loose tools relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

### **5.8 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. Stock in trade relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

## **5.9 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.

All Trade debts relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

## **5.10 Other receivables**

Other receivables are recognized at nominal amount which is fair value of the consideration to be received in the future. All other receivables relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

## **5.11 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position 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.

## **5.12 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. All loans, advances, trade deposits and prepayments relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

## **5.13 Financial instruments**

### **5.13.1 Initial Recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortised cost or cost as the case may be.

#### **a) Classification of financial assets**

The Company classifies its financial instruments at fair value through profit and loss, at fair value through other comprehensive income, or at amortised cost. The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are recognised subsequently at amortised cost. Financial asset is held within a business model whose objective is

achieved by both collecting contractual cash flows and selling the financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at 'fair value through other comprehensive income'. By default, all other financial assets are subsequently measured at 'fair value through profit or loss'.

#### **b) Classification of financial liabilities**

The Company classifies its financial liabilities at fair value through profit or loss, or at amortised cost. Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as instruments held for trading or derivatives) or the Company has opted to measure them at fair value through profit or loss.

### **5.13.2 Subsequent measurement**

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at fair value through profit or loss are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where management has opted to recognise a financial liability at fair value through profit or loss, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at fair value through profit or loss.

### **5.13.3 Impairment of financial assets at amortised cost**

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

### **5.13.4 Derecognition**

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

### 5.13.5 Off setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

### 5.14 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.

### 5.15 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Company assesses its revenue arrangements against specific criteria that must be met before revenue is recognised:

- Domestic sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides with delivery.
- Profit on bank deposits is recognized on time proportion basis taking into account principal outstanding and rates of profit applicable thereon;
- Dividend income is recognized when the Company's right to receive the dividend is established;
- Any profit on loans and advances is recognized on time proportion basis using effective rate of return.

### 5.16 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.

All liabilities towards defined contribution plan relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

#### ***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.

All liabilities towards compensated absences relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

### 5.17 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 statement of profit or loss whenever incurred. Finance cost is accounted for on accrual basis.

All borrowings and relating borrowing costs relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

## **5.18 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 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 financial statements. Amortization is charged to 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. All intangible assets except for goodwill relating to manufacturing undertaking have been transferred to Ghani Chemicals Industries Limited as per Scheme of Compromises, Arrangement and Reconstruction.

## **5.19 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 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 statement of profit or loss.

The profits and loss of the subsidiary and the associate is carried forward in respective financial statements and not dealt within these 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.

## **5.20 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.

## 5.21 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.

## 5.22 Share capital

Ordinary shares are classified as share capital.

## 5.23 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.

## 6 PROPERTY, PLANT AND EQUIPMENT

	Note	2019 (Rupees '000)	2018
Operating fixed assets	6.1	-	3,039,513
Capital work in progress	6.2	-	4,800
		-	3,044,313





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

	Note	2019 (Rupees '000')	2018
Cost of sales	31	-	91,967
Administrative expenses	33	-	14,175
		-	106,142

6.1.2 Plant and machinery having carrying value of Rupees Nil (2018: Rupees 20.17 million) has been given to Ghani Global Glass Limited, an associated undertaking (now subsidiary) under rental arrangement. Refer note 33.

	Note	2019 (Rupees '000')	2018
<b>6.2 CAPITAL WORK IN PROGRESS</b>			
<b>At cost</b>			
Civil works	6.2.1	-	4,800
Plant and machinery	6.2.2	-	-
		-	4,800

#### 6.2.1 Civil works

Opening balance	4,800	58,137
Transferred to Ghani Chemical Industries Limited under Scheme	(4,800)	-
Additions during the year	-	5,599
Capitalized during the year	-	(58,936)
Closing balance	-	4,800

#### 6.2.2 Plant and machinery

Opening balance	-	42,009
Additions during the year	-	182,394
Capitalized during the year	-	(224,403)
Closing balance	-	-

6.2.3 During the year, the Company has transferred Rupees 4.8 million to Ghani Chemical Industries Limited from capital work in progress for civil works under the scheme (Ref: Note 2.)

	Note	2019 (Rupees '000')	2018
<b>7 INTANGIBLE ASSETS</b>			
Software	7.1	-	14,561
Goodwill	7.2	70	70
		70	14,631

#### 7.1 COST

Opening balance	14,808	-
Transferred to Ghani Chemical Industries Limited under Scheme	(14,808)	-
Additions during the year - at cost	-	14,808
Closing balance	-	14,808

	Note	2019 (Rupees '000')	2018
<b>AMORTIZATION</b>			
Opening balance		(247)	-
Transferred to Ghani Chemical Industries Limited under Scheme		247	-
Amortization for the year		-	(247)
Closing balance		-	(247)
<b>Net book value</b>		<b>-</b>	<b>14,561</b>

**7.1.1** During the year, the Company has transferred Intangible assets being Computer Software amounting to Rupees 14.56 million to Ghani Chemical Industries Limited under the Scheme of Compromise (Ref: Note 2).

**7.2** 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.

**7.2.1** The Company assessed the recoverable amount as at reporting date 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.

	Note	2019 (Rupees '000')	2018
<b>8 LONG TERM INVESTMENTS - At Cost</b>			
<i>Subsidiary companies</i>			
<b>Ghani Chemical Industries Limited - Unquoted</b>			
114,300,000 (2018: 14,300,000) fully paid ordinary shares Rupees 10 each - Holding 99.39% (2018: 95.39%)	8.1	2,056,951	143,000
<b>Ghani Global Glass Limited - Quoted</b>			
50,098,200 fully paid ordinary shares (2018: 25,000,000) of Rupees 10 each - Holding 50.10% (2018: 25 %)	8.2	722,316	450,000
		<b>2,779,267</b>	<b>593,000</b>

**8.1 Ghani Chemical Industries Limited - Unquoted**

Opening carrying value		143,000	143,000
100,000,000 shares of Rupees 10 each pursuant of Scheme of Compromises, Arrangement and Reconstruction	8.1.2	1,913,951	-
Closing carrying Value		<b>2,056,951</b>	<b>143,000</b>

**8.1.1** 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.

- 8.1.2** Pursuance to the Scheme of Compromises, Arrangement and Reconstruction; 100,000,000 shares of Rupees 10 each were issued by the Ghani Chemical Industries Limited to the Company against transfer of net assets of manufacturing undertaking amounting to Rupees 1,913.951 million. Resultantly, the Company's investment in Ghani Chemical Industries Limited has been increased by Rupees 1,913.951 million. These shares were issued by the Ghani Chemical Industries Limited on July 08, 2019.

	Note	2019 (Rupees '000')	2018
<b>8.2 Ghani Global Glass Limited - Quoted</b>			
Opening carrying value		450,000	450,000
25,098,282 shares acquired pursuance of Scheme of Compromises, Arrangement and Reconstruction	8.2.2	272,316	-
Less: Impairment loss		-	-
Closing carrying Value		<u>722,316</u>	<u>450,000</u>

- 8.2.1** 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 had acquired 25,000,000 shares at Rupees 18 each on January 19, 2017 representing 25% holding in the share capital of the Ghani Global Glass Limited.

- 8.2.2** During the year; the Company has acquired 25,098,282 shares of Rupees 10 each at fair value determined for Swap Ratio against allotment of 14,424,253 shares of Rupees 10 each at fair value determined for Swap Ratio to the sponsoring shareholders of Ghani Global Glass Limited as per Swap ratio of 1 share of the Company for every 1.74 share of Ghani Global Glass Limited pursuance to the Scheme of Compromise and Arrangement as sanctioned by the Honourable Lahore High Court, Lahore on February 06, 2019. By virtue of implementation of the Scheme; Ghani Global Glass Limited has become subsidiary of the Company with effect from July 01, 2018.

- 8.3** The Company has reassessed the recoverable amount of the subsidiary companies as at reporting date and based on its assessment no material adjustment is required to the carrying amount stated in these financial statements.

	Note	2019 (Rupees '000')	2018
<b>9 LONG TERM DEPOSITS</b>			
<b>Considered good:</b>			
Security deposits for utilities		-	60,370
Security deposits for rented premises		-	1,188
Deposits against fuel supply		-	6,113
Deposits against Ijarah facilities		-	586
		<u>-</u>	<u>68,257</u>

- 9.1** 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. During the year; the Company has transferred Rupees 68.257 million to Ghani Chemical Industries Limited from long term deposits under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>10 STORES, SPARES AND LOOSE TOOLS</b>			
Stores		-	24,404
Spares		-	176,953
Loose tools		-	209
		-	201,566

**10.1** During the year, the Company has transferred Rupees 201.57 million to Ghani Chemical Industries Limited from stores, spares and loose tools under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>11 STOCK IN TRADE</b>			
Finished goods - industrial gases		-	26,889
Finished goods - industrial chemicals		-	67,454
		-	94,343

**11.1** During the year, the Company has transferred Rupees 94.34 million to Ghani Chemical Industries Limited from Stock in trade under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>12 TRADE DEBTS</b>			
<b>Considered good:</b>			
Unsecured	12.1	-	468,959
<b>Considered doubtful</b>			
Provision for doubtful debts		-	2,841
		-	(2,841)
		-	-
		-	468,959

**12.1 The aging of trade debts as at reporting date was:**

Not past due	-	6,659
0 to 180 Days	-	376,693
181 to 365 Days	-	36,030
1 to 2 Years	-	30,940
More than two years	-	18,637
	-	468,959

**12.2** The maximum aggregate amount of trade receivable from Ghani Global Glass Limited at the end of any month during the year was Rupees Nil (2018: Rupees 3.98 million).

**12.3** During the year; the Company has transferred Rupees 468.96 million to Ghani Chemical Industries Limited from trade debts under the Scheme of Compromise and Arrangement (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>13 LOANS AND ADVANCES</b>			
<b>Unsecured and Considered good:</b>			
<b>Advances to:</b>			
- Employees against expenses		-	1,837
- Suppliers and contractors		-	194,016
- Due from Ghani Chemical Industries Limited	13.2	1,973	-
		<u>1,973</u>	<u>195,853</u>

**13.1** During the year; the Company has transferred Rupees 195.853 million to Ghani Chemical Industries Limited from loans and advances under the Scheme of Compromises, Arrangement and Reconstruction.(Ref: Note 2).

**13.2** This represents balance amount due from Ghani Chemical Industries Limited on account of amount received on behalf of the Company and payment made on behalf of the Company. Maximum aggregate amount due from Ghani Chemical Industries Limited at the end of any month during the year was Rupees 1.973 million.

	Note	2019 (Rupees '000')	2018
<b>14 TRADE DEPOSITS AND PREPAYMENTS</b>			
<b>Considered good:</b>			
Security deposits		-	39,040
Short term prepayments		-	1,944
Margin against letter of credit		-	6,436
		<u>-</u>	<u>47,420</u>

**14.1** During the year, the Company has transferred Rupees 47.42 million to Ghani Chemical Industries Limited from Trade deposits and prepayments under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>15 TAX REFUNDS DUE FROM GOVERNMENT</b>			
Sales tax refundable		-	47,503

**15.1** During the year; the Company has transferred tax refunds due from government amounting to Rupees 47.503 million to Ghani Chemical Industries Limited under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>16 CASH AND BANK BALANCES</b>			
<b>Cash in hand</b>		-	141
<b>Balances with banks in:</b>			
- Current accounts		-	48,928
- Deposit accounts	16.1	-	124,693
		<u>-</u>	<u>173,621</u>
		<u>-</u>	<u>173,762</u>

- 16.1** The rate of return on deposit accounts Nil (2018: 1.9% to 5.8%) per annum.
- 16.2** During the year, the Company has transferred cash in hand and bank balances amounting to Rupees 173.76 million to Ghani Chemical Industries Limited from under the Scheme of Compromises, Arrangement and Reconstructions (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>17 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>			
122,956,711 (2018: 122,956,711) Ordinary shares of Rupees 10 each fully paid in cash.		<b>1,229,567</b>	1,229,567
13,000 (2018: 13,000) Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement for amalgamation.	<b>17.1</b>	<b>130</b>	130
14,424,253 (2018: Nil) Ordinary shares of Rupees 10 each issued for consideration other than cash under Scheme of Compromises, Arrangement and Reconstruction.	<b>17.2</b>	<b>144,243</b>	-
15,911,860 (2018: 9,298,452) Ordinary shares of Rupees 10 each issued as fully paid bonus shares.		<b>159,119</b>	92,985
		<b>1,533,059</b>	<b>1,322,682</b>

**17.1** 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.

**17.2** During the year, 14,424,253 shares of Rupees 10 each have been allotted to the sponsoring shareholders of Ghani Global Glass Limited against 25,098,280 shares as per Swap ratio of 1:1.74, i.e. 1 share of Ghani Gases Limited against 1.74 shares of Ghani Global Glass Limited pursuant to Scheme of Compromise and Arrangement among the shareholders of Ghani Gases Limited, Ghani Global Glass Limited and Ghani Chemical Industries Limited as sanctioned by the Honourable Lahore High Court, Lahore on February 06, 2019.

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

2019 (No. of Shares)	2018		2019 (Rupees '000')	2018
<b>132,268,163</b>	124,781,286	Opening balance	<b>1,322,682</b>	1,247,813
<b>6,613,408</b>	7,486,877	Bonus shares issued during the year	<b>66,134</b>	74,869
<b>14,424,253</b>	-	Shares issued pursuant to Scheme of Compromises, Arrangement and	<b>144,243</b>	-
<b>153,305,824</b>	<b>132,268,163</b>	Closing balance	<b>1,533,059</b>	<b>1,322,682</b>

## **18 CAPITAL RESERVE - SHARE PREMIUM**

**18.1** This includes balance amount of 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.

**18.2** It also includes Share premium of Rupees 128.073 million on issue of 14,424,253 shares to the sponsors of the Ghani Global Glass Limited in accordance with the Scheme of Compromise and Arrangement among Ghani Gases Limited, Ghani Global Glass Limited and Ghani Chemical Industries Limited during the year ended June 30, 2019.

