Ghani Global Group

ANNUAL REPORT 2021



Faith

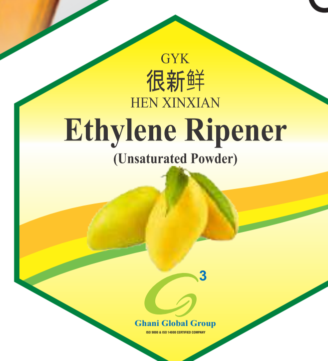
Experience

Innovation

Growth







Ghani Global Holdings Limited

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Atique Ahmad Khan	Chief Executive Officer
Masroor Ahmad Khan	Chairman
Hafiz Farooq Ahmad	
Rabia Atique	
Hafsa Masroor	
Mahmood Ahmed	
Chaudhry Umair Waqar	

AUDIT COMMITTEE

Mahmood Ahmed - Chairman
Hafiz Farooq Ahmad
Rabia Atique
Hafsa Masroor

HUMAN RESOURCE & REMUNERATION AND COMPENSATION COMMITTEE

Chaudhry Umair Waqar - Chairman
Atique Ahmad Khan
Hafiz Farooq Ahmad
Hafsa Masroor

PRESIDENT

M. Ashraf Bawany

COMPANY SECRETARY

Farzand Ali, FCS

CHIEF FINANCIAL OFFICER

Asim Mahmud, FCA

LEGAL ADVISOR

Barrister Ahmed Pervaiz, Ahmed & Pansota
Lahore

BANKS

Albaraka Bank Pakistan Limited
Askari Bank Limited
Faysal Bank Limited
Habib Metro Bank Limited
The Bank of Punjab

AUDITORS

ShineWing Hameed Chaudhri & Co.
Chartered Accountants
H.M. House, 7-Bank Square, Lahore.

SHARE REGISTRAR

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

REGIONAL MARKETING OFFICE

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

REGISTERED/CORPORATE OFFICE

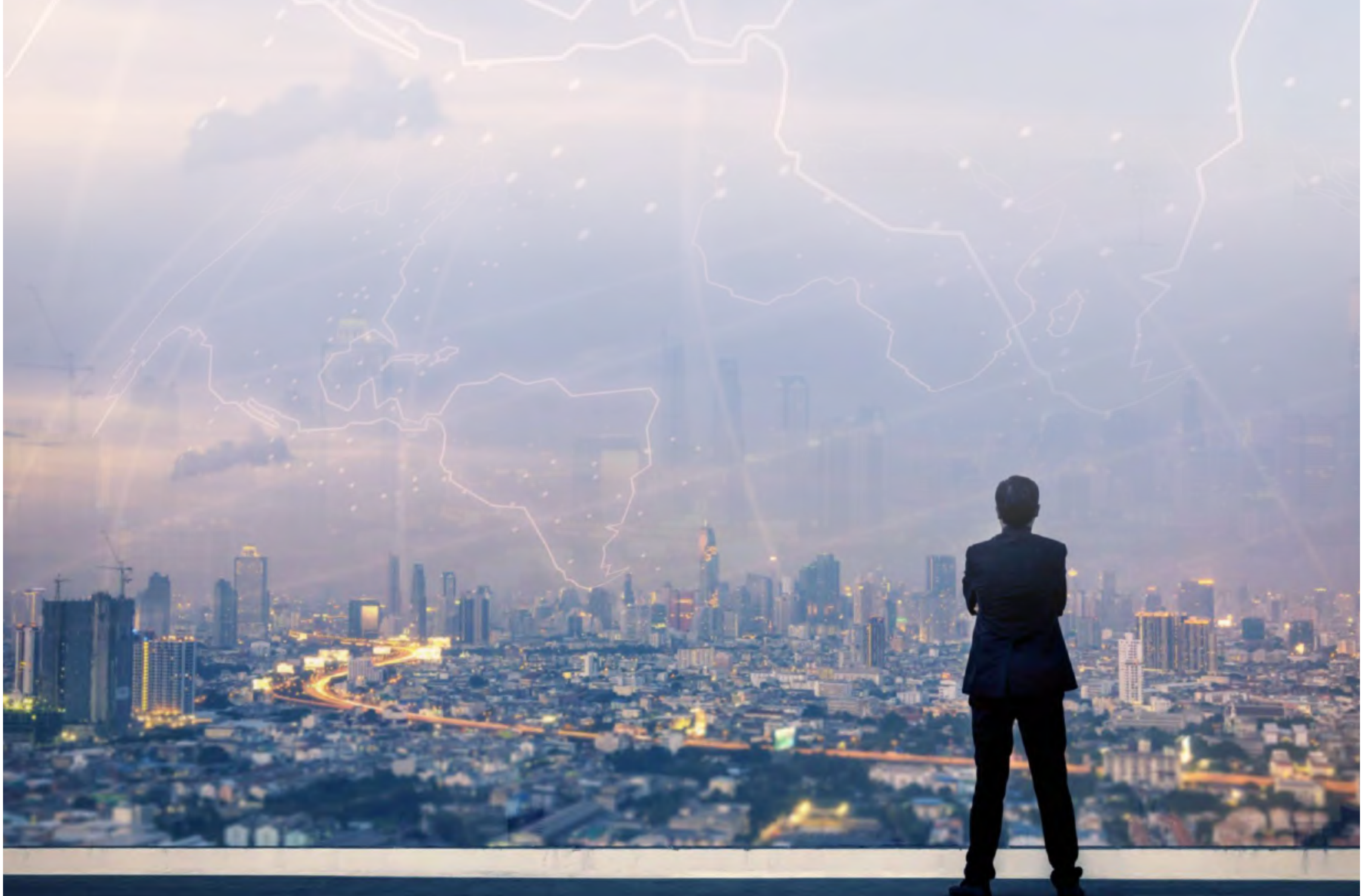
10-N, Model Town Ext, Lahore 54000, Pakistan
UAN: 111 GHANI 1 (442-641)
Fax: (092) 42 35160393
E-mail: info.gases@ghaniglobal.com
Website: www.ghaniglobal.com / www.ghanigases.com

