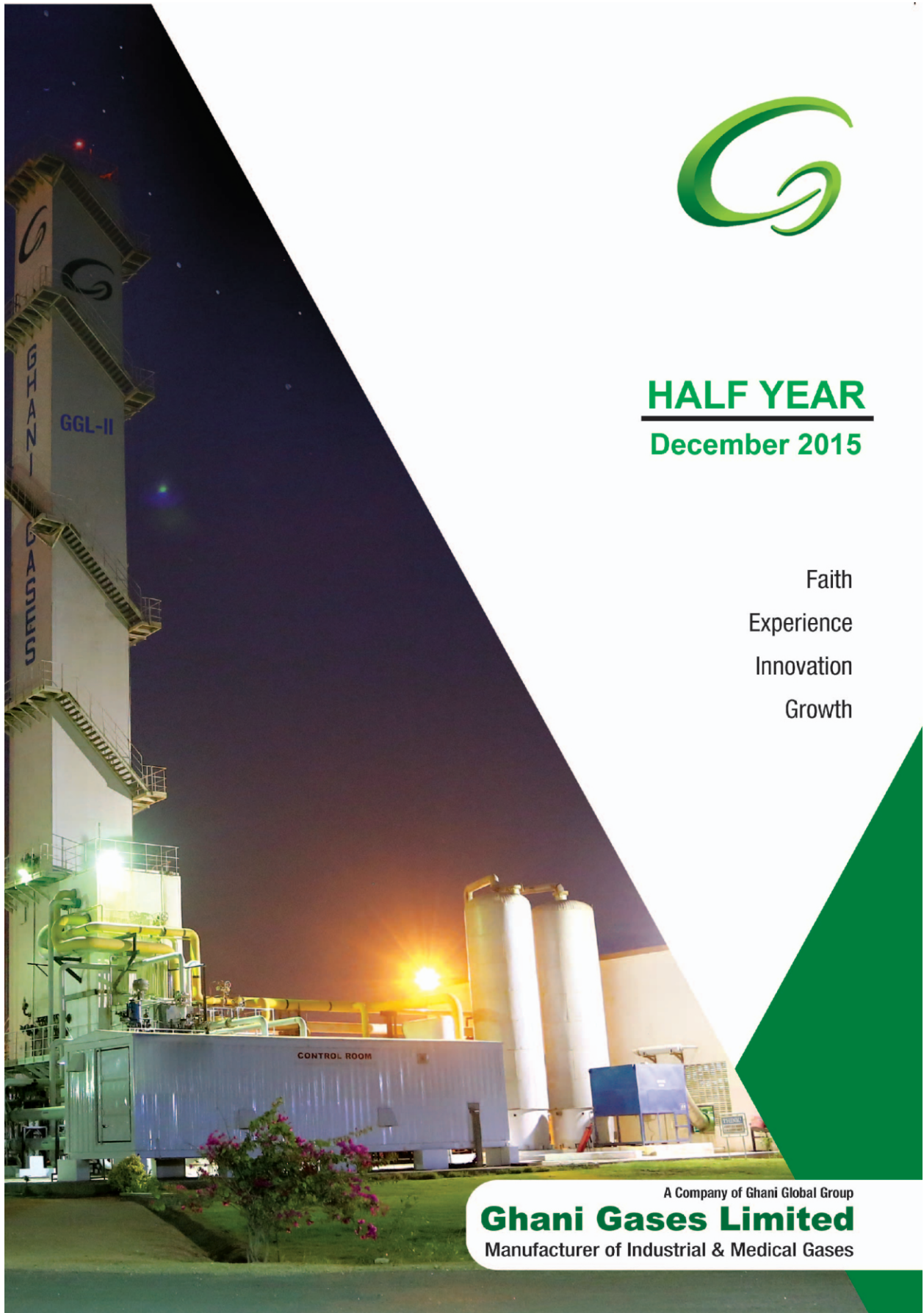




HALF YEAR

December 2015

Faith
Experience
Innovation
Growth



A Company of Ghani Global Group

Ghani Gases Limited
Manufacturer of Industrial & Medical Gases

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director
Director

AUDIT COMMITTEE

Mian Zahid Said – Chairman
Masroor Ahmad Khan
Rabia Atique
Farzand Ali

HR & R COMMITTEE

Mian Zahid Said – Chairman
Atique Ahmad Khan
Ayesha Masroor
Farzand Ali

COMPANY SECRETARY

Farzand Ali, FCS

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

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 Rd, Karachi-75530
UAN: +92(021) 111-000-322