**18.3** During the year, the Company has utilized share premium to the extent of Rupees 66.134 million (2018: Rupees 74.869 million) by issuance of fully paid 6,613,408 (2018: 7,486,877) bonus shares in accordance with the provisions of Section 81 of the Companies Act, 2017.

## 19 LOAN FROM SPONSORS

**19.1** During the year, the Company has transferred loan from sponsors amounting to Rupees 231.45 million to Ghani Chemical Industries Limited under the Scheme of Compromises, Arrangement and Reconstruction(Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>20 LONG TERM FINANCING</b>			
<b><i>From banking companies - secured:</i></b>			
Diminishing Musharakah		-	1,981
Diminishing Musharakah		-	9,899
Diminishing Musharakah		-	33,634
Diminishing Musharakah		-	13,471
		-	58,985
<b><i>From Islamic Financial Institution - secured</i></b>			
Diminishing Musharakah		-	485
		-	59,470
Current portion taken as current liability	27	-	(25,613)
		-	33,857

### 20.1 Reconciliation of long term financing is as under:

Balance at the beginning of year	59,470	24,284
Transferred to Ghani Chemical Industries Limited under Scheme	(59,470)	
Availed/adjustment during the year	-	54,456
	-	78,740
Repayment/adjustment during the year	-	(19,270)
Balance at the end of year	-	59,470

**20.2** During the year; the Company has transferred long term financing amounting to Rupees 59.47 million to Ghani Chemical Industries Limited under the Scheme of Compromise and Arrangement (Ref: Note 2) including current portion of Rupees 25.61 million.

	Note	2019 (Rupees '000')	2018
<b>21 REDEEMABLE CAPITAL - SUKUK</b>			
Long Term Certificates (Sukuk)	21.1	-	1,029,166
Current portion taken as current liability	27	-	(216,667)
		-	812,499

	Note	2019 (Rupees '000')	2018
<b>21.1 Reconciliation of Redeemable Capital - Sukuk is as under:</b>			
Balance at the beginning of year		1,029,166	1,245,833
Transferred to Ghani Chemical Industries Limited under Scheme		(1,029,166)	
		-	1,245,833
Repayment during the year		-	(216,667)
Balance at the end of year		-	1,029,166

**21.2** During the year; the Company has transferred redeemable capital - sukuk amounting to Rupees 1,029.17 million to Ghani Chemical Industries Limited under the scheme of Compromise and Arrangement (Ref: Note 2) including current portion of Rupees 216.67 million classified as current liabilities.

	Note	2019 (Rupees '000')	2018
<b>22 LONG TERM SECURITY DEPOSITS</b>			
Security deposits		-	33,025

**22.1** During the year; the Company has transferred long term security deposits of Rupees 33.025 million to Ghani Chemical Industries Limited under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>23 DEFERRED TAXATION</b>			
<b>Taxable/(deductible) temporary differences</b>			
Accelerated tax depreciation		-	482,035
Provision for doubtful debts		-	(710)
Unused tax losses		-	(195,592)
Unused tax credits		-	(2,899)
<b>Deferred Tax (Asset)/liability</b>		-	282,834
<b>Deferred Tax Asset not recognised</b>		-	-
		-	282,834
Average rate / normal tax rate		Nil	25.00%

**23.1** During the year, the Company has transferred deferred taxation amounting to Rupees 282.83 million to Ghani Chemical Industries Limited under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

**23.2** The taxable business income of the Company shall comprises of capital gain and dividend income and shall be taxed as separate block of income at lower rates under the Income Tax Ordinance, 2001. In absence of any taxable temporary differences deferred tax asset has not been recognised in respect of tax losses.



	Note	2019 (Rupees '000')	2018
<b>24 TRADE AND OTHER PAYABLES</b>			
Trade creditors		-	93,854
Advances from customers		-	64,967
Accrued liabilities		890	31,677
Payable to Workers' profit participation fund	24.1	-	8,228
Withholding tax		-	1,211
		<b>890</b>	<b>199,937</b>

<b>24.1 Workers' profit participation fund</b>			
Beginning balance		8,228	10,382
Transferred to Ghani Chemical Industries Limited under Scheme		(8,228)	
Allocation for the year		-	8,357
Profit on funds utilized in Company's business		-	137
		-	18,876
Less: Amount paid during the year		-	(10,648)
		-	8,228

**24.2** During the year, the Company has transferred Trade and other payables amounting to Rupees 199.94 million to Ghani Chemical Industries Limited under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>25 ACCRUED PROFIT ON FINANCINGS</b>			
Long term financing		-	320
Redeemable capital - Sukuk		-	12,344
Short term borrowings		-	11,293
		-	23,957

**25.1** During the year; the Company has transferred accrued profit on financings amounting to Rupees 23.96 million to Ghani Chemical Industries Limited under the Scheme of Compromises, Arrangement and Reconstruction(Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>26 SHORT TERM BORROWINGS</b>			
<i>From banking companies - secured:</i>			
Short term borrowings		-	955,986

**26.1** During the year the company has transferred short term borrowings amounting to Rupees 955.99 million to Ghani Chemical Industries Limited under the Scheme of Compromise and Arrangement (Ref: Note 2).

	Note	2019 (Rupees '000')	2018
<b>27 CURRENT PORTION OF LONG TERM LIABILITIES</b>			
Long term financing	20	-	25,613
Redeemable capital - Sukuk	21	-	216,667
		-	242,280

**27.1** During the year; the Company has transferred current portion of long term liabilities amounting to Rupees 242.28 million to Ghani Chemical Industries Limited under the Scheme of Compromises, Arrangement and Reconstruction (Ref: Note 2).

## **28 CONTINGENCIES AND COMMITMENTS**

### **28.1 Contingencies**

**28.1.1** The Company has provided corporate guarantee amounting to Rupees 650 million (2018: Rupees 650 million) to banks against financing facilities on behalf of its associated company (now subsidiary company) namely Ghani Global Glass Limited.

**28.1.2** The Company has filed two separate constitutional petitions on February 15, 2009 before the Honourable 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. Honourable Lahore High Court has granted stay orders upon furnishing bank guarantees in favour of LESCO amounting to Rupees Nil (2018: Rupees 3.14 million). Consequence to implementation of the Scheme of Compromises, Arrangement and Reconstruction; the status of the case has been presented in the financial statements of Ghani Chemical Industries Limited and consolidated financial statements being presented under Section 228 of the Companies Act, 2017.

### **28.2 Commitments**

**28.2.1** Consequence to implementation of the Scheme of Compromises, Arrangement and Reconstruction; the status of the commitments are being presented in the financial statements of Ghani Chemical Industries Limited and consolidated financial statements being presented under Section 228 of the Companies Act, 2017.

**28.2.2** Commitments in respect of letter of credit amounted to Rupees Nil (2018: Rupees 403.92 million).

**28.2.3** Commitments for construction of building as at balance sheet date amounted to Rupees Nil (2018: Rupees 30 million).

**28.2.4** Bank guarantee amounting to Rupees Nil (2018: Rupees 38.65 million) provided to various customers/institutions against supplies of products.

**28.2.5** As of reporting date, aggregate credit limits (funded facilities) amounting Rupees Nil (2018: Rupees 169 million ) from commercial banks remain unutilized.

**28.2.6** Commitments for rentals under Ijarah contracts as at June 30 were as follows:

	Note	2019 (Rupees '000')	2018
Not later than one year		-	983
Later than one year but not later than five years		-	-
		-	983

## **29 COST OF SALES**

Fuel and power		-	663,304
Utilities		-	3,062
Consumable stores		-	37,692
Salaries, wages and other benefits	<b>29.1</b>	-	74,375
Communication		-	973
Repairs and maintenance		-	34,147
Balance carried forward		-	813,553

	Note	2019 (Rupees '000')	2018
<b>COST OF SALES</b>			
Balance brought forward		-	813,553
Traveling, vehicle running and conveyance		-	9,241
Insurance		-	6,083
Depreciation	6.1.1	-	91,967
Staff welfare		-	8,746
Transportation		-	11,646
Security expense		-	2,562
Other overheads		-	36,468
<b>Cost of goods manufactured</b>		-	980,266
<b>Finished goods</b>			
Opening stock		-	37,740
Purchases		-	486,236
Closing stock	11	-	(94,343)
		-	429,633
		-	1,409,899

**29.1** Salaries, wages and other benefits includes Rupees Nil (2018: Rupees 3.74 million) in respect of retirement benefits.

	Note	2019 (Rupees '000')	2018
<b>30 DISTRIBUTION COST</b>			
Salaries, wages and other benefits	30.1	-	55,181
Transportation charges		-	144,632
Traveling, boarding, lodging and conveyance		-	5,074
Rent, rates and taxes		-	1,352
Communication		-	785
Vehicle running and maintenance		-	3,535
Advertisement and business promotion		-	809
Loading and unloading		-	2,125
Postage and courier		-	230
Repair and maintenance		-	11,090
Office expense		-	2,812
Other expenses		-	2,348
		-	229,973

**30.1** Salaries, wages and other benefits includes Rupees Nil (2018: Rupees 2.79 million) in respect of retirement benefits.

	Note	2019 (Rupees '000')	2018
<b>31 ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and other benefits	31.1	-	60,988
Rent, rates and taxes		-	5,660
Electricity and other utilities		-	2,227
Traveling and conveyance		-	3,573
Balance carried forward		-	72,448

	Note	2019 (Rupees '000')	2018
<b>ADMINISTRATIVE EXPENSES</b>			
Balance brought forward		-	72,448
Vehicle running and maintenance		-	2,851
Donation and charity	31.2	-	2,586
Printing and stationery		-	3,185
Communication		-	1,956
Fee and subscription		1,471	3,894
ljarah rentals		-	1,358
Advertisement		-	735
Insurance		-	1,265
Depreciation	6.1.1	-	14,175
Amortization of intangible assets	7.1	-	247
Staff welfare		-	6,250
Repair and maintenance		-	2,078
Others		-	2,621
		<b>1,471</b>	<b>115,649</b>

**31.1** Salaries, wages and other benefits includes Rupees Nil (2018: Rupees 3.75 million) in respect of retirement benefits.

**31.2** None of the directors or their spouses had any interest in the donees. Further, no donation to a single party for more than Rupees One million or 10% of the total amount of donations (2018: Rupees 500,000) was paid during the year.

	Note	2019 (Rupees '000')	2018
<b>32 OTHER OPERATING EXPENSES</b>			
Legal and professional		-	15,035
Workers profit participation fund		-	8,357
Exchange loss		-	1,548
Provision for doubtful debts		-	2,841
Auditors' remuneration			
Statutory audit		600	713
Consolidation financial statements		150	300
Half yearly review and other certifications		140	165
Out of pocket expenses		-	25
		<b>890</b>	<b>1,203</b>
		<b>890</b>	<b>28,984</b>
<b>33 OTHER INCOME</b>			
Profit on bank deposits		-	1,943
Commission on corporate guarantee		2,600	2,600
Rental income		-	12,000
Gain on disposal of operating fixed assets		-	825
Profit on share deposit money		-	809
		<b>2,600</b>	<b>18,177</b>

	Note	2019 (Rupees '000')	2018
<b>34 FINANCE COSTS</b>			
Profit/mark up on:			
- Long term financing		-	3,150
- Redeemable capital - Sukuk		-	81,801
- Short term borrowings		-	35,383
- Workers' profit participation fund		-	137
Bank charges and commission		-	3,013
		<u>-</u>	<u>123,484</u>

### 35 TAXATION

#### Charge for the year:

Current	35.1	69	(27,306)
Deferred		-	28,386
		<u>69</u>	<u>1,080</u>
<b>35.1 Provision for taxation</b>		<b>69</b>	<b>3,478</b>
Tax credit - previous year's provision for taxation		-	(30,784)
		<u>69</u>	<u>(27,306)</u>

**35.2** Assessment up to tax year 2018 is finalized (deemed assessment) and the available tax losses of the Company are Rupees Nil (2018: Rupees 782.72 million). Tax losses as of July 01, 2018 have been transferred to Ghani Chemical Limited pursuant to Scheme of Compromises, Arrangement and Reconstruction.

**35.3** 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:

	2018	2017	2016
	(Rupees '000')		
Income tax provision for the year - accounts	3,478	30,784	47,024
Income tax credit for preceding year	(30,784)	(47,024)	(42,304)
Excess / (shortage)	<u>(27,306)</u>	<u>(16,240)</u>	<u>4,720</u>

### 36 EARNINGS PER SHARE

		2019	2018
Profit after taxation attributable to ordinary shareholders	(Rupees '000')	<u>170</u>	<u>157,705</u>
Weighted average number of ordinary shares outstanding during the year	(Number)	<u>153,305,824</u>	<u>138,881,571</u>
Earnings per share	(Rupees)	<u>0.001</u>	<u>1.14</u>

**36.1** During the year, the Company has issued 6,613,408 (2018:7,486,877) 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, 2018.

- 36.2** Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2019 (2018: Nil) which would have any effect on the earnings per share if the option to convert is exercised.

Note	2019 (Rupees '000')	2018
<b>37 CASH GENERATED FROM OPERATING ACTIVITIES</b>		
Profit before taxation	239	158,785
<b>Adjustments for non-cash charges/items:</b>		
Depreciation / Amortization	-	106,142
Amortization of intangible assets	7.1 -	247
Finance costs	34 -	123,484
Provision for doubtful debts	12 -	2,841
Translation exchange loss	-	1,548
Gain on disposal of operating fixed assets	-	(825)
	-	233,437
Operating cash flows before working capital changes	239	392,222
<b>Effect on cash flows due to working capital changes (Increase) / decrease in current assets:</b>		
Stores and spares	-	(94,330)
Stock in trade	-	(56,603)
Trade debts	-	57,900
Loans and advances	(1,129)	(61,293)
Short term deposits and prepayments	-	(4,649)
Balances with statutory authorities	-	(24,084)
Other receivables	-	(784)
<b>Increase / (decrease) in current liabilities:</b>		
Trade and other payables	890	96,561
Payable to Employees' Provident Fund	-	(2,746)
<b>Net cash used in working capital changes</b>	(239)	(90,028)
<b>Cash generated from operating activities</b>	-	302,194

### 38 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:

Description	June 30, 2018		
	Chief Executive	Directors	Executives
	(Rupees '000')		
Managerial remuneration	13,605	16,718	9,673
Medical	1,150	1,292	507
Provident fund contribution	1,054	1,313	574
	15,809	19,323	10,754
No. of persons	1	2	4

38.1 The Chief Executive, directors and certain executives have been provided with free use of Company maintained cars in accordance with their entitlement. Pursuance to effective date of Scheme of Compromises, Arrangement and Reconstruction; remuneration to Chief Executive, Directors and executives shall be borne by manufacturing undertaking, i.e. Ghani Chemical Industries Limited.