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 Global Holdings Limited

Ghani Chemical Industries Limited

On sanction of the scheme of Compromises, Arrangement and Reconstruction by the Court, Ghani Global Holdings 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.

Associated Companies

- Service Fabrics Limited
- Kilowatt Labs Technologies Limited
- Air Ghani (Pvt) Limited
- Ghani Engineering (Pvt) Limited
- Ghani Global Foods (Pvt) Limited
- Ghani Products (Pvt) Limited
- A One Prefabs (Pvt) Limited
- A One Batteries (Pvt) Limited
- Awal Engineering (Pvt) Limited
- G3 Chemicals (Pvt) Limited
- Ghani Industrial Complex (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, 2019 ("the Code") contained in the Rule Book of Pakistan Stock Exchange Limited where the Company is Listed.

The Board during the year ended 30 June 2021played 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 has played pivotal role in ensuring that corporate objectives are achieved in line with the expectation of shareholders and all other stakeholders.

Lahore
September 09, 2021

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 (the Company) are pleased to present the unconsolidated audited financial statements of the Company for the year ended June 30, 2021, in compliance with the requirements of Companies Act, 2017.

OVERVIEW OF THE NATIONAL ECONOMY

Notwithstanding, the recent rise in COVID cases, Pakistan has been showing signs of a fragile economic recovery with a gradual resumption of economic dynamism, according to a new World Bank report.

Pakistan's economic growth is expected to reach 1.3 percent in FY2021 and expected ro gain an average of 2.7 percent for FY2022- 23, according to the Pakistan Development Update. The baseline economic growth forecast, however, is highly uncertain, especially given the third and more-contagious wave of the pandemic currently circulating in the country. Private consumption is estimated to have picked up over July to December 2020, in part due to the record increase in remittances inflows, social assistance support from the Ehsaas program, the government's construction package, and a return to pre-COVID mobility levels from September 2020. Investment is also estimated to be recovering, as machinery imports and cement sales both recorded double-digit growth rates during this period.

This is crucial to sustain the positive reform momentum to continue to boost the competitiveness of Pakistan's economy and lay a strong foundation for a more robust, inclusive and sustainable recovery. Increasing competitiveness and stimulating private investment and exports will require continued macroeconomic stability, maintenance of a market-determined exchange rate, and improving the business environment to enable all firms, particularly SMEs, to access markets and compete openly in a level playing field. The potential for a strong recovery and a growth acceleration is there. Reforms to make it happen need to be further sustained. Given the scope and magnitude of the COVID-19 crisis, understanding how the pandemic affected Pakistan's private sector will be key to informing the design of new policy measures or refining existing ones to prevent widespread long-term firm closures and job losses. Despite some recovery in the private sector, many firms remain vulnerable and require support to prevent closures and further job losses. Policy measures that prevent permanent firm closures and further job losses will contribute significantly to sustaining the recovery. The policy measures that can be considered include enhancing private sector access to formal finance, in particular for Micro, Small & Medium Enterprises, streamlining regulatory and administrative requirements to ease compliance costs, and providing support to firms in digitizing and establishing an online presence.