GGL-I PLANT

52-K.M. Lahore Multan Road,
Phool Nagar Distt. Kasur
Ph: (042) 37006353-54, Fax: (042) 37006356
E-mail: ggl1plant@ghaniglobal.com

LEGAL ADVISOR

DSK Law, Lahore

GGL-II PLANT

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

BANKERS

Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Bank Alfah Limited
Burj Bank Limited
Bankislami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Habib Metropolitan Bank Limited
Habib Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank
The Bank of Punjab
United Bank Limited

GGL-III

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

REGIONAL MARKETING OFFICE

301-302, 3rd Floor Yousaf Chamber,
KCHSU, Block 7/8, Near MCB Bank,
Shar-e-Faisal Karachi.
Phone: 021-34330595
Email: sales.south@ghaniglobal.com

REGISTERED/CORPORATE OFFICE

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

DIRECTORS' REPORT

Dear Members

Assalam-o-Alaikum Wa RehmatUllah Wa Barakatoh

The Directors of your Company are pleased to present the unaudited condensed interim financial statements of the Company for the half year ended December 31, 2015, along with review report of the auditors thereon, in compliance with the requirements of Companies Ordinance, 1984.

ECONOMIC OVERVIEW

According to the data released by Pakistan bureau of statistics the headline inflation ticked up a notch, as per market expectation and SBP forecasts, to settled at 3.2% for December 2015 as compare to 2.7% in November 2015 and 4.3% in December 2014. The average inflation for July –December 2015 was recorded at 2.08% compared to 6.08% for the corresponding period last year. Overall inflation reading for the rest of financial year 2016 is expected to be in the range of 4% -4.5%. On the fiscal front, SBP kept policy rate unchanged at 6% for the next two month on account reversal expected in inflationary environment going forward coupled with PKR depreciation against the greenback. Regarding the external account SBP reported a marked improvement as the current account deficit shrunk to US\$ 1.0 Billion in 5MFY16 i.e. 0.8% of GDP vis-à-vis US \$2.5 Billion (2.2% of GDP) registered in 5MFY15. The countinual declined in current account deficit is attributed to i) 14% declined in trade deficit and ii) strong foreign remittances. Further external account position is expected to remain stable owing to healthy FDIs expectation. In the month of December money market remain short of liquidity. The KSE 100 index closed December 2015 at 32,816.31 points posting a meager MoM return of 1.74% taking CY 15 return to 2.13% thus putting an end to a streak of strong annual returns. On FYTD basis the bourse posted a loss of 4.60%. during the month of KSE 100 ended 11 times in red and 13 times in green as dull performance continued from foreign selling pressure, after a decade the Fed Reserve increasing interest rates, tumbling international oil prices and political row between the Federal and Sindh Government over the matter of Ranger's extension in Karachi. During the month o December 2015 foreign investors continued to reduced their exposure in the regional market and with KSE 100 being no exception for 6 month straight remain as net sellers with USD 34mn taking their selling position to for FY 16 USD 239.26mn.

FINANCIAL PERFORMANCE:

Your Company's sales during the period have decreased to Rs. 796 million against Rs. 929 million as compared to last period depicting dip of 14%. Gross profit decreased to Rs. 232 million against the gross profit of Rs. 280 million as compared to last period posting decrease in gross profit rate to 32.95% from 34.43%. Distribution cost and administrative expenses increased in absolute term and in terms of percentage of net sales it also increased from 7.53% to 8.91% and from 5.46% to 6.62%, respectively. This period operating profit has increased to Rs. 182 million against profit of Rs. 170 million as compared to last period. During the period under reference, profit before taxation stands at Rs. 123 million as compared to last period's figure of Rs. 112 million. Profit after tax has also increased to Rs. 99 million from Rs. 80 million, along with earnings per share (EPS) also increased to Rs. 1.33 against EPS of Rs. 1.07 if compared with the last period.

