

HALF YEAR

December 2013

Faith.....Experience.....Innovation.....Growth

A Company of Ghani Global Group
Ghani Gases Limited
Manufacturer of Industrial & Medical Gases



CORPORATE

■ Board of Directors

Masroor Ahmad Khan, Chairman
Atique Ahmad Khan, Chief Executive Officer
Hafiz Farooq Ahmad
Ayesha Masroor
Rabia Atique
Saira Farooq

■ Audit Committee

Hafiz Farooq Ahmad, Chairman
Ayesha Masroor
Rabia Atique

■ HR & R Committee

Hafiz Farooq Ahmad, Chairman
Ayesha Masroor
Saira Farooq

■ Company Secretary

Farzand Ali, FCS

■ Chief Financial Officer

Asim Mahmud, FCA

■ Legal Advisor

DSK Law, Lahore

■ Auditors

Rizwan & Company
Chartered Accountants
Member firm of DFK International

■ Share Registrar

THK Associates (Pvt) Limited
Ground Floor, State Life Building No.3,
Dr. Ziauddin Ahmed Road,
Karachi-75530,
UAN: +92 (021) 111-000-322
Fax: +92 (021) 35655595

INFORMATION



■ GGL-I

52-K.M. Lahore Multan Road,
Phool Nagar Distt. Kasur
Ph: (042) 7006353-54, Fax: (042) 7006356
E-mail: ggl1plant@ghaniflobal.com

■ GGL-II

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

■ Corporate / Registered Office

82-N, Model Town (Ext),
Lahore-54000, Pakistan.
UAN: +92 (042) 111 Gani 1
Ph: +92 (042) 35161424-25
Fax: +92 (042) 35160393
E-mail: info@ghaniglobal.com
Website: www.ghaniglobal.com



DIRECTORS' REPORT

Dear members

Asalam-o-Alaikum Wa Rehmatullah-a-Wabarakatohu

The Directors of your Company are pleased to present the unaudited condensed interim financial statements of the Company for the half year ended December 31, 2013, along with review report of the auditors thereon, in compliance with the requirements of Companies Ordinance, 1984.

Overall Economy

There is no doubt that in yester years the economy was directionless, thanks to repeated change in economic policy decisions. As a result, not only foreigners diverted their attention to other business destinations but locals were also reluctant to put their money in any new venture. Pakistan is in a difficult economic situation right now; merciless bad law & order situation, foreign exchange reserves are falling, chronic fiscal deficit is widening and in addition high inflation and major structural impediments have stalled economic growth. However, Pakistan is not yet in an economic crisis, but to avoid a full-blown crisis and a collapse of the currency, the government decided to seek financial assistance from the IMF. The most important of these is tackling the current energy crisis, which is substantial drag on economic growth. Encourage more efficient consumption and better use of energy resources by reducing energy subsidies that currently go mainly to the rich. Most people will pay more for energy. High budget deficits have been absorbing a disproportionate amount of the credit in the economy. This means that private businesses have not been able to borrow money to grow. In fact, private sector credit has declined in real terms in the last two years in Pakistan. Thus, reducing the deficit will free up financial resources so the private sector can get the credit necessary to grow and create jobs. Restoring macroeconomic stabilization and alleviating some of the bottlenecks and inefficiencies in the economy would help boost growth and job creation. By enhancing the business environment and reforming the financial sector, there will be a recovery of foreign direct investment into Pakistan, which will be another source of job creation. The government has also announced the privatization of some state-owned enterprises, with the aim of increasing economic efficiency and hence boosting growth, but no one knows what will be the consequences of this Governmental step.

Financial Performance:

Below are the results of financial performance of your company;

Particulars	Rupees in '000' except EPS			
	December 2013	December 2012	Variance	%
Sales	615,629	627,316	(11,867)	(1.89)
Net Sales	531,164	545,713	(14,549)	(2.67)
Gross Profit	130,830	216,289	(85,459)	(39.51)
- As %age of net sales	24.63%	39.63%		
Distribution Cost	52,085	57,984	(5,899)	(10.17)
- As %age of net sales	9.81%	10.63%		
Administrative Expenses	32,801	34,379	(1,578)	(4.59)
- As %age of net sales	6.18%	6.30%		
Operating profit	46,068	119,743	(73,675)	(61.53)
- As %age of net sales	8.67%	21.94%		
Profit before taxation	24,170	90,400	(66,230)	(73.26)
Net Profit	18,591	87,669	(69,078)	(78.79)
Earning per share	0.25	1.18		