38.2 No meeting fee was paid to directors for attending board meeting or its committee (2018: Nil).

### 39 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:

#### 39.1 Name and nature of relationship

##### a) Subsidiary Companies

Ghani Chemical Industries Limited - 99.39% shares held in the Company.

Ghani Global Glass Limited - 50.10% shares held in the Company.

##### b) Others

Ghani Gases Employees' Provident Fund

#### 39.2 Transactions with related parties

Nature of Relationship	Nature of Transaction	2019 (Rupees '000')	2018
<b>Associated Company</b>	Services	-	12,000
	Guarantee commission	-	2,600
	Supplies	-	26,360
<b>Subsidiaries</b>	Investment under Scheme of Arrangemen	<b>2,186,267</b>	-
	Profit on share deposit money	-	809
	Guarantee commission	<b>2,600</b>	-
<b>Others</b>			
Sponsors	Loan received / (repaid) - net	-	(407,050)
Provident fund trust	Contribution to Fund	-	22,041

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

### 40 PROVIDENT FUND RELATED DISCLOSURES

40.1 Investments out of the Funds were made in accordance with the provisions of Section 218 of the Act and the conditions specified thereunder.

## 41 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

### 41.1 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.

### 41.2 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	2019 (Rupees '000')	2018
<b>Assets as per Statement of Financial Position</b>			
Long term deposits	9	-	68,257
Trade debts	12	-	468,959
Loans and advances	13	1,973	-
Trade deposits	14	-	45,476
Other receivables		-	864
Cash and bank balances	16	-	173,762
		<b>1,973</b>	<b>757,318</b>
<b>Financial liabilities at amortized cost</b>			
<b>Liabilities as per Statement of Financial Position</b>			
Long term financing	20	-	59,470
Redeemable capital - Sukuk	21	-	1,029,166
Long term security deposits	22	-	33,025
Accrued profit on financings	25	-	23,957
Short term borrowings	26	-	955,986
Trade and other payables	24	890	125,531
Unclaimed dividend		844	853
		<b>1,734</b>	<b>2,227,988</b>



## 42 INFORMATION FOR ALL SHARES ISLAMIC INDEX SCREENING

Description	Note	June 30, 2019		June 30, 2018	
		Carried under		Carried under	
		Non - Sharia (Rupees '000')	Sharia	Non - Sharia	Sharia
<b>(i) Assets</b>					
Deposits	9 and 14	-	-	-	107,297
Bank balances	16	-	-	-	173,621
<b>(ii) Liabilities</b>					
<b>Loans and deposits</b>					
Long term financing	20	-	-	-	59,470
Redeemable capital - Sukul	21	-	-	-	1,029,166
Long term deposits	22	-	-	-	33,025
Short term borrowings	26	-	-	-	955,986
<b>(iii) Other income</b>					
<b>Sources of other income</b>					
Profit on bank deposits		-	-	-	1,943
Commission on corporate guarantee		-	2,600	-	2,600
Rental income		-	-	-	12,000
Gain on disposal of operating fixed assets		-	-	-	825
Profit on share deposit money		-	-	809	-

## 43 FINANCIAL RISK MANAGEMENT

### 43.1 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 exposure classified into separate foreign currencies:

	2019	2018
	(EURO)	
Trade and other payables	-	255,000
Gross exposure	-	255,000

The following significant exchange rates were applied during the year 2018:

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

**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 Nil (2018: Rupees 1.81 million higher / lower, 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 reporting date the profit rate profile of the Company's profit bearing financial instruments was:

	Note	2019	2018
		(Rupees '000')	
<b>Floating rate instruments</b>			
<b>Financial assets</b>			
Bank balances in deposit accounts	16	-	124,693
<b>Financial liabilities</b>			
Long term financing	20	-	59,470
Redeemable capital - Sukuk	21	-	1,029,166
Short term borrowings	26	-	955,986

### **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 reporting 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.

		<b>Changes in Interest Rate</b>	<b>Effects on Profit Before Tax</b>
		<b>(Rupees '000')</b>	
<b>Financial assets</b>			
Bank Balances - deposit accounts	June 30, 2018	+1.50	1,870
		-1.50	(1,870)
<b>Financial liabilities</b>			
Long term financing	June 30, 2018	+2.00	1,189
		-2.00	(1,189)
Redeemable capital - Sukuk	June 30, 2018	+2.00	20,583
		-2.00	(20,583)
Short term borrowing	June 30, 2018	+2.00	19,120
		-2.00	(19,120)

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	2019 (Rupees '000')	2018
Long term deposits	9	-	68,257
Trade debts	12	-	468,959
Trade deposits	14	-	39,040
Other receivables		-	864
Bank balances	16	-	173,621
		-	750,741

### 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:

	Note	2019 (Rupees '000')	2018
Customers	12	-	468,959
Banking companies and financial institutions	16 & 18	-	173,676

Out of the total financial assets credit risk for the year 2018 was concentrated in trade debts and deposits with banks as they constitute 85% of the total financial assets. The Company's exposure to credit risk for the year 2018 relating to trade debts has been disclosed in note 12.1.

### Provision for expected credit losses

Pursuance to implementation of Scheme of Compromises, Arrangement and Reconstruction; all trade debts and other financial assets have been transferred to Ghani Chemical Industries Limited with effect from July 01, 2018, therefore, no impairment against trade debts for expected credit losses is required.

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	2019 (Rupees '000')	2018
AlBaraka Bank (Pakistan) Limit	VIS	A-1	A+	-	16,789
Allied Bank Limited	PACRA	A1+	AAA	-	1,889
Askari Bank Limited	PACRA	A1+	AA+	-	8,395
Bank Alfalah Limited	PACRA	A1+	AA+	-	6,832
Bank Al-Habib Limited	PACRA	A1+	AA+	-	10,024
Bank Islami Pakistan Limited	PACRA	A1	A+	-	17,247
Dubai Islamic Bank Pakistan Li	VIS	A-1	AA-	-	135
Faysal Bank Limited	VIS	A-1+	AA	-	4,878
Habib Bank Limited	VIS	A-1+	AAA	-	14,313
Habib Metropolitan Bank Limite	PACRA	A1+	AA+	-	3,650
MCB Bank Limited	PACRA	A1+	AAA	-	6,527
MCB Islamic Bank Limited	PACRA	A1	A	-	21
Balance carried forward				-	90,700

Banks	Rating Agency	Short term	Long term	2019	2018
				(Rupees '000')	
Balance brought forward				-	90,700
Meezan Bank Limited	VIS	A-1+	AA+	-	72,181
National Bank of Pakistan	PACRA	A1+	AAA	-	600
Silk Bank Limited	VIS	A-2	A-	-	1,356
Soneri Bank Limited	PACRA	A1+	AA-	-	176
Standard Chartered Bank (Pakistan) Limited	PACRA	A1+	AAA	-	246
Summit Bank Limited	VIS	A-1	A-	-	5,635
The Bank of Khyber	PACRA	A1	A	-	40
The Bank of Punjab	PACRA	A1+	AA	-	73
United Bank Limited	VIS	A-1+	AAA	-	2,614
				-	173,621

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 analyses the Company's financial liabilities into relevant maturity grouping based on the remaining period at the reporting date 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')	
<b>June 30, 2019</b>				
<b>Unclaimed dividend</b>	<b>844</b>	<b>844</b>	<b>844</b>	<b>-</b>
	<b>844</b>	<b>844</b>	<b>844</b>	<b>-</b>
<b>June 30, 2018</b>				
Long term financing	20	59,470	59,470	25,613
Redeemable capital - Sukuk	21	1,029,166	1,029,166	216,667
Long term security deposits	22	33,025	33,025	-
Trade and other payables	24	125,531	125,531	-
Short term borrowings	26	955,986	955,986	-
Unclaimed dividend		853	853	-
		2,204,031	2,204,031	1,324,650
				879,381

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.

## 43.2 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 20 and 21. 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, was as follows:

	Note	2019 (Rupees '000')	2018
Debt	20 & 21	-	1,088,636
Equity		2,779,507	2,738,471
<b>Total capital employed</b>		<b>2,779,507</b>	<b>3,827,107</b>
<b>Gearing ratio</b>		<b>0.00%</b>	<b>28.45%</b>

## 44 SEGMENT INFORMATION

44.1 Pursuance to implementation of the Scheme of Compromises, Arrangement and Reconstruction; the Segment Information for the current period have been presented in the financial statements of Ghani Chemical Industries Limited and consolidated financial statements being presented under Section 228 of the Companies Act, 2017. The Company's reportable segments for the year ended June 30, 2018 was 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.

44.2 Segment results for the ended June 30, 2018 were as follows:

	June 30, 2018		
	Industrial and Medical Gases	Industrial Chemicals	Total
	(Rupees '000')		
Net sales	1,712,730	335,867	2,048,597
Cost of sales	(1,093,270)	(316,629)	(1,409,899)
Gross profit	619,460	19,238	638,698
Distribution costs	(223,572)	(6,401)	(229,973)
Administrative expenses	(109,867)	(5,782)	(115,649)
	(333,439)	(12,183)	(345,622)
Segment profit	286,021	7,055	293,076
<b>Unallocated corporate expenses</b>			
Other operating expenses			(28,984)
Other income			18,177
			282,269
Finance costs			(123,484)
Profit before taxation			158,785
Taxation			(1,080)
Profit after taxation			157,705

**44.3** Transfers between business segments are recorded at cost. There were no inter segment transfers during the year 2018.

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

**44.5** The segment assets and liabilities as at June 30, 2018 were as follows:

	June 30, 2018		
	Industrial and Medical Gases	Industrial Chemicals	Total
	(Rupees '000')		
Segment assets	5,016,672	135,879	5,152,551
Unallocated assets			174,626
Total assets			5,327,177
Segment liabilities	2,544,393	40,835	2,585,228
Unallocated liabilities			3,478
Total liabilities			2,588,706

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

<b>45</b>	<b>NUMBER OF EMPLOYEES</b>	2019	2018
		<b>(Number)</b>	
	Total number of employees at year end	-	307
	Average number of employees during the year	-	309

45.1 Pursuance to implementation of the Scheme; all employees have been transferred to Ghani Chemical Industries Limited with effect from July 01, 2018.

46 **PRODUCTION CAPACITY AND ACTUAL PRODUCTION**

2018  
Cubic Meter

**Industrial and medical gases**

Production at normal capacity - gross	51,240,000
Production at normal capacity - net of normal losses	45,750,000
Actual production - net of normal losses	45,908,964

47 **DISCLOSURE REQUIREMENTS FOR SHARIAH COMPLIANT COMPANIES**

As per the requirements of the Fourth Schedule to the Companies Act, 2017: Sharia compliant companies and the companies listed on Islamic Index shall disclose the following:

- (i) Loans / advances obtained as per Islamic mode - refer note 20, 21 & 26.
- (ii) Markup charged on Islamic mode of financing - refer note 34.
- (iii) Shariah compliant bank deposits / bank balances - refer note 16.
- (iv) Profit earned from shariah compliant bank deposits / bank balances - refer note 33
- (v) Revenue earned from a sharia compliant business segment - refer statement of profit or loss.

48 **GENERAL AND CORRESPONDING FIGURES**

48.1 The corresponding figures have been rearranged and reclassified, wherever considered necessary.

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

49 **DATE OF AUTHORIZATION**

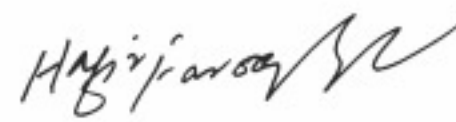
These financial statements have been approved and authorized for issue in the Board of Directors meeting of the Company held on October 04, 2019.



**Atique Ahmad Khan**  
Chief Executive



**Asim Mahmud**  
Chief Financial Officer



**Hafiz Farooq Ahmad**  
Director





**ANNUAL AUDITED  
CONSOLIDATED FINANCIAL STATEMENTS**



## INDEPENDENT AUDITOR'S REPORT

### To the members of Ghani Global Holdings Limited

#### Opinion

We have audited the annexed consolidated financial statements of Ghani Global Holdings Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at June 30, 2019, 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, 2019, 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 matter

##### How our audit addressed the key audit matter

#### 1. Implementation of Scheme of Compromises, Arrangement and Reconstruction

A Scheme of Compromises, Arrangement and Reconstruction among the shareholders of Ghani Global Glass Limited, Ghani Chemical Industries Limited and Ghani Gases Limited was approved by the Honorable Lahore High Court, Lahore through its Order dated February 06, 2019 and granted Sanction Order with certain modification for the separating / demerging of 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 and transfer of shares of Ghani Global Glass Limited held by sponsors of Ghani Global Glass Limited to Ghani Gases Limited against issuance of shares.

We assessed the procedures applied by the management of Holding Company for identification of the assets and liabilities pertaining to manufacturing undertaking as transferred to Ghani Chemical Industries Limited and net assets retained by the Company.

We also evaluated the basis by the management for segregation of the assets and liabilities.

We also considered the basis of segregation of assets, liabilities, income and expenses in accordance with the provisions of the Scheme of Compromises, Arrangement and Reconstruction read with Order of Honorable Lahore High Court, Lahore.



The significance of transactions coupled with the judgment involved in transfer of assets and liabilities along with the operations of manufacturing undertaking and consequent adjustments being identified as Key Audit Matter.