A comparison of the key financial results of your Company for the half year ended December 31, 2015 with the same period last year is as under:

Particulars	Rupees in '000' except EPS			%
	December 2015	December 2014	Variance	
Sales	795,806	928,953	(133,147)	-14.33
Net Sales	702,664	812,109	(109,445)	-13.48
Gross Profit	231,542	279,595	(48,053)	-17.19
- As %age of net sales	32.95%	34.43%		
Distribution cost	62,607	61,150	1,457	2.38
- As %age of net sales	8.91%	7.53%		
Administrative expenses	46,530	44,381	2,149	4.84
- As %age of net sales	6.62%	5.46%		
Operating profit	181,503	169,846	11,657	6.86
- As %age of net sales	25.83%	20.91%		
Profit before taxation	122,593	111,609	10,984	9.84
Net Profit	99,126	79,602	19,524	24.53
Earnings per share	1.33	1.07	0.26	24.30

Your company has decided to setup a distillery project through a subsidiary in the name of Ghani Chemical Industries (Pvt) Limited with a project cost of Rs. 1900 million. A combination of debt and equity will be used by your company to meet the capital requirements of its subsidiary. Accordingly the board of directors of your company in their meeting held on November 20, 2015 has decided to issue 68% Right Shares on the existing paid up capital at an issue price of Rs. 20/- per share inclusive of premium of Rs. 10/- per share. The right issue has been unwritten by United bank Limited and Arif Habib Limited. Last date of subscription of right offer is April 11, 2016.

Future prospects

ALHAMDULILLAH management of your company is seeing a continued recovery in core business in south and west region. We are proving to be most reliable supplier in the market without compromising on quality and safety. The country has been experiencing continuous energy crises; however the situation is improving to some extent. To overcome energy crisis the company has been utilizing multiple resources to ensure the availability of products to customers. The management of your company has continuously focused on BMR based on its experience, research and updating of technology. Management has partially replaced its storage tanks to minimize the loss of the products. Further being the energy is the only raw material of the manufacturing of industrial and medical gases, the management of the company has been looking for different means for un-interrupted and cheap energy solutions.

Acknowledgements

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

For and on behalf of Board of Directors

Lahore
February 29, 2016


Atique Ahmad Khan
(Chief Executive Officer)

INDEPENDENT AUDITOR'S 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 2015 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 2015 and 2014 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 2015.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagement 2410, Review of Interim Financial Information Performed by the Independent Auditors 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 the 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 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Lahore: 29 FEB 2016


Rizwan & Company
Chartered Accountants
Engagement Partner: Usman Sheikh 

Rizwan & Company is an independent member firm of DFK International- A worldwide association of independent accounting firms and business advisors
Address: 204-205-206, 2nd Floor, Al-Qadir Heights, 1-Babar Block, New Garden Town, Lahore, Pakistan.
Tel: + 92 42 35 84 66 44 - 5, Fax: +92 42 35 84 66 46, email: rcolhr@cyber.net.pk : info@dfk.pk; web: www.dfk.pk

CONDENSED INTERIM BALANCE SHEET AS AT 31 DECEMBER 2015 (UN-AUDITED)

EQUITY AND LIABILITIES			UN-AUDITED	AUDITED				UN-AUDITED	AUDITED
			December	June				December	June
Share capital and reserves			2015	2015				2015	2015
			(Rupees '000)		ASSETS			(Rupees '000)	
Authorized share capital			Note		Non-current assets				
125,000,000 (June 2015: 125,000,000) ordinary shares of Rs. 10 each					Property, plant and equipment				
					Operating fixed assets				
					Assets subject to ijarah financing				
					Capital work in progress				
Issued, subscribed and paid up share capital			9		Intangible assets				
Capital reserve - Share premium					Long term investment				
Unappropriated profit					Long term deposits and prepayments				
Total equity					Current assets				
Non-current liabilities					Stores, spare parts and loose tools				
Long term financing			10		Stock in trade				
Loan from sponsors					Trade debts				
Liabilities against assets subject to ijarah financing					Loans and advances				
Long term security deposits					Trade deposits and short term prepayments				
Deferred Taxation					Balance with statutory authorities				
Current liabilities					Other receivables				
Trade and other payables					Advance tax				
Accrued profit on financing					Cash and bank balances				
Short term borrowings					TOTAL ASSETS				
Current portion of long term liabilities									
Provision for taxation									
Total liabilities									
TOTAL EQUITY AND LIABILITIES									
CONTINGENCIES AND COMMITMENTS			11						