Due to overall economic situation in the country there is decline in the business of the industry under consideration. Further especially heavy increase in prices of fuel and power which is the main input of this industry also affected the industry adversely. In the same way your Company's sales during the period under review have slightly decreased to Rs. 615.63 million against Rs. 627.32 million as compared with the same period of last year depicting decline of 1.89%. Gross profit has decreased to Rs. 130.83 million against the gross profit of Rs. 216.29 million if compared with the same period of last year posting a decrease in gross profit rate to 24.63% from 39.63% due to highly increase in fuel & power cost. Distribution cost and administrative expense have decreased in absolute terms. This period operating profit has decreased to Rs. 46.07 million against profit of Rs. 119.74 million as compared to the same period of last year. The period under review profit after taxation is amounted to Rs. 18.59 million and earnings per share (EPS) Rs. 0.25 against the profit of Rs. 87.67 million and EPS of Rs. 1.18 if compared with the same period of last year.

Future Prospects:

The overall business environment remains challenging. The competition has been more active in recent times and is expected for the year ahead. Directors of your company are pleased with the direction and momentum of your Company with clear strategic alignment backed by operational excellence. However despite all adverse factors we are committed to achieve the targets set by ourself in the line with our short term and long term strategies.

As already stated our Southern Plant at Port Qasim, Karachi has been installed. ALHAMDULILLAH, by the grace of Almighty Allah and with the support of you people, company staff and financial institutions, we will be able to give production in this running quarter.

The Board is confident that your Company is fully geared to meet all future challenges and committed to maintain growth trend by implementing permanent solutions including pursuing initiatives such as technological advances and reduction in operating and distribution costs which would confidently improve the profitability of the Company with the ultimate objective of increasing shareholders' value in long term.

Acknowledgments:

The Board also places on record its profound gratitude for its valuable shareholders, Banks/financial institutions, customers and suppliers for their continued support, cooperation and patronage for the progress and prosperity of the Company. We appreciate the Company's staff and workers for their continuous dedication, perseverance and diligence.

For and on behalf of Board of Directors

Lahore
February 28, 2014

Masroor Ahmad Khan
Chairman/Director



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

Introduction

We have reviewed the annexed condensed interim balance sheet of **GHANI GASES LIMITED** as at **31 DECEMBER 2013** and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement together with the notes forming part thereof, for the half year then ended (hereinafter referred to as the "interim financial information").

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

The figures included in condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December 2013 and 2012 and the notes forming part thereof have not been reviewed by us and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2013.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the annexed interim financial information as at and for the half year ended 31 December 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Lahore:
28 February 2014

Rizwan & Company
Chartered Accountants
Engagement Partner: Usman Sheikh



CONDENSED INTERIM BALANCE SHEET

AS AT 31 DECEMBER 2013

		UN-AUDITED December 2013	AUDITED June 2013
	Note	(Rupees '000)	
ASSETS			
Non-current assets			
Property, plant and equipment			
Operating fixed assets	5	1,319,542	1,191,106
Assets subject to ijarah financing	6	147,459	207,001
Capital work in progress		604,868	171,827
		2,071,869	1,569,934
Intangible assets		490	630
Long term deposits and prepayments		63,746	79,169
		2,136,105	1,649,733
Current assets			
Stores, spare parts and loose tools		57,097	49,797
Stock in trade		29,524	13,752
Trade debts		91,764	144,349
Loans and advances		124,900	383,320
Trade deposits and short term prepayments		17,083	18,914
Balances with statutory authorities		3,928	-
Other receivables		156	93
Advance tax		56,978	45,108
Cash and bank balances		187,438	242,824
		568,868	898,157
		2,704,973	2,547,890
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
125,000,000 (June 2013: 73,000,000) ordinary shares of Rs. 10 each		1,250,000	730,000
Issued, subscribed and paid up share capital	7	742,746	724,630
Capital reserve - Share premium		30,000	30,000
Unappropriated profit		173,149	172,674
Total equity		945,895	927,304
Non-current liabilities			
Long term financing	8	400,107	408,146
Loan from sponsors		728,321	611,381
Liabilities against assets subject to ijarah financing		61,044	114,058
Long term security deposits		23,950	24,350
		1,213,422	1,157,935
Current liabilities			
Trade and other payables		135,269	132,413
Accrued profit on financing		12,876	10,363
Short term borrowings		225,990	117,618
Current portion of long term liabilities		166,196	196,160
Provision for taxation		5,325	6,097
		545,656	462,651
Total liabilities		1,759,078	1,620,586
TOTAL EQUITY AND LIABILITIES		2,704,973	2,547,890
CONTINGENCIES AND COMMITMENTS			
	9		