We ensure that appropriateness of the additional disclosures made in these consolidated financial statements with regard to transfer of assets, liabilities, income and expenses, wherever necessary.

We also checked appropriateness and accuracy of adjustments incorporated in the financial statements of the Holding Company, subsidiary companies and the overall Group.

## 2. First time adoption of IFRS 9 – Financial Instruments

Refer to note 5.1.2 to the financial statements

IFRS 9 'Financial Instruments' is effective for the Group for the first time during the current year and replaces the financial instruments standard IAS 39 'Financial Instruments: Recognition and Measurement'.

In relation to financial assets, IFRS 9 requires the recognition of expected credit losses rather than incurred credit losses under IAS 39 and is therefore a fundamentally different approach. Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset.

In accordance with IFRS 9, the measurement of expected credit loss reflects a range of unbiased and probability-weighted outcomes, time value of money, reasonable and supportable information based on the consideration of historical events, current conditions and forecasts of future economic conditions. The calculation of expected credit loss in accordance with IFRS 9 is therefore complex and involves a number of judgmental assumptions.

We considered this as key audit matter due to involvement of significant amounts and judgments made by management regarding the matter.

### 2. Stock in trade

Refer to note 11 to the financial statements

The Group is engaged in manufacturing and sale of Glass tubes, glass ware, vials and ampules, medical & industrial gases and chemicals. Raw material comprises of Silica Sand and other inputs.

The Group held inventory of Rupees 307.891 million as at reporting date. The valuation of raw material are assessed on item by item basis taking into account their usability for market demand of

We reviewed and understood the requirements of the IFRS 9. Our audit procedures included the following:

- Considered the management's process to assess the impact of adoption of IFRS 9 on the Group's financial statements;
- Reviewed the appropriateness of the assumptions used (future and historical), the methodology and policies applied to assess the ECL in respect of financial assets of the Group.
- Reviewed the working carried out by independent consultant for expected credit losses; and
- We reviewed and assessed the impact and disclosures made in the consolidated financial statements with regard to the effect of adoption of IFRS 9.

Based on the testing performed the financial instruments appear to be valued appropriately.

We performed a range of audit procedures with respect to inventory items that are:

- Physical observation of inventory counts;
- Test the reasonability of assumptions applied for valuation methods including allocation of direct labor and direct attributable overhead costs in accordance with the applicable accounting standards; and



finished products.

The significance of balance coupled with the judgment involved in determining as appropriate costing basis has resulted in the valuation of inventories especially finished goods being identified as Key Audit Matter.

- To ensure inventory carries at lower of cost or NRV we performed tests on the sales prices secured by the Group for similar or comparable items of inventories;

We also assessed the adequacy of the disclosure made in respect of the accounting policies and the details of inventory balances held by the Group at year end.

### **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.

### **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.
- 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 & COMPANY**  
CHARTERED ACCOUNTANTS  
Engagement Partner: Imran Bashir

Lahore:

Date: October 04, 2019

**GHANI GLOBAL HOLDINGS LIMITED AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2019**

	Note	2019 (Rupees "000")	2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	4,867,992	3,207,069
Intangible assets	7	360,293	14,631
Long term investments	8	-	406,126
Long term deposits	9	67,494	68,257
		<u>5,295,779</u>	<u>3,696,083</u>
<b>Current assets</b>			
Stores, spares and loose tools	10	203,794	201,566
Stock in trade	11	307,891	94,343
Trade debts	12	793,263	468,959
Loans and advances	13	390,195	203,100
Trade deposits and prepayments	14	68,206	47,420
Other receivables	15	1,737	55
Tax refunds due from government	16	148,999	47,802
Advance income tax - net		558,364	378,637
Cash and bank balances	17	170,317	177,733
		<u>2,642,766</u>	<u>1,619,615</u>
<b>TOTAL ASSETS</b>		<u><b>7,938,545</b></u>	<u><b>5,315,698</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital		2,000,000	2,000,000
200,000,000 (2018: 200,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid up share capital	18	1,533,059	1,322,682
Capital reserve - share premium	19	522,137	460,198
Unappropriated profit		539,872	677,924
Loans from sponsors	20	1,013,351	259,050
<b>Attributable to the equity holders of the Holding Company</b>		<u><b>3,608,419</b></u>	<u><b>2,719,854</b></u>
Non - Controlling Interests		281,149	6,979
<b>Total equity</b>		<u><b>3,889,568</b></u>	<u><b>2,726,833</b></u>
<b>Non-current liabilities</b>			
Long term financing	21	473,510	33,857
Redeemable capital - Sukuk	22	595,833	812,499
Long term security deposits	23	34,451	33,025
Deferred taxation	24	302,181	282,834
		<u>1,405,975</u>	<u>1,162,215</u>
<b>Current liabilities</b>			
Trade and other payables	25	252,084	135,129
Advances from customers		84,618	64,967
Unclaimed dividend		844	853
Accrued profit on financing	26	80,320	23,957
Short term borrowings	27	1,683,471	955,986
Current portion of long term liabilities	28	522,350	242,280
Provision for taxation	36	19,315	3,478
		<u>2,643,002</u>	<u>1,426,650</u>
<b>Total liabilities</b>		<u><b>4,048,977</b></u>	<u><b>2,588,865</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>7,938,545</b></u>	<u><b>5,315,698</b></u>
<b>CONTINGENCIES AND COMMITMENTS</b>	29	-	-

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



**ATIQUE AHMAD KHAN**  
(CHIEF EXECUTIVE OFFICER)



**ASIM MAHMUD**  
(CHIEF FINANCIAL OFFICER)



**HAFIZ FAROOQ AHMAD**  
(DIRECTOR)

**GHANI GLOBAL HOLDINGS LIMITED AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 (Rupees "000")	2018
Net sales		3,074,726	2,048,597
Cost of sales	30	(2,433,999)	(1,409,899)
<b>Gross profit</b>		<b>640,727</b>	<b>638,698</b>
Selling and distribution expenses	31	(291,369)	(227,161)
Administrative expenses	32	(207,481)	(118,781)
Other operating expenses	33	(20,950)	(29,205)
		(519,800)	(375,147)
Other income	34	21,362	17,494
<b>Profit from operations</b>		<b>142,289</b>	<b>281,045</b>
Finance costs	35	(313,734)	(123,489)
Share of loss from associate		-	(30,733)
<b>(Loss)/ profit after taxation</b>		<b>(171,445)</b>	<b>126,823</b>
Taxation	36	(40,655)	(1,080)
<b>(Loss)/ profit after taxation</b>		<b>(212,100)</b>	<b>125,743</b>
<b>Attributable to:</b>			
Owners of the Holding Company		(138,052)	125,763
Non - Controlling Interests		(74,048)	(20)
		<b>(212,100)</b>	<b>125,743</b>
Earnings per share	37	<b>(0.90)</b>	0.91

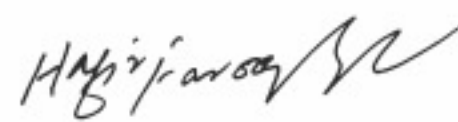
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**HAFIZ FAROOQ AHMAD**  
(DIRECTOR)

**GHANI GLOBAL HOLDINGS LIMITED AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 (Rupees "000")	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operating activities	38	276,483	294,955
Finance cost paid		(270,711)	(116,067)
Refund of income tax received		5,855	
Income tax paid		(123,275)	(111,400)
<b>Net cash (used in) / generated from operating activities</b>		<b>(388,131)</b>	<b>(227,467)</b>
		<b>(111,648)</b>	67,488
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions in operating fixed assets		(121,331)	(47,063)
Additions in capital work in progress		(210,626)	(215,685)
Additions in intangible assets		-	(14,808)
Proceeds from disposal of operating fixed assets		23,767	8,744
Long term deposits - net		8,561	(10,501)
<b>Net cash used in investing activities</b>		<b>(299,629)</b>	<b>(279,313)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term financing		343,483	35,186
Repayments of redeemable capital - Sukuk		(216,667)	(216,667)
Loan from sponsors - net		19,940	(380,650)
Short term borrowings		183,408	682,986
Dividend paid		(9)	(5)
Proceeds from long term deposits		1,026	6,405
<b>Net cash generated from financing activities</b>		<b>331,181</b>	<b>127,255</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(80,096)</b>	<b>(84,570)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>177,733</b>	<b>262,303</b>
<b>Transfer upon acquisition</b>		<b>72,680</b>	-
<b>Cash and cash equivalents at the end of the year</b>	17	<b>170,317</b>	<b>177,733</b>

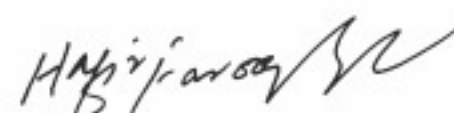
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(CHIEF FINANCIAL OFFICER)



**HAFIZ FAROOQ AHMAD**  
(DIRECTOR)



**GHANI GLOBAL HOLDINGS LIMITED AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2019**

	<b>2019</b>	<b>2018</b>
	<b>(Rupees "000")</b>	
(Loss)/ profit before taxation	<b>(212,100)</b>	125,743
Other comprehensive income	-	-
<b>Total comprehensive (loss)/ income for the year</b>	<b><u>(212,100)</u></b>	<b><u>125,743</u></b>
<b>Attributable to:</b>		
Owners of the Holding Company	<b>(138,052)</b>	125,763
Non - Controlling Interests	<b>(74,048)</b>	(20)
	<b><u>(212,100)</u></b>	<b><u>125,743</u></b>

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



**ATIQUE AHMAD KHAN**  
**(CHIEF EXECUTIVE OFFICER)**



**ASIM MAHMUD**  
**(CHIEF FINANCIAL OFFICER)**



**HAFIZ FAROOQ AHMAD**  
**(DIRECTOR)**

GHANI GLOBAL HOLDINGS LIMITED AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2019

	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")						
<b>Balance as at June 30, 2017</b>	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)
<b>Balance as at June 30, 2018</b>	<b>1,322,682</b>	<b>460,198</b>	<b>677,924</b>	<b>259,050</b>	<b>2,719,854</b>	<b>6,979</b>	<b>2,726,833</b>
Issuance of bonus shares	66,134	(66,134)	-	-	-	-	-
Issuance of shares under scheme of arrangement	144,243	128,073	-	-	272,316	-	272,316
NCI upon acquisition of GGGI	-	-	-	-	-	348,218	348,218
Loss attributable to non-controlling interests for the year	-	-	-	-	-	(74,048)	(74,048)
Total comprehensive income attributable to holding company	-	-	(138,052)	-	(138,052)	-	(138,052)
Sponsors loan transfer upon acquisition	-	-	-	734,361	734,361	-	734,361
Loan repaid during the year	-	-	-	19,940	19,940	-	19,940
<b>Balance as at June 30, 2019</b>	<b>1,533,059</b>	<b>522,137</b>	<b>539,872</b>	<b>1,013,351</b>	<b>3,608,419</b>	<b>281,149</b>	<b>3,889,568</b>

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



ATIQUE AHMAD KHAN  
(CHIEF EXECUTIVE OFFICER)



ASIM MAHMUD  
(CHIEF FINANCIAL OFFICER)



HAFIZ FAROOQ AHMAD  
(DIRECTOR)

**GHANI GLOBAL HOLDINGS LIMITED AND ITS SUBSIDIARIES  
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**1 THE GROUP AND ITS OPERATIONS**

The group consists of:

**Holding Company**

- Ghani Global Holdings Company Limited (Formerly Ghani Gases Limited)

**Subsidiary Company**

- Ghani Chemical Industries Limited  
- Ghani Global Glass Limited

**Ghani Global Holdings 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 principal activity of the Company, subsequent to the separation of manufacturing undertaking, is to manage investments in its subsidiary and associated company for approval from shareholders is being sought in forthcoming annual general meeting of the holding company.

**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 Company is principally engaged in manufacturing, sales and trading of medical & industrial gases and chemicals. Ghani Global Holdings Limited has 99.39% (2018: 95.33%) ownership in the share capital of Ghani Chemical Industries Limited.

**Ghani Gobal Glass Limited**

Ghani Global Glass Limited ("the Company") was incorporated in Pakistan under the Companies Act, 2017 (then the Companies Ordinance, 1984) as a private limited company on October 04, 2007 as Ghani Tableware (Private) Limited. Its status was changed to public unlisted company, consequently its name was changed to Ghani Tableware Limited as on July 24, 2008. Name of the Company was further changed to Ghani Global Glass Limited on January 14, 2009. The Company became listed on Pakistan Stock Exchange on December 12, 2014 upon merger of Libaas Textiles Limited with and into the Company. Ghani Global Holdings Limited has 51.10% (2018: 25%) ownership in the share capital of Ghani Global Glass Limited.

Registered offices of the Group including subsidiary companies is located at 10-N Model Town Extension, Lahore. Manufacturing facilities of the subsidiary companies are located at Phool Nagar Bypass, District Kasur and Port Qasim, Karachi.

**2 STATEMENT OF COMPLIANCE**

**2.1** 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.

## 2.2 INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR INTERPRETATIONS 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 01, 2018 and is relevant to the Group.

- IFRS 9 'Financial instruments'. This standard has been notified by the Securities and Exchange Commission of Pakistan ('SECP') to be effective for annual periods ending on or after June 30, 2019. 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'. This standard has been notified by the SECP to be effective for annual periods beginning on or after July 01, 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 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.
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' 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 Group shall determine a date of the transaction for each payment or receipt of advance consideration.

The other amendments to published standards and interpretations that are mandatory for the financial year which began on July 01, 2018 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 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 01, 2019, that may have an impact on the financial statements of the Group.