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


ATIQUE AHMAD KHAN
 (CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
 (DIRECTOR)

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Note	HALF YEAR ENDED		QUARTER ENDED	
		31 DECEMBER	31 DECEMBER	31 DECEMBER	31 DECEMBER
		2015	2014	2015	2014
		(Rupees '000)		(Rupees '000)	
Gross Sales - Local		795,806	928,953	418,810	501,186
Less:					
Sales tax		93,142	116,844	48,935	63,020
Net sales		702,664	812,109	369,875	438,166
Cost of sales	12	471,122	532,514	261,695	285,529
Gross Profit		231,542	279,595	108,180	152,637
Distribution cost		62,607	61,150	28,660	26,222
Administrative expenses		46,530	44,381	23,866	20,447
Other operating expenses		4,730	6,358	2,661	4,242
		113,867	111,889	55,187	50,911
Other income		117,675	167,706	52,993	101,726
		63,828	2,140	2,910	1,247
		181,503	169,846	55,903	102,973
Finance cost		58,910	58,228	29,600	29,742
Share of profit / (loss) of associated company 8		-	(9)	-	(9)
Profit before taxation		122,593	111,609	26,303	73,222
Taxation		23,467	32,007	(5,137)	13,425
Profit after taxation		99,126	79,602	31,440	59,797
Earnings per share					
- basic and diluted	13	1.33	1.07	0.42	0.81

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


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)

**CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

	HALF YEAR ENDED		QUARTER ENDED	
	31 DECEMBER 2015	31 DECEMBER 2014	31 DECEMBER 2015	31 DECEMBER 2014
	(Rupees '000)		(Rupees '000)	
Net profit for the period	99,126	79,602	31,440	59,797
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	99,126	79,602	31,440	59,797

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


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

	Share capital	Capital reserve - Share premium	Unappropriated profit	Total
	(Rupees '000)			
Balance as at 01 July 2014 (audited)	742,746	30,000	227,696	1,000,442
Net profit for the period	-	-	79,602	79,602
Other comprehensive income for the period	-	-	-	-
Total comprehensive income	-	-	79,602	79,602
Balance as at 31 December 2014 (un-audited)	742,746	30,000	307,298	1,080,044
Net profit for the period	-	-	78,894	78,894
Other comprehensive income for the period	-	-	-	-
Interim dividend @ Rs. 0.60 per share	-	-	(44,565)	(44,565)
Total comprehensive income	-	-	34,329	34,329
Balance as at 01 July 2015 (audited)	742,746	30,000	341,627	1,114,373
Net profit for the period	-	-	99,126	99,126
Other comprehensive income for the period	-	-	-	-
Final dividend @ Rs. 1 per share	-	-	(74,275)	(74,275)
Total comprehensive income	-	-	24,851	24,851
Balance as at 31 December 2015 (un-audited)	742,746	30,000	366,478	1,139,224

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



ATIQUÉ AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)



HAFIZ FAROOQ AHMAD
(DIRECTOR)

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2015**

		HALF YEAR ENDED	
	Note	31 DECEMBER 2015 (Rupees '000)	31 December 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	14	228,870	141,068
Finance cost paid		(58,437)	(47,637)
Income tax paid-net		(35,914)	(31,934)
		(94,351)	(79,571)
Net cash from / (used in) operating activities		134,519	61,497
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(115,177)	(149,118)
Proceeds from disposal of assets		-	608
Long term investments		44,633	
Long term deposits received / (paid)		1,857	(3,697)
Net cash used in investing activities		(68,687)	(152,207)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - net		60,822	188,918
Sponsors loan - net		11,416	(6,027)
Short term borrowings		76,303	(134,083)
Dividend paid		(61,358)	-
Long term security deposit payable		(1,500)	(2,100)
Liabilities against assets subject to ijarah financing - net		(34,096)	25,926
Net cash (used in) / from financing activities		51,587	72,634
Net increase / (decrease) in cash and cash equivalents		117,419	(18,076)
Cash and cash equivalents at the beginning of the period		226,739	234,489
Cash and cash equivalents at the end of the period		344,158	216,413

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


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)

Half Year December 2015

09

SELECTED NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2015

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 10-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 2015.