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

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

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

MASROOR AHMAD KHAN
(DIRECTOR)

RABIA ATIQUE
(DIRECTOR)

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	HALF YEAR ENDED		QUARTER ENDED	
		31 DECEMBER 2013	31 DECEMBER 2012	31 DECEMBER 2013	31 DECEMBER 2012
		(Rupees '000)		(Rupees '000)	
Gross Sales - Local		615,629	627,316	328,564	296,308
Less:					
Sales tax		84,465	81,603	44,890	38,428
Net sales		531,164	545,713	283,674	257,880
Cost of sales	10	400,334	329,424	219,000	147,153
Gross Profit		130,830	216,289	64,674	110,727
Distribution cost		52,085	57,984	27,704	31,716
Administrative expenses		32,801	34,379	21,448	19,022
Other operating expenses		1,729	5,082	562	1,657
		86,615	97,445	49,714	52,395
Other income		44,215	118,844	14,960	58,332
		1,853	899	1,253	126
		46,068	119,743	16,213	58,458
Finance cost		21,898	29,343	11,431	13,419
Profit before taxation		24,170	90,400	4,782	45,039
Taxation		5,579	2,731	3,100	1,289
Profit after taxation		18,591	87,669	1,682	43,750
Earnings per share					
- basic and diluted	11	0.25	1.18	0.02	0.59

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MASROOR AHMAD KHAN
(DIRECTOR)

RABIA ATIQUE
(DIRECTOR)



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	HALF YEAR ENDED		QUARTER ENDED	
	31 DECEMBER 2013	31 DECEMBER 2012	31 DECEMBER 2013	31 DECEMBER 2012
	(Rupees '000)		(Rupees '000)	
Net profit for the period	18,591	87,669	1,682	43,750
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	18,591	87,669	1,682	43,750

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

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

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

MASROOR AHMAD KHAN
(DIRECTOR)

RABIA ATIQUE
(DIRECTOR)



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Share capital	Capital reserve - Share premium	Unappropriated profit	Total
	(Rupees '000)			
Balance as at 01 July 2012 (audited)	724,630	30,000	57,000	811,630
Net profit for the period	-	-	87,669	87,669
Other comprehensive income for the period	-	-	-	-
Total comprehensive income	-	-	87,669	87,669
Balance as at 31 December 2012 (un-audited)	724,630	30,000	144,669	899,299
Net profit for the period	-	-	64,237	64,237
Other comprehensive income for the period	-	-	-	-
Total comprehensive income	-	-	64,237	64,237
Interim dividend @ Rupees 0.5 per share	-	-	(36,232)	(36,232)
Balance as at 30 June 2013 (audited)	724,630	30,000	172,674	927,304
Bonus shares issued @ 2.5 %	18,116	-	(18,116)	-
Net profit for the period	-	-	18,591	18,591
Other comprehensive income for the period	-	-	-	-
Total comprehensive income	18,116	-	475	18,591
Balance as at 31 December 2013 (un-audited)	742,746	30,000	173,149	945,895

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

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

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

MASROOR AHMAD KHAN
(DIRECTOR)

RABIA ATIQUE
(DIRECTOR)

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

	Note	HALF YEAR ENDED	
		31 DECEMBER 2013	31 DECEMBER 2012
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	12	378,843	37,249
Finance cost paid		(38,626)	(31,106)
Income tax paid		(18,221)	(9,710)
		(56,847)	(40,816)
Net cash from / (used in) operating activities		321,996	(3,567)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(539,173)	(66,005)
Proceeds from disposal of assets		14,426	6,743
Long term deposits received / (paid)		15,423	(752)
Net cash used in investing activities		(509,324)	(60,014)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - net		(33,839)	(13,330)
Sponsors loan - net		116,940	(13,248)
Short term borrowings		108,372	4,442
Dividend paid		(1,954)	-
Long term security deposit payable		(400)	1,650
Liabilities against assets subject to ijarah financing - net		(57,177)	(7,202)
Net cash (used in) / from financing activities		131,942	(27,688)
Net increase / (decrease) in cash and cash equivalents		(55,386)	(91,269)
Cash and cash equivalents at the beginning of the period		242,824	259,471
Cash and cash equivalents at the end of the period		187,438	168,202

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

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

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MASROOR AHMAD KHAN
(DIRECTOR)

RABIA ATIQUE
(DIRECTOR)



SELECTED NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2013

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a private limited company under the Companies Ordinance, 1984 on November 19, 2007, converted into public limited company on February 12, 2008 and became listed on Karachi Stock Exchange on January 05, 2010. The registered office of the company is situated at 82-N Model Town extension, Lahore. The Company is engaged in the manufacturing, sale and trading of medical and industrial gases and chemicals.