- IFRS 16 'Leases' (effective for annual period beginning on or after January 01, 2019). IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The management is in the process of analysing the potential impacts on adoption of this standard.
- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after January 01, 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 01, 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 Group adopts the amendments.
- Amendment to IFRS 9 'Financial Instruments' - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after January 01, 2019). For a debt instrument to be eligible for measurement at amortised cost or FVOCI, IFRS 9 requires its contractual cash flows to meet the SPPI criterion - i.e. the cash flows are 'solely payments of principal and interest'. Some prepayment options could result in the party that triggers the early termination receiving compensation from the other party (negative compensation). The amendment allows that financial assets containing prepayment features with negative compensation can be measured at amortised cost or at fair value through other comprehensive income (FVOCI) if they meet the other relevant requirements of IFRS 9. The application of amendment is not likely to have an impact on Group's financial statements.
- IAS 12 Income taxes (effective for annual periods beginning on or after January 01, 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.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after January 01, 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on the Group's financial statements.
- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after January 01, 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on the Group's financial statements.

- Amendment to IFRS 3 'Business Combinations' - Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after January 01, 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after January 01, 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On March 29, 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallise. The Group may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, Group should review those policies and apply the new guidance retrospectively as of January 01, 2020, unless the new guidance contains specific scope outs.
- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:
  - IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a Group increases its interest in a joint operation that meets the definition of a business. A Group remeasures its previously held interest in a joint operation when it obtains control of the business. A Group does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
  - IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The above new standards, amendments and interpretations are not likely to have an impact on Group's 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 BASIS OF CONSOLIDATION**

These consolidated financial statements include the financial statements of Ghani Global Holdings Limited, formerly known as Ghani Gases Limited ("the Holding Company") and its subsidiary companies, Ghani Chemical Industries Limited ("the Subsidiary Company"), which is 99.39% (2018: 95.33%) and Ghani Global Glass Limited ("the Subsidiary Company"), which is 50.10% (2018: 25%).

## 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 companies 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.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition is recorded as goodwill. If the cost of acquisition is less than fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill acquired in a business combination is, on the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination. Goodwill is tested annually or whenever there is an indication of impairment exists. Impairment loss in respect of goodwill is recognised in consolidated statement of profit or loss and is not reversed in future periods.

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.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and the carrying value of investments held by the Holding Company is eliminated against the subsidiaries' shareholders' equity in the consolidated financial statements.

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 Subsidiaries have been adjusted to conform with the Group's accounting policies.

Subsidiaries have same reporting period as that of the Holding Company. The accounting policies of subsidiaries have been changed to confirm with accounting policies of the Group, wherever needed.

## **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.

## **4 BASIS OF MEASUREMENT**

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

### **4.2 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) *Income tax***

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) Allowance for expected credit loss**

The Group reviews its expected credit loss as per the requirement of IFRS 9 'Financial Instruments - Recognition and Measurement' for trade debts and other financial assets as at each reporting date to assess whether allowance 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 allowances.

**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.

**f) Contingencies**

The Group has disclosed its contingent liabilities for the pending litigations and claims against the Group based on its judgment and the advice of the legal advisors for the estimated financial outcome. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the balance sheet date. However, based on the best judgment of the Group and its legal advisors, the likely outcome of these litigations and claims is remote and there is no need to recognize any liability at reporting date.

#### **4.3 Functional and presentation currency**

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

### **5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**5.1** The significant accounting policies adopted in the preparation of these financial statements are set-out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Changes in significant accounting policies**

The Company has adopted IFRS 15 'Revenue from Contracts with Customers' and IFRS 9 'Financial Instruments' from July 01, 2018 which are effective from annual periods beginning on or after July 01, 2018 and for reporting period / year ending on or after June 30, 2019 respectively.

The details of new significant accounting policies adopted and the nature and effect of the changes to previous accounting policies are set out below:

### 5.1.1 IFRS 15 - Revenue from contracts with customers

On May 28, 2014, the International Accounting Standards Board ("IASB") issued International Financial Reporting Standards ("IFRS") 15 "Revenue from Contracts with Customers" which provides a unified five-step model for determining the timing, measurement and recognition of revenue. The focus of the new standard is to recognize revenue as performance obligations are made rather than based on the transfer of risk and rewards. IFRS 15 includes a comprehensive set of disclosure requirements including qualitative and quantitative information about contracts with customers to understand the nature, amount, timing and uncertainty of revenue. The standard supersedes IAS 18 "Revenue", IAS 11 "Construction Contracts" and the number of revenue related interpretations.

The Company has adopted IFRS 15 with effect from July 01, 2018 as notified by the Securities and Exchange Commission of Pakistan. The Company is already recognising its revenue / other income as per current applicable accounting standard. Invoices are generated upon receipt of confirmation for delivery of goods and revenue is recognised over the time. The above is generally consistent with the timing and amounts of revenue the Company recognised in accordance with the previous standard, IAS 18. Therefore, the adoption of IFRS 15 which replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations, did not have an impact on the timing and amounts of revenue recognition of the Company.

### 5.1.2 IFRS 9 - Financial Instruments

IFRS 9 replaced the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' that relates to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. Changes in accounting policies resulting from adoption of IFRS 9 have been applied retrospectively. The Company has applied IFRS 9 'Financial Instruments' with the effect from July 01, 2018 as notified by Securities and Exchange Commission of Pakistan. The details of new significant accounting policies adopted and the nature and effect of the changes to previous accounting policies are set out below:

In respect of retrospective application of IFRS 9, the Company has adopted modified retrospective approach as, permitted by this standard, according to which the Company is not required to restate the prior year results.

#### a) Financial Assets

Effective July 01, 2018, the Company classifies its financial assets in the following measurement categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost where effective interest rate method will apply.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of business model within which a financial asset is held; and
- The designation and revocation of previous designation of certain financial assets as measured at fair value through profit or loss (FVTPL).

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial asset depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

### **De-recognition**

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired;
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### **Impairment of financial assets**

IFRS 9 replaces the 'incurred credit loss' model of IAS 39 with an 'expected credit loss' model. The expected credit loss model requires the Company to account for expected losses as a result of credit risk on initial recognition of financial assets and to recognise changes in those expected credit losses at each reporting date. Financial assets which are subject to expected credit loss model includes deposits, trade debts, other receivable and cash and bank balances.

Under IFRS 9, loss allowances are measured on either of the following basis:

- 12 months expected credit losses: These are expected credit losses that result from possible default events within the 12 months after the reporting date; and
- Lifetime expected credit losses: These are expected credit losses that result from all possible default events over the expected life of a financial instrument.

Reversal in respect of expected credit loss for trade debts amounting to Rupees 1,437,541 has been recognised during the year. There were no other transition adjustments arising from the change in impairment basis.

Lifetime expected credit loss is recognised if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such as Company's internal factors and economic environment of the country of customers) on expected credit loss.

### **Simplified approach for trade debts**

The Company recognises life time expected credit loss on trade debts, using the simplified approach. The measurement of expected credit loss reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts are separately assessed for expected credit loss measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

## **b) Financial Liabilities**

### **Classification, initial recognition and subsequent measurement**

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

- **Fair value through profit or loss**  
Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.
- **Amortised cost**  
After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

### **De-recognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **c) Off setting financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to set off the recognized amounts, and the Company either intends to settle on a net basis, or realize the asset and settle the liability simultaneously. Legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

#### **d) Hedge accounting**

IFRS 9 requires that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness. There is no impact of the said change on these financial statements as there is no hedge activity carried on by the Company during the year ended June 30, 2019.

The adoption of IFRS 9 did not have a significant effect on the Company's accounting policies related to financial liabilities.

## **5.2 Taxation**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in consolidated statement of other comprehensive income, respectively.

### ***Current***

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years, if any.

### ***Deferred***

Deferred tax is recognised 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 realisation or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation. 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 recognises 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 utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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.

Further, the Group recognises deferred tax asset / liability on deficit / surplus on revaluation of property, plant and equipment which is adjusted against the related deficit / surplus, if any.

### **5.3 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.

### **5.4 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.

### **5.5 Contingencies**

A contingencies are disclosed when the Group has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Group; or the Group has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

### **5.6 Provisions**

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of expected expenditure, discounted at a pre-tax rate reflects current market assessment of the time value of money and the risk specific to the obligation. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

### **5.7 Property, plant and equipment**

#### **5.7.1 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 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 off.

### ***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.

### **5.7.2 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.

### **5.8 Stores, spares and loose tools**

These are valued at moving average cost less provision for slow moving and obsolete items except for items in transit, which are valued at cost comprising invoice value, plus other charges paid thereon. Provision is made for slow moving and obsolete items.

### **5.9 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.

### **5.10 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.

### **5.11 Loans, advances and trade deposits**

These are initially recognized at amortised cost, which is the fair value of consideration given. Subsequent to the initial recognition assessment is made at each reporting date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such indication exists, the expected credit loss of that asset or group of assets is determined and any expected credit loss will be recognized as allowance. Non-financial loans and advances are recognised at the amount / consideration actually given.

## 5.12 Impairment of non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets or cash generating unit.

An impairment loss is recognised if the carrying amount of the asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in statement of profit or loss. Impairment losses recognised in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on pro rata basis. Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used in determining the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognised.

## 5.13 Employees' benefits

### ***Defined contribution plan***

The Group 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 Group and employees to the Fund.

### ***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.

## 5.14 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.

## 5.15 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income. Other comprehensive income comprises items of income and expense, including reclassification adjustments, that are not recognized in profit or loss as required or permitted by approved accounting standards.

## 5.16 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.

## 5.17 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.



## 5.18 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.

## 5.19 Revenue recognition

Revenue is recognised at amounts that reflect the consideration that the Company expects to be entitled to in exchange for transferring goods or services to a customer. Revenue is measured at the fair value of the consideration received or receivable, and is recognised on the following basis:

- Revenue from sale of goods is recognised when or as performance obligations are satisfied by transferring control (i.e. at the time of transfer of physical possession) of a promised good or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies.  
Export sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides either with the date of bill of lading or upon delivery to customer or its representative, based on terms of arrangement.
- Profit on bank deposits is recognized on time proportion basis taking into account principal outstanding and rates of profit applicable thereon;
- Dividend income is recognized when the Group's right to receive the dividend is established;
- Any profit on loans and advances is recognized on time proportion basis using effective rate of return.
- Rental income is recognized on accrual basis when the amount is being receivable by the Group as per relevant assessment; and

## 5.20 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.

## **5.21 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.

## **5.22 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 commercial terms and conditions.

## **5.23 Share capital**

Ordinary shares are classified as share capital.

## **5.24 Trade debts**

Trade debts and other receivables are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Allowance for impairment is made on the basis of lifetime expected credit losses that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts are written off when considered irrecoverable.

## **5.25 Other receivables**

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

## **5.26 Financial instruments**

### **5.26.1 Initial Recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortised cost or cost as the case may be.

#### **a) Classification of financial assets**

The Group classifies its financial instruments at fair value through profit and loss, at fair value through other comprehensive income, or at amortised cost. The Group determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Group's business model for managing the financial assets and their contractual cash flow characteristics. Financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are recognised subsequently at amortised cost. Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at 'fair value through other comprehensive income'. By default, all other financial assets are subsequently measured at 'fair value through profit or loss'.

## b) Classification of financial liabilities

The Group classifies its financial liabilities at fair value through profit or loss, or at amortised cost. Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as instruments held for trading or derivatives) or the Group has opted to measure them at fair value through profit or loss.

### 5.26.2 Subsequent measurement

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at fair value through profit or loss are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where management has opted to recognise a financial liability at fair value through profit or loss, any changes associated with the Group's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at fair value through profit or loss.

### 5.26.3 Impairment of financial assets at amortised cost

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

### 5.26.4 Derecognition

The Group derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

The Group derecognises financial liabilities only when its obligations under the financial liabilities are discharged or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

### 5.26.5 Off setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Group has a legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

## 6 PROPERTY, PLANT AND EQUIPMENT

	Note	2019 (Rupees '000)	2018
Operating fixed assets	6.1	4,784,927	3,173,893
Capital work in progress - at cost	6	83,065	33,176
		<u>4,867,992</u>	<u>3,207,069</u>

6.1 Operating fixed assets

DESCRIPTION	2019										BALANCE AS AT JUNE 30, 2019			DEPRECIATION RATES / USEFUL LIFE
	BALANCE AS AT JULY 01, 2018					FOR THE YEAR					Cost	Accumulated Depreciation / Amortization	Net Book Value	
	Cost	Accumulated Depreciation / Amortization	Net Book Value	Additions	Transfer under acquisition	Transferred in	Disposal	Depreciation / Amortization	Depreciation / Amortization	Depreciation / Amortization				
											Accumulated Depreciation / Amortization	(Cost) /		
Land - Freehold	196,857	-	196,857	7,745	37,793	-	(14,028)	-	-	228,367	-	228,367	-	
Land- Leasehold	25,826	3,394	22,432	639	-	-	-	530	-	26,465	3,924	22,541	49 Years	
Building	303,981	122,730	181,251	701	132,949	818	-	28,742	-	438,449	179,394	259,055	10%	
Plant and machinery	3,085,719	379,787	2,705,932	54,577	1,523,789	190,346	(150)	142,035	-	4,854,281	702,461	4,151,820	-	
Furniture and fixtures	29,906	13,171	16,735	4,443	6,930	-	-	2,375	-	41,279	17,380	23,899	10%	
Office equipment	4,351	1,584	2,767	1,801	2,000	-	-	493	-	8,152	2,364	5,788	10%	
Computers	10,458	6,767	3,691	269	1,877	-	-	1,406	-	12,604	9,180	3,424	30%	
Vehicles	78,285	34,057	44,228	51,156	27,256	-	(15,951)	17,620	-	140,746	50,713	90,033	20%	
	3,735,383	561,490	3,173,893	121,331	1,732,594	190,346	(30,129)	193,201	-	5,750,343	965,416	4,784,927		
					(220,964)		10,239							