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 2015 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 January 2016 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 condensed interim 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 2015.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

During preparation of this condensed interim 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 2015.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited 31 December 2015 (Rupees '000)	Audited 30 June 2015
Beginning balance		2,293,837	2,182,343
Additions and transfer during the period / year	5.1	143,578	198,207
Deletions during the period / year	5.2	-	(19,250)
		2,437,415	2,361,300
Depreciation charged during the period / year		(33,522)	(67,463)
Ending balance		2,403,893	2,293,837
5.1 Additions and transfer during the period / year			
Building on freehold land		3,113	765
Plant and machinery		135,255	153,994
Furniture and fixtures		1,792	2,258
Office equipment		299	164
Computers		538	1,291
Vehicles		2,581	39,735
		143,578	198,207
5.2 Deletions during the period / year			
Vehicles		-	19,250
		-	19,250

		Un-audited 31 December 2015	Audited 30 June 2015
	Note	(Rupees '000)	
6 ASSETS SUBJECT TO IJARAH FINANCING			
Beginning balance		231,223	151,882
Additions during the period / year	6.1	-	120,752
Deletions and transfer during the period / year	6.2	(45,029)	(34,378)
		186,194	238,256
Depreciation charged during the period / year		(4,376)	(7,033)
Ending balance		181,818	231,223
6.1 Additions during the period / year			
Plant and machinery		-	100,779
Vehicles		-	19,973
		-	120,752
6.2 Deletions and transfer during the period / year			
Plant and machinery		43,439	28,769
Vehicles		1,590	5,609
		45,029	34,378
7 CAPITAL WORK IN PROGRESS			
Building		39,025	23,327
Plant and machinery		19,215	18,285
		58,240	41,612
8 LONG TERM INVESTMENTS			
Beginning Balance-Investment in associated company		45,133	45,000
Investment made/(disposed off) during the period/year		(45,133)	-
Share of profit / (loss) of associated company	8.1	-	133
Investment in wholly owned subsidiary	8.2	500	-
Ending balance		500	45,133

8.1 Share of profit of associated company is based on un-audited financial statements for the half year ended 31 December 2015 (audited financial statements for year ended 30 June 2015). Share of loss of associated company computes to Rupees Nil (June 2015: Rupees 0.133 million).

8.2 The company was incorporated in Pakistan as a private limited company on November 23,2015 under Companies Ordinance,1984.

9 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un-audited 31 December 2015 (No. of Shares)	Audited 30 June 2015	Note	Un-audited 31 December 2015 (Rupees '000)	Audited 30 June 2015
72,450,000	72,450,000	Ordinary shares of Rupees 10 each fully paid in cash	724,500	724,500
13,000	13,000	Ordinary shares of Rupees 10 each issued for consideration other than cash	130	130
1,811,575	1,811,575	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	18,116	18,116
74,274,575	74,274,575		742,746	742,746

10 LONG TERM FINANCING

Diminishing Musharka facility

Beginning balance	641,715	477,417
Add: Addition/(Payment) during period/ year	60,822	164,298
Ending balance	702,537	641,715
Less: Current portion shown under current liabilities	(203,895)	(147,604)
	498,642	494,111

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 There are no material changes in contingencies as disclosed in the notes to the financial statements for the year ended 30 June 2015.

11.2 Commitments

11.2.1 Commitments in respect of letter of credit amounted to Rupees 136.50 million (June 2015: Rupees 258.19 million).

11.2.2 Commitments for construction of building as at balance sheet date amounted to Rupees 50 million (June 2015: Rupees 10 million).