2 BASIS OF PREPERATION

2.1 *Statement of compliance*

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

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

This condensed interim financial information do not include the information reported for annual financial statements and should be read in conjunction with the audited annual published financial statements for the year ended 30 June 2013.

2.2 *Functional and presentation currency*

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

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

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the period and are mandatory for accounting periods beginning on or after 01 July 2013 but are considered not to be relevant or do not have any significant effect on the company's operations and are, therefore, not disclosed in this condensed interim financial information.

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

There are other amendments to the standards and new interpretations that are mandatory for accounting periods beginning on or after 01 July 2013 but are considered not to be relevant or do not have any significant effect on company's operations and are, therefore, not detailed in this condensed interim financial information.



3 ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of this interim condensed financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2013.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

During preparation of this interim condensed financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2013.

	Note	Un-audited 31 December 2013	Audited 30 June 2013
		(Rupees '000)	
5 PROPERTY, PLANT AND EQUIPMENT			
Beginning balance		1,191,106	1,124,908
Additions and transfer during the period / year	5.1	161,906	135,838
Deletions during the period / year	5.2	(13,045)	(29,748)
		1,339,967	1,230,998
Depreciation charged during the period / year		(20,425)	(39,892)
Ending balance		1,319,542	1,191,106
5.1 Additions and transfer during the period / year			
Land - leasehold		-	2,626
Plant and machinery		152,287	109,328
Furniture and fixtures		1,958	3,339
Office equipment		351	185
Computers		283	1,165
Vehicles		7,027	19,195
		161,906	135,838
5.2 Deletions during the period / year			
Plant and machinery		4,334	18,408
Vehicles		8,711	11,340
		13,045	29,748



		Un-audited 31 December 2013	Audited 30 June 2013
		(Rupees '000)	
6	ASSETS SUBJECT TO IJARAH FINANCING		
	Beginning balance	207,001	197,511
	Additions during the period / year	39,513	34,975
	Deletions and transfer during the period / year	(95,286)	(16,509)
		<u>151,228</u>	<u>215,977</u>
	Depreciation charged during the period / year	(3,769)	(8,976)
	Ending balance	<u>147,459</u>	<u>207,001</u>
6.1	Additions during the period / year		
	Plant and machinery	32,646	22,988
	Vehicles	6,867	11,987
		<u>39,513</u>	<u>34,975</u>
6.2	Deletions and transfer during the period / year		
	Plant and machinery	95,286	9,677
	Vehicles	-	6,832
		<u>95,286</u>	<u>16,509</u>
7	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
		Un-audited 31 December 2013 (No. of Shares)	Audited 30 June 2013
		<u>72,450,000</u>	<u>72,450,000</u>
	Ordinary shares of Rupees 10 each fully paid in cash	724,500	724,500
		<u>13,000</u>	<u>13,000</u>
	Ordinary shares of Rupees 10 each issued for consideration other than cash	130	130
		<u>1,811,575</u>	<u>-</u>
	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	18,116	-
		<u>74,274,575</u>	<u>72,463,000</u>
8	LONG TERM FINANCING		
	Beginning balance	513,917	243,333
	Add: Addition during period/ year	25,924	463,917
	Less: Repayments during period/ year	(59,763)	(193,333)
	Ending balance	<u>480,078</u>	<u>513,917</u>
	Less: Current portion shown under current liabilities	(79,971)	(105,771)
		<u>400,107</u>	<u>408,146</u>



9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

9.1.1 There are no material changes in contingencies as disclosed in the note to the financial statements for the year ended 30 June 2013.

9.2 Commitments

9.2.1 Commitments in respect of letter of credit amounted to Rupees 62.4 million (June 2013: Rupees 107.72 million).

9.2.2 Commitments for construction of building as at balance sheet date amounted to Rupees 31.40 million (June 2013: Rupees 45.00 million).