DESCRIPTION	2018										BALANCE AS AT JUNE 30, 2018			DEPRECIATION RATES / USEFUL LIFE
	BALANCE AS AT JULY 01, 2017					FOR THE YEAR					Cost	Accumulated Depreciation / Amortization	Net Book Value	
	Cost	Accumulated Depreciation / Amortization	Net Book Value	Additions	Transferred in	Disposal	Depreciation / Amortization	Depreciation / Amortization	Depreciation / Amortization	Depreciation / Amortization				
											Cost / (Accumulated Depreciation)	(Cost) / Accumulated Depreciation		
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)	32	78,979	-	3,085,719	379,787	2,705,932	-	
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)	8,027	8,927	-	78,285	34,057	44,228	20%	
	3,421,139	463,407	2,957,732	330,402	-	(16,158)	8,059	106,142	-	3,735,383	561,490	3,173,893		
					-	8,059								

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

	2019	2018
Cost of sales	30	91,967
Administrative expenses	32	14,175
	<u>193,201</u>	<u>106,142</u>

**6.1.2** 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) Mouza Parma, Phool Nagar, Tehsil Pattoki, District Kasur	Industrial land	83 Kanal and 9 Marla	-
d) Plot No. 09 to 24, Zone - B, Hattar	Open plot	134 Kanal (16.75 Acre)	-

**6.1.3** 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
------(Rupees '000')-----						
<b>Land</b>						
Land - Freehold	14,028	-	14,028	14,998	970	Negotiation Mr. Awal Shah
<b>Vehicles</b>						
Honda Civic	2,209	(1,649)	560	1,018	458	Negotiation Mr. Khwaja Imran Shahzad
Mercedes Benz	11,000	(6,292)	4,708	6,000	1,292	Negotiation Mr. Shafique Ahmad

	Note	2019 (Rupees "000")	2018
<b>6.2 CAPITAL WORK IN PROGRESS - AT COST</b>			
Civil works	6.2.1	58,929	27,538
Plant and machinery	6.2.2	22,116	3,618
Capital stores		2,020	2,020
		<b>83,065</b>	<b>33,176</b>
<b>6.2.1 Civil works</b>			
Opening balance		27,538	58,137
Transfer upon acquisition GGGL		30,427	-
Additions during the year		1,782	28,337
Capitalized during the year		(818)	(58,936)
Closing balance		<b>58,929</b>	<b>27,538</b>
<b>6.2.2 Plant and machinery</b>			
Opening balance		3,618	42,693
Additions during the year		208,844	185,328
Capitalized during the year		(190,346)	(224,403)
Closing balance		<b>22,116</b>	<b>3,618</b>

## 7 INTANGIBLE ASSETS

Software	7.1	11,599	14,561
Goodwill	7.2	348,694	70
		<b>360,293</b>	<b>14,631</b>

### 7.1 Software COST

Opening balance		14,808	-
Additions during the year - at cost		-	-
Closing balance		<b>14,808</b>	<b>14,808</b>

### AMORTIZATION

Opening balance		247	-
Amortization charged during the year	7.1.1	2,962	247
Closing balance		<b>3,209</b>	<b>247</b>
<b>Net book value</b>		<b>11,599</b>	<b>14,561</b>

7.1.1 Intangibles are being amortized at the rate of 20% (2018: 20%) and has been allocated to administrative expenses.

	Note	2019 (Rupees "000")	2018
<b>7.2 Goodwill</b>			
Opening balance	7.2.1	70	70
Transfer upon acquisition of GGGL	7.2.2	19,794	-
Goodwill originated during the year	7.2.3	328,830	-
		<b>348,694</b>	<b>70</b>
Less: impairment		-	-
		<b>348,694</b>	<b>70</b>

7.2.1 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.

7.2.2 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 Libaas Textile Limited with and into the Company.

7.2.3 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 Global Glass Limited with and into the Company.

7.2.4 The Group assessed the recoverable amount at June 30, 2019 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.

	Note	2019 (Rupees "000")	2018
<b>8 LONG TERM INVESTMENTS</b>			
<i>Investment in associate - under equity method</i>			
<b>Ghani Global Glass Limited</b>			
Nil (2018: 25,000,000) fully paid ordinary shares of Rupees 10 each.	8.1	-	406,126
<b>8.1 Carrying value under equity method</b>			
Opening carrying value		406,126	436,859
Share of loss from associate		-	(30,733)
Transfer upon acquisition of control		(406,126)	-
Closing carrying Value		-	406,126
<b>9 LONG TERM DEPOSITS</b>			
<i>Considered good:</i>			
Security deposits for utilities		63,885	60,370
Security deposits for rented premises		2,973	1,188
Deposits against fuel supply		-	6,113
Deposits against Ijarah facilities		586	586
Central Depository Company of Pakistan (CDC)		50	-
		67,494	68,257
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	2019 (Rupees "000")	2018
<b>10 STORES, SPARES AND LOOSE TOOLS</b>			
Stores		39,317	24,404
Spare parts		163,794	176,953
Loose tools		683	209
		203,794	201,566
<b>11 STOCK IN TRADE</b>			
Raw material		42,713	-
Work in progress		8,116	-
Finished goods		257,062	94,343
		307,891	94,343
<b>12 TRADE DEBTS</b>			
<i>Considered good:</i>			
Unsecured	12.1	804,376	471,800
Allowance for expected credit loss		(11,113)	(2,841)
		793,263	468,959

	Note	2019 (Rupees)	2018
<b>12.1 The age of trade debts at reporting date was:</b>			
Not past due		420,808	6,659
0 to 180 Days		319,018	376,693
181 to 365 Days		35,626	36,030
1 to 2 Years		20,522	30,940
More than two years		8,402	21,478
		<b>804,376</b>	<b>471,800</b>
<b>13 LOANS AND ADVANCES</b>			
<b><i>Unsecured and Considered good:</i></b>			
Advances to:			
- Employees against expenses		4,775	1,837
- Employees against salary		25	-
- Suppliers and contractors		294,137	201,263
- Due from related party		480	-
- Advance against imports		81,915	-
- Advances to collector of customs		10,348	-
		<b>391,680</b>	<b>203,100</b>
Allowance for impairment		<b>(1,485)</b>	<b>-</b>
		<b>390,195</b>	<b>203,100</b>
<b>14 TRADE DEPOSITS AND PREPAYMENTS</b>			
<b><i>Considered good:</i></b>			
Security deposits		61,283	39,040
Short term prepayments		2,559	1,944
Margin against letter of credit		4,364	6,436
		<b>68,206</b>	<b>47,420</b>
<b>15 OTHER RECEIVABLES</b>			
<b><i>Considered good:</i></b>			
Bank profit receivables		<b>1,737</b>	<b>55</b>
<b>16 TAX REFUNDS DUE FROM GOVERNMENT</b>			
Sales tax refundable		<b>148,999</b>	<b>47,802</b>
<b>17 CASH AND BANK BALANCES</b>			
Cash in hand		533	144
Balances with banks in:			
Current accounts		31,279	52,158
Deposit accounts		138,505	125,431
		<b>169,784</b>	<b>177,589</b>
		<b>170,317</b>	<b>177,733</b>
<b>17.1</b> The Group have banking relationship with islamic windows of conventional banking system as well as shariah compliant banks only.			



	Note	2019 (Rupees "000")	2018
<b>18 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>			
122,956,711 (2018: 122,956,711) Ordinary shares of Rupees 10 each fully paid in cash		1,229,567	1,229,567
13,000 (2018: 13,000) Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement for amalgamation	18.1	130	130
14,424,253 (2018: Nil) Ordinary shares of Rupees 10 each issued for consideration other than cash under scheme of arrangement	18.2	144,243	-
15,911,860 (2018: 9,298,452) Ordinary shares of Rupees 10 each issued as fully paid bonus shares		159,119	92,985
		<b>1,533,059</b>	<b>1,322,682</b>

**18.1** 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.

**18.2** During the year, 14,424,253 shares of Rupees 10 each have been allotted to the sponsoring shareholders of Ghani Global Glass Limited against 25,098,280 shares as per Swap ratio of 1:1.74, i.e. 1 share of Ghani Gases Limited against 1.74 shares of Ghani Global Glass Limited pursuant to Scheme of Arrangement and Compromises among the shareholders of Ghani Gases Limited, Ghani Global Glass Limited and Ghani Chemical Industries Limited as sanctioned by the Honourable Lahore High Court, Lahore on February 06, 2019.

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

2019 (No. of Shares)	2018		2019 (Rupees "000")	2018
132,268,163	124,781,286	Opening balance	1,322,682	1,247,813
21,037,661	7,486,877	Issued during the year	210,377	74,869
<b>153,305,824</b>	<b>132,268,163</b>	Closing balance	<b>1,533,059</b>	<b>1,322,682</b>

## 19 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, Holding Company has utilized share premium to the extent of Rupees 66.134 million (2018: Rupees 74.869 million) by issuance of fully paid 6,613,408 (2018: 7,486,877) bonus shares in accordance with the provisions of Section 81 of the Companies Act, 2017.

## 20 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	2019 (Rupees "000")	2018
<b>21 LONG TERM FINANCING</b>			
<i>From banking companies - secured:</i>			
Diminishing Musharakah	21.2	3,485	1,981
Diminishing Musharakah		-	9,899
Diminishing Musharakah	21.3	20,912	33,634
Diminishing Musharakah	21.4	64,509	13,471
Diminishing Musharakah	21.5	129,450	-
Diminishing Musharakah	21.6	279,760	-
Syndicate financing facility	21.7	223,746	-
<i>From Islamic Financial Institution - secured</i>			
Diminishing Musharakah	21.8	57,332	485
		<b>779,194</b>	<b>59,470</b>
Current portion taken as current liability	28	<b>(305,684)</b>	<b>(25,613)</b>
		<b>473,510</b>	<b>33,857</b>

	Note	2019 (Rupees "000")	2018
21.1	Balance at beginning of year	59,470	24,284
	Availed/adjustment during the year	550,211	54,456
	Transfer upon acquisition of GGGL	376,241	-
		<b>985,922</b>	78,740
	Repayment/adjustment during the year	(206,728)	(19,270)
	Balance at the end of year	<b>779,194</b>	59,470

**21.2** This represents diminishing musharakah facility having credit limit of Rupees 10 million (2018: 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.

**21.3** This represents diminishing musharakah facility having credit limit of Rupees 50 million (2018: 50 million) 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 Group.

**21.4** This represents diminishing musharakah facility having credit limit of Rupees 90 million (Rupees 50 million) 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 first ranking pari passu charge on assets and personal guarantee of three sponsoring directors of the Group.

**21.5** This represents diminishing musharakah facility having credit limit of Rupees 450 million availed from banking company to finance machinery and equipments for a period of 5 years including 1 year grace period. The balance is repayable in 16 equal quarterly installments. It carries profit rate of 3 month KIBOR plus 100 BPS. The facility is secured against ranking charge over all plant and machinery of the company which will be upgraded to first pari passu charge with in 120 days from the date of first draw down of the facility for plant and machinery.

**21.6** This represents diminishing musharakah facility having credit limit of Rupees 306.9 million (2018: Nil), availed from banking companies for purchase of vehicles and to import machinery. The terms of the agreement is 3 to 5 years. The balance is repayable in monthly / quarterly installments. It carries profit rate of 1 month KIBOR plus 1.5%, 3 months KIBOR plus 1.95% (floor 8%;cap 18%) and 6 months KIBOR plus 1.75% per annum (floor 8%;cap 18%). It is secured against specific charge on machinery of Rupees 125 million registered with SECP along with corporate guarantee of Holding Company, exclusive charge over fixed assets amounting to Rupees 240 million inclusive of 20% margin and first exclusive hypothecation charge over DM assets registered with SECP respectively.

**21.7** This facility was obtained to establish a tubing glass manufacturing plant having credit limit of Rupees 600 million (2018: Rupees Nil), carrying profit at the rate of 3 month KIBOR plus 1.95% per annum repayable quarterly and is secured against first pari passu charge on all present and future fixed assets of the GGGL for Rupees 800 million and corporate guarantee of the Holding Company with grace period for principal repayment of 24 months from the date of first drawdown. The term of the agreement is six (6) years including grace period.

**21.8** This Islamic finance facility carries profit ranging from 6 months KIBOR plus 100 BPS to 125 BPS (June 30, 2018: 6 months KIBOR plus 100 BPS to 125 BPS). This Islamic finance facility having credit limit of Rupees 63 million (June 30, 2018: Rupees 63 million) is secured against ownership of DM assets in favor of financial institution. This finance facility is repayable in monthly installments.

	Note	2019 (Rupees "000")	2018
<b>22 REDEEMABLE CAPITAL - SUKUK</b>			
Long Term Certificates (Sukuk)	22.1	812,500	1,029,166
Current portion taken as current liability	28	(216,667)	(216,667)
		<b>595,833</b>	812,499

	Note	2019 (Rupees "000")	2018
22.1 Balance at beginning of year		1,029,166	1,245,833
Availed during the year		-	-
		<b>1,029,166</b>	1,245,833
Repayment during the year		(216,667)	(216,667)
Balance at the end of year		<b>812,500</b>	1,029,166

22.2 The Company had issued Rated, Privately Placed and Secured Long Term Islamic Certificates (Sukuk) as instrument of redeemable capital under Section 120 of the Companies Ordinance 1984 (Now the Companies Act, 2017) amounting to Rupees 1,300 million divided into 13,000 (2018: 13,000) certificates of Rupees 100,000 each for a period of 6 years under an agreement dated December 22, 2016 for swapping of 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. 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	2019 (Rupees "000")	2018
<b>23 LONG TERM SECURITY DEPOSITS</b>			
Security deposits	23.1	<b>34,451</b>	33,025

23.1 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.