	UN-AUDITED HALF YEAR ENDED		UN-AUDITED QUARTER ENDED	
	31 DECEMBER	31 DECEMBER	31 DECEMBER	31 DECEMBER
	2015	2014	2015	2014
	(Rupees '000)		(Rupees '000)	
12 COST OF SALES				
Fuel and power	234,081	183,206	144,579	101,576
Consumable spare	9,703	10,770	5,421	1,999
Salaries wages and other benefits	32,258	28,353	16,288	15,323
Communication	398	366	185	131
Repair and maintenance	16,402	15,657	10,962	4,008
Travelling, vehicle running and maintenance	2,342	3,532	1,454	1,728
Insurance	2,814	1,821	1,739	986
Depreciation	29,453	28,897	15,204	13,826
Staff welfare	1,847	3,869	153	1,981
Transportation	1,131	2,207	506	812
Other overheads	19,953	20,891	7,871	11,604
	350,382	299,569	204,362	153,974
Finished goods				
Opening stock	36,206	23,225	77,704	73,814
Purchases	120,972	253,240	16,067	101,261
Closing stock	(36,438)	(43,520)	(36,438)	(43,520)
	120,740	232,945	57,333	131,555
	471,122	532,514	261,695	285,529

13 EARNINGS PER SHARE

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

	Note	UN-AUDITED HALF YEAR ENDED	
		31 DECEMBER	31 DECEMBER
		2015	2014
		(Rupees '000)	
14 CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		122,593	111,609
Adjustments to reconcile profit to net cash provided by operating activities			
Depreciation		37,898	35,627
Amortization of intangible assets		-	140
Finance cost		58,910	58,228
(Gain) / Loss on disposal of assets		-	(275)
Share of (profit) / loss of associated company		-	9
Working capital changes	14.1	9,469	(64,270)
Cash flow from operating activities		228,870	141,068

UN-AUDITED
HALF YEAR ENDED
31 DECEMBER 2015 31 DECEMBER 2014
(Rupees '000)

14.1 Cash flows from working capital changes

(Increase) / decrease in current assets:

Stores and spare parts	(51,826)	(228)
Stock in trade	(232)	(20,295)
Trade debts	6,311	(87,581)
Loans and advances	23,009	(33,521)
Short term deposits and prepayments	6,557	(1,775)
Balances with statutory authorities	(4,758)	-
Other receivables	32	818

Increase / (decrease) in current liabilities:

Trade and other payables	30,376	78,312
Net cash generated from/ (used in) working capital changes	9,469	(64,270)

15 SEGMENT INFORMATION

15.1 Segment results are as follows:

	HALF YEAR ENDED (UN-AUDITED)					
	31 December 2015			31 December 2014		
	Industrial and Medical Gases	Other Segments	Total	Industrial and Medical Gases	Other Segments	Total
	(Rupees '000)			(Rupees '000)		
Net Sales	579,190	123,474	702,664	547,545	264,563	812,108
Cost of Sales	(362,509)	(108,613)	(471,122)	(310,817)	(221,697)	(532,514)
Gross Profit	216,681	14,861	231,542	236,728	42,866	279,594
Distributions Cost	(61,886)	(721)	(62,607)	(60,498)	(652)	(61,150)
Administrative Expenses	(45,948)	(582)	(46,530)	(43,826)	(555)	(44,381)
	(107,834)	(1,303)	(109,137)	(104,324)	(1,207)	(105,531)
Segment Profit	108,847	13,558	122,405	132,404	41,659	174,063
Unallocated corporate expenses						
Other Operating Expenses			(4,730)			(6,358)
Other Income			63,828			2,141
			181,503			169,846
Finance Cost			(58,910)			(58,228)
Share of profit/(loss) from associated company			-			(9)
Profit before taxation			122,593			111,609
Taxation			(23,467)			(32,007)
Profit after taxation			99,126			79,602

16 TRANSACTIONS WITH RELATED PARTIES

		UN-AUDITED HALF YEAR ENDED	
		31 DECEMBER 2015	31 DECEMBER 2014
Name	Nature of Transaction	(Rupees '000)	
Associated Company	Supplies	29,499	-
	Disposal of investment	(45,133)	-
	Guarantee charges	1,300	1,300
	Services	2,000	-
Subsidiary Company	Investment	500	-
Staff Provident Fund	Contribution	7,153	5,481
Sponsors	Loan received / (repaid)	11,416	(6,027)

17 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 2015.

18 DATE OF AUTHORIZATION

This financial information has been authorized for issue by Board of Directors of the Company on 29 FEB 2016.

19 CORRESPONDING FIGURES

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

19.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended 30 June 2015 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 2014.

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


ATIQUE AHMAD KHAN
(CHIEF EXECUTIVE OFFICER)


HAFIZ FAROOQ AHMAD
(DIRECTOR)



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