	HALF YEAR ENDED 31 DECEMBER		QUARTER ENDED 31 DECEMBER	
	2013	2012	2013	2012
	(Rupees '000)		(Rupees '000)	
10 COST OF SALES				
Fuel and power	152,594	116,379	86,803	55,654
Consumable spare	5,292	3,840	3,262	2,367
Salaries wages and other benefits	12,690	14,058	6,611	8,212
Communication	237	245	104	96
Repair and maintenance	3,544	8,095	1,390	3,628
Travelling and vehicle running	2,036	2,710	889	1,179
Insurance	1,264	1,090	465	528
Depreciation	18,722	18,835	9,110	9,291
Staff welfare	2,261	1,276	1,066	660
Transportation	1,170	353	866	208
Other overheads	7,120	3,135	4,246	1,818
	206,930	170,016	114,812	83,641
Finished goods				
Opening stock	13,752	11,182	42,276	15,640
Purchases	209,176	166,478	91,436	66,124
Closing stock	(29,524)	(18,252)	(29,524)	(18,252)
	193,404	159,408	104,188	63,512
	400,334	329,424	219,000	147,153

11 EARNINGS PER SHARE

During the current period, the company has issued 2.5 % bonus shares (i.e. two and half shares against every hundred shares held), which has resulted in restatement of basic and diluted earning per share for the half year ended 31 December 2012, quarter ended 30 September 2013 and quarter ended 30 September 2012.



		HALF YEAR ENDED 31 DECEMBER	
		2013	2012
		(Rupees '000)	
12	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit before taxation	24,170	90,400
	Adjustments to reconcile profit to net cash provided by operating activities		
	Depreciation	24,194	23,100
	Amortization of intangible assets	140	140
	Finance cost	41,138	29,343
	(Gain) / Loss on disposal of assets	(1,382)	(427)
	Working capital changes	290,583	(105,307)
	Cash flow from operating activities	378,843	37,249
12.1	Cash flows from working capital changes		
	<i>(Increase) / decrease in current assets:</i>		
	Stores, spares parts and loose tools	(7,300)	(6,797)
	Stock in trade	(15,772)	(7,070)
	Trade debts	52,585	(27,036)
	Loans and advances	258,420	(65,107)
	Short term deposits and prepayments	1,831	1,321
	Balances with statutory authorities	(3,928)	-
	Other receivables	(63)	63
	<i>Increase / (decrease) in current liabilities:</i>		
	Trade and other payables	4,810	(681)
	Net cash generated from/ (used in) working capital changes	290,583	(105,307)
13	TRANSACTIONS WITH RELATED PARTIES		
	Name	Nature of Transaction	
	Associated companies / undertaking		
	Ghani Glass Limited	Purchases	544 2,262
	Shadman Mall	Receivable against services	156 139
	Ghani Gases Employees Provident Fund	Contribution	4,544 6,780
	Sponsors	Loan received / (repaid)	116,940 (13,248)



14 FINANCIAL RISK MANAGEMENT

Other aspects of the Company's risk management policies are consistent with those disclosed in the financial statements for the year ended 30 June 2013.

15 SEGMENT INFORMATION

15.1 Segment results are as follows:

	HALF YEAR ENDED					
	31 December 2013			31 December 2012		
	Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
	(Rupees '000)			(Rupees '000)		
Net Sales	402,866	128,298	531,164	389,693	156,020	545,713
Cost of Sales	279,995	120,339	400,334	176,267	153,157	329,424
GROSS PROFIT	122,871	7,959	130,830	213,426	2,863	216,289
Distribution Cost	51,733	352	52,085	57,541	443	57,984
Administrative Expenses	32,391	410	32,801	33,949	430	34,379
	84,124	762	84,886	91,490	873	92,363
Segment Profit / (Loss)	38,747	7,197	45,944	121,936	1,990	123,926
Unallocated corporate expenses						
Other Operating Expenses			1,729			5,082
Other Income			1,853			899
			46,068			119,743
Finance Cost			21,898			29,343
PROFIT BEFORE TAXATION			24,170			90,400
Taxation			5,579			2,731
PROFIT AFTER TAXATION			18,591			87,669

16 DATE OF AUTHORIZATION

This financial information has been authorized for issue by Board of Directors of the Company on 28 Februraty 2014.



17 CORRESPONDING FIGURES

- 17.1 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.
- 17.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended 30 June 2013 and the corresponding figures in the condensed interim profit and loss account, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement comprise of balances of comparable period as per the condensed interim financial information of the Company for the half year ended 31 December 2012.
- 17.3 Corresponding figures have been rearranged or reclassified, wherever necessary, for the purposes of comparison. However, no material reclassification has been made in the corresponding figures.

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

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

MASROOR AHMAD KHAN
(DIRECTOR)

RABIA ATIQUE
(DIRECTOR)