		2019 (Rupees "000")	2018
<b>24 DEFERRED TAXATION</b>			
<b>Taxable temporary differences</b>			
Accelerated tax depreciation		589,784	482,035
<b>Deductible temporary differences</b>			
Provision for expected credit loss		(3,302)	(710)
Unused tax losses		(261,577)	(195,592)
		<b>(264,879)</b>	(196,302)
<b>Net taxable temporary differences</b>		<b>324,905</b>	285,733
Unused tax credits		(22,724)	(2,899)
		<b>302,181</b>	282,834

<b>25 TRADE AND OTHER PAYABLES</b>			
Trade creditors		136,836	93,854
Accrued liabilities		95,962	31,773
Workers' profit participation fund	25.1	-	8,228
Book overdraft		15,505	-
Withholding tax		3,781	1,274
		<b>252,084</b>	135,129

<b>25.1 Workers' profit participation fund</b>			
Beginning balance		8,228	10,382
Provision for the year		-	8,357
Profit on funds utilized in the Holding Company's business		-	137
		<b>8,228</b>	18,876
Paid during the year		(8,228)	(10,648)
		<b>-</b>	8,228

	Note	2019 (Rupees "000")	2018
<b>26 ACCRUED PROFIT ON FINANCING</b>			
Long term financing		20,752	320
Redeemable capital - Sukuk		15,878	12,344
Short term borrowings		43,690	11,293
		<b>80,320</b>	<b>23,957</b>

## 27 SHORT TERM BORROWINGS

### *From banking companies - secured:*

Short term borrowings		<b>1,683,471</b>	955,986
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**27.1** 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. These form part of total credit funded facilities of Rupees 1,915 million (2018: Rupees 1,125 million). The rates of profit ranging from relevant KIBOR plus 0.85% to 2% (2018: relevant KIBOR plus 0.85% to 1.25%). These facilities are expiring on various dates by next year and are renewable.

	Note	2019 (Rupees "000")	2018
<b>28 CURRENT PORTION OF LONG TERM LIABILITIES</b>			
Long term financing	21	305,683	25,613
Redeemable capital - Sukuk	22	216,667	216,667
		<b>522,350</b>	<b>242,280</b>

## 29 CONTINGENCIES AND COMMITMENTS

### 29.1 Contingencies

**29.1.1** The Holding Company has provided corporate guarantee amounting to Rupees 650 million (2018: Rupees 650 million) to banks against financing facilities on behalf of the Ghani Global Glass Limited.

**29.1.2** The Holding Company has filed two separate constitutional petitions on February 15, 2009 before the Honourable Lahore High Court, Lahore 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. Honourable Lahore High Court has granted stay orders upon furnishing bank guarantees in favour of LESCO amounting to Rupees 3.14 million (2018: Rupees 3.14 million). Consequence to implementation of the Scheme of Arrangement; the status of the case has been presented in the financial statements of Ghani Chemical Industries Limited and these consolidated financial statements being presented under Section 228 of the Companies Act, 2017.

**29.1.3** Bank guarantees amounting to Rupees 91.85 million (2018: Rupees 38.65 million) provided to various customers/institutions against gas connection to Sui Northern Gas Pipelines Limited and supplies of products.

**29.1.4** The un-availed unfunded facilities (letters of credit) and funded credit facilities from banks as at June 30, 2019 amounted to Rupees 1,534.27 million (2018: Rupees in million 680.34) and Rupees 181.56 million (2018: Rupees 105.92 million) respectively. These limits include credit lines that are interchangeable and may be utilized for either funded facilities or unfunded facilities.

### 29.2 Commitments

**29.2.1** Commitments in respect of letter of credit amounted to Rupees 230.73 million (2018: Rupees 403.92 million).

**29.2.2** Commitments for construction of building as at balance reporting amounted to Rupees 27 million (2018: Rupees 30 million).

**29.2.3** Commitments in respect of Ijarah rentals as at reporting date was Nil (2018: Rupees 0.983 million).

	Note	2019 (Rupees "000")	2018
<b>30 COST OF SALES</b>			
Raw material consumed	30.1	158,801	-
Freight inward		1,853	-
Fuel and power		793,030	663,304
Utilities		3,174	3,062
Packing material consumed		54,743	-
Consumable stores		94,152	37,692
Salaries, wages and other benefits	30.2	187,002	74,375
Communication		830	973
Repairs and maintenance		36,600	34,147
Traveling, vehicle running and conveyance		12,563	9,241
Insurance		9,111	6,083
Depreciation	6.1.1	168,508	91,967
Staff welfare		9,650	8,746
Transportation		21,632	11,646
Security expense		2,427	2,562
Other overheads		62,239	36,468
<b>Current manufacturing cost</b>		<b>1,616,314</b>	<b>980,266</b>
<b>Changes in work in process</b>			
Opening		2,999	-
Closing		(8,116)	-
		(5,117)	-
<b>Cost of goods manufactured</b>		<b>1,611,197</b>	<b>980,266</b>
<b>Changes in finished goods</b>			
Opening stock		479,806	37,740
Purchases		600,058	486,236
Closing stock	11	(257,062)	(94,343)
		822,802	429,633
		<b>2,433,999</b>	<b>1,409,899</b>
<b>30.1 Raw material consumed</b>			
Opening balance		27,900	-
Purchases		173,614	-
Available for use		201,514	-
Closing balance		(42,713)	-
Material consumed		158,801	-
<b>30.2 Salaries, wages and other benefits includes Rupees 6.53 million (2018: Rupees 3.74 million) in respect of retirement benefits.</b>			
<b>31 SELLING AND DISTRIBUTION</b>	Note	2019 (Rupees "000")	2018
Salaries, wages and other benefits	31.1	64,072	55,181
Freight outward		8,736	-
Transportation charges		169,351	144,632
Traveling, boarding, lodging and conveyance		6,493	5,074
Rent, rates and taxes		15,710	1,352
Communication		1,348	785
Vehicle running and maintenance		4,082	3,535
Advertisement and business promotion		500	809
Loading and unloading		1,315	2,125
Postage and courier		336	230
Repair and maintenance		12,236	11,090
Office expense		4,565	-
Other expenses		2,625	2,348
		<b>291,369</b>	<b>227,161</b>

31.1 Salaries, wages and other benefits includes Rupees 3.60 million (2018: Rupees 2.79 million) in respect of retirement benefits.

	Note	2019 (Rupees "000")	2018
<b>32 ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and other benefits	32.1	111,231	60,988
Rent, rates and taxes		9,943	5,664
Electricity and other utilities		4,683	2,227
Traveling and conveyance		5,920	3,793
Vehicle running and maintenance		3,514	2,851
Donation and charity	32.2	2,051	2,586
Printing and stationery		4,169	3,229
Communication		2,546	1,956
Fee and subscription		9,351	3,932
Lease rentals		993	1,358
Advertisement		1,295	735
Insurance		3,478	1,265
Depreciation	6.1.1	24,693	14,175
Amortization	7.1	2,962	247
Staff welfare		6,590	6,262
Office expense		1,011	2,812
Repair and maintenance		10,507	2,078
Others		2,544	2,623
		<b>207,481</b>	<b>118,781</b>

32.1 Salaries, wages and other benefits includes Rupees 6.62 million (2018: Rupees 3.75 million) in respect of retirement benefits.

32.2 The directors and their spouses have no interest in the donees.

	Note	2019 (Rupees "000")	2018
<b>33 OTHER OPERATING EXPENSES</b>			
Legal and professional		5,178	15,161
Workers profit participation fund		-	8,357
Exchange loss		1,128	1,548
Inadmissible sales tax		3,873	-
Allowance for expected credit loss		8,546	2,841
Auditors' remuneration			
Statutory audit		1,800	763
Consolidation		150	-
Special review		60	330
Half yearly review and other certifications		140	180
Other certificates		75	-
Out of pocket expenses		-	25
		<b>2,225</b>	<b>1,298</b>
		<b>20,950</b>	<b>29,205</b>

#### 34 OTHER INCOME

Profit on bank deposits		4,244	2,069
Reversal for expected credit loss against trade debts		1,438	-
Credit balance written back		3,287	-
Commission on corporate guarantee		-	2,600
Rental income		-	12,000
Gain on disposal of operating fixed assets		3,876	825
Other income		8,517	-
		<b>21,362</b>	<b>17,494</b>

	Note	2019 (Rupees "000")	2018
<b>35 FINANCE COSTS</b>			
Profit on:			
Long term financing		60,736	3,150
Redeemable capital - Sukuk		92,622	81,801
Short term borrowings		158,351	35,383
Workers' profit participation fund		214	137
		<u>311,923</u>	<u>120,471</u>
Bank charges and commission		1,811	3,018
		<u>313,734</u>	<u>123,489</u>
<b>36 TAXATION</b>			
<b>Current taxation</b>			
For the year	36.1	19,315	(27,306)
Prior period		1,993	-
		<u>21,308</u>	<u>(27,306)</u>
<b>Deferred taxation</b>		<u>19,347</u>	<u>28,386</u>
		<u>40,655</u>	<u>1,080</u>
<b>36.1</b> Provision for taxation		19,315	3,478
Tax credit		-	(30,784)
		<u>19,315</u>	<u>(27,306)</u>
<b>36.2</b> Assessment up to tax year 2018 is finalized (deemed assessment) and the available tax losses of the Group is Rupees 2,041.22 million (2018: Rupees 811.22 million).			
		2019	2018
<b>37 EARNINGS PER SHARE</b>			
(Loss)/ profit attributable to ordinary shareholders of the Holding Company	(Rupees "000")	<u>(138,052)</u>	<u>125,763</u>
Weighted average number of ordinary shares outstanding during the year	(Number)	<u>153,305,824</u>	<u>138,881,571</u>
Earnings per share	(Rupees)	<u>(0.90)</u>	<u>0.91</u>
<b>37.1</b> During the year, the Holding Company has issued 6,613,408 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, 2019.			
<b>37.2</b> Diluted earnings per share has not been presented as the Holding Company does not have any convertible instruments in issue as at June 30, 2019 (2018: Nil) which would have any effect on the earnings per share if the option to convert is exercised.			
<b>38 CASH GENERATED FROM OPERATING ACTIVITIES</b>	Note	2019 (Rupees "000")	2018
(Loss)/ profit before taxation		(171,445)	126,823
<b>Adjustments to reconcile profit to non-cash charges and items</b>			
Depreciation	6.1.1	193,201	106,142
Amortization on intangible assets	7.1	2,962	247
Finance cost	35	313,734	123,489
Share of loss from associate		-	30,733
Allowance for expected credit loss	12	7,108	2,841
Translation exchange loss		1,128	1,548
Credit balance written back		(3,287)	-
Gain on disposal of operating fixed assets		(3,876)	(825)
		<u>510,970</u>	<u>264,175</u>

	Note	2019 (Rupees "000")	2018
<b>Cash flows from operating activities before working capital changes</b>		<b>339,525</b>	390,998
<b>Cash flows from working capital changes</b>			
<b>(Increase) / decrease in current assets:</b>			
Stores, spares and loose tools		52,949	(94,330)
Stock in trade		202,814	(56,603)
Trade debts		(195,437)	57,900
Loans and advances		(166,555)	(67,940)
Trade deposits and prepayments		(11,104)	(4,649)
Other receivables		(1,601)	25
Tax refunds due from government		25,513	(24,383)
<b>Increase / (decrease) in current liabilities:</b>			
Trade and other payables		12,912	31,716
Advances from customers		17,467	64,967
Payable to Employees' Provident Fund		-	(2,746)
<b>Net cash used in working capital changes</b>		<b>(63,042)</b>	(96,043)
<b>Cash generated from operating activities</b>		<b>276,483</b>	294,955

### 39 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:

<u>Description</u>	June 30, 2019			June 30, 2018		
	Chief Executive	Directors (Rupees "000")	Executives	Chief Executive	Directors (Rupees "000")	Executives
Managerial remuneration	29,733	16,022	31,775	13,605	16,718	9,673
Allowances and perquisites	1,728	923	1,658	1,150	1,292	507
Provident fund contribution	2,372	1,271	1,916	1,054	1,313	574
	<u>33,833</u>	<u>18,216</u>	<u>35,349</u>	<u>15,809</u>	<u>19,323</u>	<u>10,754</u>
No. of persons	<u>2</u>	<u>2</u>	<u>10</u>	<u>1</u>	<u>2</u>	<u>4</u>

39.1 The chief executive, directors and certain are provided with free use of the Group maintained cars in accordance with their entitlement.

39.2 No meetings fee was paid to any of the director of Group.

### 40 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:

#### 40.1 Name and nature of relationship

##### a) Associates due to common directorship

Ghani Engineering (Private) Limited



**b) 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

**c) Others**

Employees' Provident Fund Trusts

**40.2 Transactions with related parties**

Name	Nature of Transaction	2019 (Rupees "000")	2018
<b>Associates</b>			
	Services	-	12,000
	Guarantee commission	-	2,600
	Supplies	-	26,360
	Payment made	<b>2,740</b>	
<b>Key management personnel</b>			
Sponsors	Loan received / (repaid)	<b>251,390</b>	(380,650)
<b>Others</b>			
Provident fund trust	Contribution	<b>33,513</b>	22,041

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

**41 PROVIDENT FUND RELATED DISCLOSURES**

Investments out of provident fund trust have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

**42 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS****42.1 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 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.

**Financial liabilities****42.2 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	2019 (Rupees "000")	2018
<b>Assets as per statement of financial position</b>			
Long term deposits	9	67,494	68,257
Trade debts	12	793,263	468,959
Trade deposits	14	65,647	45,476
Other receivables	15	1,737	55
Cash and bank balances	17	170,317	177,733
		<b>1,098,458</b>	<b>760,480</b>
<b>Financial liabilities at amortized cost</b>			
<b>Liabilities as per statement of financial position</b>			
Long term financing	21	779,194	59,470
Redeemable capital - Sukuk	22	812,500	1,029,166
Long term security deposits	23	34,451	33,025
Accrued profit on financings	26	80,320	23,957
Short term borrowings	27	1,683,471	955,986
Trade and other payables	25	248,303	125,627
Unclaimed dividend		844	853
		<b>3,639,083</b>	<b>2,228,084</b>

#### 43 INFORMATION FOR ALL SHARES ISLAMIC INDEX SCREENING

##### 43.1 Information

Description	Note	June 30, 2019		June 30, 2018	
		Carried under		Carried under	
		Non - Sharia arrangements (Rupees "000")	Sharia arrangements	Non - Sharia arrangements (Rupees "000")	Sharia arrangements
<b>(i) Assets</b>					
Deposits	9 & 14	-	128,777	-	107,297
Bank balances	17	-	169,784	-	177,589
<b>(ii) Liabilities</b>					
Long term financing	21	-	779,194	-	59,470
Redeemable capital - Sukuk	22	-	812,500	-	1,029,166
Long term deposits	23	-	34,451	-	33,025
Short term borrowings	27	-	1,683,471	-	955,986
<b>(iii) Other income</b>	34	-	21,362	-	17,494
Description		June 30, 2019		June 30, 2018	
		Carried under		Carried under	
		Non - Sharia arrangements (Rupees "000")	Sharia arrangements	Non - Sharia arrangements (Rupees "000")	Sharia arrangements
<b>43.2 Sources of other income</b>					
Profit on bank deposits		-	4,244	-	2,069
Commission on corporate guarantee		-	-	-	2,600
Rental income		-	-	-	12,000
Gain on disposal of operating fixed assets		-	3,876	-	825
Other income		-	8,517	-	-

**43.3** During the current year, the Holding Company transferred all its operation to Ghani Chemical Industries Limited under scheme of Compromising, Arrangements and Reconstruction with effect from July 01, 2018. The revenue of Subsidiaries are from sale and trading of medical & industrial gasses, chemical, glass tubes, glass-ware, vials and ampules.

#### 43.4 Relationship with banks

Group is dealing with only islamic banks or islamic windows of banks.

### 44 FINANCIAL RISK MANAGEMENT

#### 44.1 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. The Group's 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 oversees risk management monitors compliance with risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risk faced by the Group. Audit committee is into 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:

	2019	2018
	(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, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees)		(Rupees)	
PKR per				
EURO	178.88	132.02	-	141.57
USD	134.19	110.63	-	121.60

##### Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the Euro and USD with all other variables held constant, the impact on profit after taxation for the year would have been Rupees Nil higher / lower (2018: Rupees 1.81 million higher / lower), 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 reporting date the profit rate profile of the Group's profit bearing financial instruments was:

	2019	2018
	(Rupees "000")	
<b>Floating rate instruments</b>		
<b>Financial assets</b>		
Bank balances	138,505	125,431
<b>Financial liabilities</b>		
Long term financing	779,194	59,470
Redeemable capital - Sukuk	812,500	1,029,166
Short term borrowings	1,683,471	955,986

### 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 reporting 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 reporting dates were outstanding for the whole year.

		Changes in Interest Rate	Effects on Profit Before Tax
		(Rupees "000")	
Bank Balances - deposit accounts	2019	+1.50	2,078
		-1.50	(2,078)
	2018	+1.50	1,881
		-1.50	(1,881)
Long term financing	2019	+2.00	(1,189)
		-2.00	1,189
	2018	+2.00	(1,189)
		-2.00	1,189
Redeemable capital - Sukuk	2019	+2.00	16,250
		-2.00	(16,250)
	2018	+2.00	(20,583)
		-2.00	20,583
Short term borrowings	2019	+2.00	33,669
		-2.00	(33,669)
	2018	+2.00	(19,120)
		-2.00	19,120

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	2019 (Rupees "000")	2018
Long term deposits	9	67,494	68,257
Trade debts	12	793,263	468,959
Trade deposits	14	61,283	39,040
Other receivables	15	1,737	55
Bank balances	17	169,784	177,589
		<u>1,093,561</u>	<u>753,900</u>

### 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:

		2019 (Rupees "000")	2018
Customers	12	793,263	468,959
Banking companies and financial institutions	15 & 17	169,784	177,644

Out of the total financial assets credit risk is concentrated in trade debts and deposits with banks as they constitute 88% (2018: 86%) of the total financial assets. The Group's exposure to credit risk related to trade debts is disclosed in note 12.1.

### Allowance for expected credit loss

Based on age analysis, relationship with customers and past experiences implementation of IFRS 9; required provision for expected credit loss amounting to Rupees 7.108 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	2019 (Rupees "000")	2018
MCB Bank Limited	PACRA	A1+	AAA	2,676	6,527
MCB Islamic Bank Limited	PACRA	A1	A	38	21
National Bank of Pakistan	PACRA	A1+	AAA	1,572	600
United Bank Limited	VIS	A-1+	AAA	3,239	2,614
Allied Bank Limited	PACRA	A1+	AAA	3,440	1,889
Faysal Bank Limited	VIS	A-1+	AA	6,659	4,878
Habib Metropolitan Bank Limited	PACRA	A1+	AA+	8,109	3,650
Balance carried forward				<u>25,733</u>	<u>20,179</u>

				2019	2018
				(Rupees "000")	
Balance brought down				25,733	20,179
Bank Islami Pakistan Limited	PACRA	A1	A+	3,022	17,247
Meezan Bank Limited	VIS	A-1+	AA+	78,953	72,869
AlBaraka Bank (Pakistan) Limited	VIS	A-1	A+	1,226	16,789
Bank Alfalah Limited	PACRA	A1+	AA+	20,982	6,832
The Bank of Khyber	PACRA	A1	A	137	90
Askari Bank Limited	PACRA	A1+	AA+	6,119	8,395
Soneri Bank Limited	PACRA	A1+	AA-	1,702	176
Habib Bank Limited	VIS	A-1+	AAA	3,005	14,313
Bank Al-Habib Limited	PACRA	A1+	AA+	17,742	10,024
Dubai Islamic Bank Pakistan Limited	VIS	A-1	AA-	479	3,365
Standard Chartered Bank (Pakistan) Limited	PACRA	A1+	AAA	8,075	246
The Bank of Punjab	PACRA	A1+	AA	1,612	73
Summit Bank Limited	VIS	A-1	A-	901	5,635
Silk Bank Limited	VIS	A-2	A-	95	1,356
				<b>169,783</b>	<b>177,589</b>

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 reporting date 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")				
<b>2019</b>				
Long term financing	779,194	779,194	305,684	473,510
Redeemable capital - Sukuk	595,833	595,833	216,667	379,166
Long term security deposits	34,451	34,451	-	34,451
Trade and other payables	232,798	232,798	232,798	-
Short term borrowings	1,683,471	1,683,471	1,683,471	-
Unclaimed dividend	844	844	844	-
	<b>3,326,591</b>	<b>3,326,591</b>	<b>2,439,464</b>	<b>887,127</b>
	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years
(Rupees "000")				
<b>2018</b>				
Long term financing	59,470	59,470	12,512	46,958
Long term security deposits	1,029,166	1,029,166	216,667	812,499
Trade and other payables	33,025	33,025	33,025	-
Short term borrowings	125,627	125,627	125,627	-
Payable to Employee's Provident Fund	955,986	955,986	955,986	-
Unclaimed dividend	853	853	853	-
	<b>2,204,127</b>	<b>2,204,127</b>	<b>1,344,670</b>	<b>859,457</b>

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

#### 44.2 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 21 and 22. Total capital employed includes 'total equity' as shown in the statement of financial position plus total 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 are as follows:

	Note	2019 (Rupees "000")	2018
Total debt	21 and 22	1,591,694	1,088,636
Equity		3,889,568	2,726,833
<b>Total capital employed</b>		<b>5,481,262</b>	<b>3,815,469</b>
<b>Gearing ratio</b>		<b>29.04%</b>	<b>28.53%</b>

#### 45 SEGMENT INFORMATION

45.1 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.

##### Glass tubes and glass ware

This segment covers sales of all glass tubes and other glass wares.

##### Other

This segment covers business of trading of chemicals.

45.2 Segment results are as follows:

	2019			Total
	Industrial and Medical Gases	Glass tube and glass ware	Others	
	(Rupees "000")			
Net sales	1,667,042	636,929	770,755	3,074,726
Cost of sales	(1,147,814)	(606,246)	(679,939)	(2,433,999)
Gross profit	519,228	30,683	90,816	640,727
Selling and distribution expenses	(247,808)	(32,412)	(11,148)	(291,369)
Administrative expenses	(137,222)	(58,299)	(11,960)	(207,481)
	(385,030)	(90,711)	(23,108)	(498,850)
Segment profit	134,198	(60,028)	67,708	141,877

	<b>Total (Rupees "000")</b>
<b>Unallocated corporate expenses</b>	
Other operating expenses	(20,950)
Other income	21,362
	<b>142,289</b>
Finance cost	(313,734)
Profit before taxation	(171,445)
Taxation	(40,655)
Profit after taxation	<b>(212,100)</b>

	2018		Total
	Industrial and Medical Gases	Others	
	(Rupees "000")		
Net sales	1,712,730	335,867	2,048,597
Cost of sales	(1,093,270)	(316,629)	(1,409,899)
Gross profit	619,460	19,238	638,698
Selling and distribution expenses	(223,572)	(6,401)	(229,973)
Administrative expenses	(110,171)	(5,798)	(115,969)
	(333,743)	(12,199)	(345,942)
Segment profit	285,717	7,039	292,756

<b>Unallocated corporate expenses</b>	
Other operating expenses	(29,205)
Other income	17,494
	<b>281,045</b>
Finance cost	(123,489)
Share of loss from associate	(30,733)
Profit before taxation	126,823
Taxation	(1,080)
Profit after taxation	<b>125,743</b>

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

**45.4** The Group customers base is diverse with no single customer accounting for more than 10% of the net sales.

**45.5** The segment assets and liabilities as at reporting date and capital expenditure for the year then ended are as follows:

	2019			Total
	Industrial and Medical Gases	Glass tubes and glass ware	Other	
	(Rupees "000")			
Segment assets	4,905,375	1,941,792	211,961	7,059,128
Unallocated assets				879,417
Total assets				<b>7,938,545</b>
Segment liabilities	7,798,256	59,805	61,169	7,919,230
Unallocated liabilities				19,315
Total liabilities				<b>7,938,545</b>



	2018		Total
	Industrial and Medical Gases	Industrial chemicals	
	(Rupees "000")		
Segment assets	4,575,592	135,879	4,711,471
Unallocated assets			604,227
Total assets			5,315,698
Segment liabilities	2,544,552	40,835	2,585,387
Unallocated liabilities			3,478
Total liabilities			2,588,865

45.6 All the non-current assets of the Group at reporting date are located in Pakistan.

	2019	2018
	(Number)	
<b>46 NUMBER OF EMPLOYEES</b>		
Total number of employees at year end	485	307
Average number of employees during the year	460	309

**47 PLANT CAPACITY AND ACTUAL PRODUCTION**

The following normal annual production capacity is worked out in triple shift basis.

		2019	2018
		(Cubic Meter)	
<b>Industrial and medical gases</b>			
Production at normal capacity - gross	47.1	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		43,088,517	45,908,964
		(M.Ton)	
<b>Neutral glass tubing clear and amber</b>	47.2		
Production at normal capacity - gross		7,300	-
Actual production		1,241	-

47.1 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.

47.2 The efficiency of 17% (2018: Nil) in neutral glass tubing is under utilized primarily due to normal repair and maintenance, partly rebuild of furnace, introduction of new technology and shifting of product line.

**48 GENERAL AND CORRESPONDING FIGURES**

48.1 The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. However, no significant reclassification has been made.

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

**49 DATE OF AUTHORIZATION**

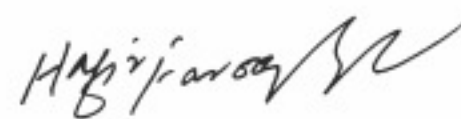
These consolidated financial statements have been authorized for issue by Board of Directors of the Holding Company on October 04, 2019.



**ATIQUE AHMAD KHAN**  
(CHIEF EXECUTIVE OFFICER)



**ASIM MAHMUD**  
(CHIEF FINANCIAL OFFICER)



**HAFIZ FAROOQ AHMAD**  
(DIRECTOR)



Ghani Global Group

# GHANI GLOBAL HOLDINGS LIMITED

(formerly Ghani Gases Limited)

## FORM OF PROXY

### 12<sup>th</sup> Annual General Meeting

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member of GHANI GLOBAL HOLDINGS LIMITED (formerly 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 12<sup>th</sup> Annual General Meeting of the members of the Company to be held at Lahore on Monday, October 28, 2019 at 11:30 AM and at any adjournment(s) thereof.

Signed this \_\_\_\_\_ day of October 2019.

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	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.



Ghani Global Group

# غنی گلوبل ہولڈنگز لمیٹڈ

(سابقہ غنی گیسز لمیٹڈ)

پراکسی فارم برائے بارواں سالانہ اجلاس عام

میں مسٹی/مسماة ----- ساکن -----

ضلع ----- بحیثیت ممبر غنی گلوبل ہولڈنگز لمیٹڈ (سابقہ غنی گیسز لمیٹڈ)، مسٹی/مسماة -----

ساکن ----- کو بطور مختار (پراکسی) مقرر کرتا ہوں تاکہ وہ میری جگہ اور میری طرف سے

کمپنی کے بارواں سالانہ اجلاس عام جو بتاریخ پیر 28 اکتوبر 2019 کو 11:30 بجے صبح کمپنی کے رجسٹرڈ آفس لاہور میں منعقد ہو رہا ہے اور اس کے کسی  
ملتوی شدہ اجلاس میں ووٹ ڈالے۔

آج بروز ----- بتاریخ ----- اکتوبر 2019ء کو دستخط کئے گئے۔

دستخط ممبر

گواہان:

1. دستخط: \_\_\_\_\_  
نام: \_\_\_\_\_  
پتہ: \_\_\_\_\_  
شناختی کارڈ نمبر: \_\_\_\_\_
2. دستخط: \_\_\_\_\_  
نام: \_\_\_\_\_  
پتہ: \_\_\_\_\_  
شناختی کارڈ نمبر: \_\_\_\_\_

پانچ روپے  
مالیت کے رسیدی  
ٹکٹ پر دستخط

ضرورت معلومات	رکن کے لئے (شیئر ہولڈر)	پراکسی کے لئے (اگر رکن ہے)	متبادل پراکسی کے لئے (*)
حصص کی تعداد			
فولیو نمبر			
سی۔ ڈی۔ سی اکاؤنٹ نمبر	پارٹیسپنٹ آئی۔ ڈی		
	اکاؤنٹ نمبر		

(\* مقرر کردہ پراکسی کی ناکامی پر