PRINCIPAL ACTIVITIES

The Principal activity of the Company is to manage investments in its subsidiary and associated companies.

FINANCIAL PERFORMANCE

In compliance with scheme of Compromises, Arrangement and Reconstruction approved by the Honorable 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.

Accordingly, during the period, the company did not conducted any major business. Major portion of administrative expenses incurred by the company are expenses relating to right and bonus shares issued by the Company and normal operating expenses of the Company. Other income are commission on corporate guarantee issued by the Company and profit from banks on saving accounts.

STANDALONE PERFORMANCE

A comparison of the key financial results of your Company for the year ended June 30, 2021 with the last year is as under:

Particulars	Rupees in '000' except EPS	
	June 2021	June 2020
Sales	8,157	11,500
Net sales	6,973	10,050
Gross profit	607	-
Administrative expenses	(36,253)	2,145
Other income	10,607	2,790
(Loss) / profit after taxation	(25,039)	645
Earnings per share	(0.14)	0.004

CONSOLIDATED PERFORMANCE

Financial performance including subsidiaries for year ended June 30, 2021 in comparison with last year is as under:

Particulars	**Rupees in '000' Except EPS**		**Variance**	
	June 2021	**June 2020**	**Rs. 000**	**%**
Sales	5,955,603	3,807,844	2,147,759	56
Net Sales	5,194,462	3,312,417	1,882,045	57
Gross Profit	2,081,940	780,987	1,300,953	167
Distribution cost	337,379	288,015	49,364	17
Administrative expenses	301,985	199,015	102,970	52
Operating profit	1,404,882	274,039	1,130,843	413
Financial cost	307,219	456,647	(149,428)	-33
Net profit/(loss)	792,426	(119,752)	912,178	762
Earning / (loss) per share	2.34	(0.69)	3.03	438

Ghani Chemical Industries Limited (subsidiary company)

Ghani Chemical Industries Limited (GCIL) is engaged in manufacturing and sale of industrial and medical gases and chemicals.

Alhamdulillah sales and end result performance of this subsidiary has considerably increased as compared with the same period of last year.

Annual sales of the company for the year ended June 2021, closed at Rs. 4,350 million as compared to last year June 2020, sales of Rs. 2,330 million which is showing tremendous increase of 86.5%, ALHAMDULILLAH. Gross profit has jumped from Rs. 494 million to Rs. 1,657 million showing increase of Rs. 1163 million, depicting an increase of 236%, in terms of percentage it has improved from 24% to 43%, due to increase in sales volume as well as increase in average selling price of the products. Distribution expenses and administrative expenses also decreased in terms of percentage to sales from 12% to 8%, and 6% to 4%, respectively. Company's operating profit year ended June, 2021, is amounting to Rs. 1,175 million as compared to last year's operating profit of Rs. 97 million showing increase of Rs. 1,077 million, depicting increase of 1,110%. Financial cost of the company also decreased from Rs. 320 million to Rs. 208 million showing decrease of 35%, having positive impact on the bottom line profitability of the company. Net profit of the company has jumped from loss of Rs. 160 million to profit of Rs. 691 million i.e in terms of percentage from net profit ratio of -8% to 18%. Alhamdulillah, accordingly, EPS of company has increased from Rs. (1.22) to Rs. 4.88.

Company is managing its repayments against the long term loans timely. Return on capital employed has improved from 3% to 28%. In financial, Current ratio of the company has improved from 0.72 to 1.03. Debtors days has also improved i.e. debtors days decreased from 97 days to 56 days. Short term borrowing of the company has been reduced by Rs. 455 million i.e. from Rs. 1,292M in June 2020 to Rs. 837 million in June 2021. Debt equity ratio also improved from 55:45 to 43:57 ALHAMDULILLAH.

A comparison of the key financial results of your Company for the year ended June 30, 2021 is as under:

Ghani Chemical Industries Limited				
June 2021				
Particulars	Jun-21 Rupees in '000'	Jun-20 Rupees in '000'	Variance Rupees in '000'	Variance %
Sales	4,350,558	2,332,739	2,017,819	86.50%
Net Sales	3,837,826	2,049,031	1,788,795	87.30%
Cost of Sales	2,180,711	1,555,332	625,379	40.21%
- As %age of net sales	57%	76%		
Gross Profit	1,657,115	493,699	1,163,416	235.65%
- As %age of net sales	43.18%	24.09%	19.08%	79.21%
Distribution Cost	302,109	249,829	52,280	20.93%
- As %age of net sales	7.87%	12.19%	-4.32%	-35.44%
Administrative Expenses	145,612	130,318	15,294	11.74%
- As %age of net sales	3.79%	6.36%	-2.57%	-40.34%
Operating Profit	1,175,011	97,129	1,077,882	1109.74%
- As %age of net sales	30.62%	4.74%	25.88%	545.89%
Finance Cost	208,265	320,816	(112,551)	-35.08%
- As %age of net sales	5.43%	15.66%	-10.23%	-65.34%
Profit/(loss) before taxation	966,746	(223,687)	1,190,433	-532.19%
Taxation	275,597	(62,856)	338,453	-538.46%
Net Profit/(Loss)	691,149	(160,831)	851,980	-529.74%
Net Profit/(Loss) %age	18.01%	-7.85%		
Earning per share	4.88	(1.22)	6.10	-501.33%

As a major breakthrough, after long term sales contract of 5 years with Attock Refinery, the subsidiary company has succeeded to enter into long- term sales contract for a period of 15 years with Engro Polymer & Chemicals Limited, Port Qasim, Karachi and supply against this contract is expected to be commence during second quarter of financial year. To meet the expected increase in demand of industrial and medical gases the subsidiary is setting up its 4th ASU plant in Port Qasim.

This subsidiary (being one of the largest manufacturer of industrial and medical gases in Pakistan) played a vital role to meet the increased demand of Medical Oxygen for COVID pandemic with close liaison with Government departments and Hospitals.

To meet the requirements of funds for repayment of borrowings and working capital, the board of directors of this subsidiary during December 2020, decided to increase paid up capital of the Company for Rs. 385.250 million by further issue of 38.525 million ordinary shares i.e. 33.5% right shares at par value of Rs. 10 per share. In compliance with special resolution passed by the shareholders of Ghani Global Holdings Limited (GGL) in Extra-Ordinary General Meeting held on September 05, 2020, the GGL (being majority shareholder) declined to subscribe this right issue. Thereafter the board of directors of this subsidiary offered the declined portion of right issue to other existing shareholders and employees of this subsidiary and its associated company.

Ghani Global Glass Limited (subsidiary company)

Ghani Global Glass Limited is engaged in manufacturing and sale of import substitute Glass Tubing, Glass Ampoules and Glass Vials since 2015. During the period subsidiary succeeded to get approval of its products in multinational companies (MNCs), middle, and large scale national companies where it is working closely with these companies and getting a sizeable business even in the presence of numerous converters in market.

By the grace of Almighty Allah despite all adverse economic factors and impact of COVID-19 during the year under review, your Company improved the sales / turnover and profitability as compared to the last year. For the year ended June 2021, your company closed the sales at amounting to Rs. 1,645 million mark as compared to last year end sales of Rs. 1,514 million showing the 9% increase in sale. Gross profit increased to Rs. 424 million from Rs. 287 million as compared to last year i.e. improved from 22% to 30%. Distribution cost and administrative cost incurred during year is Rs. 35 million and Rs. 109 million whereas for the last year it was Rs. 38 million and Rs. 62 million, respectively. Administrative cost increased due to right issue expenses amounting to Rs. 32 million. Operating profits of the company improved from 14% to 20%.

Finance cost for the period incurred on the long term finance and working capital lines decreased to Rs. 110 million compared to Rs. 142 million for the last period. Alhamdulillah Company earned profit amounting to Rs. 133 million as compared to the last year which was Rs. 40 million i.e. improvement from 3% to 10% ALHAMDULILLAH. In the result Earnings per share is Rs. 0.85 whereas during last year Company's Earnings per share was Rs. 0.33.

A comparison of the key financial results of your Company for the year ended June 30, 2021 with the last year is asunder:

Particulars	June 2021 Rs.	June 2020 Rs.	Variance Rupees in '000'	Variance %
Sales - Gross	1,645,391,486	1,514,533,424	130,858,062	9%
Sales tax & discounts	(247,223,222)	(217,448,908)	(29,774,314)	14%
Net Sales	1,398,168,264	1,297,084,516	101,083,748	8%
Cost of Sales	(973,949,985)	(1,010,742,262)	36,792,277	-4%
Gross Profit	424,218,279	286,342,254	137,876,025	48%
Distribution Cost	(35,270,253)	(37,241,944)	1,971,691	-5%
Administrative Expenses	(109,458,591)	(62,998,038)	(46,460,553)	74%
Operating Profit	279,489,435	186,102,272	93,387,163	50%
Other operating expenses	(20,683,246)	(5,534,137)	(15,149,109)	274%
Other income	7,692,018	1,658,035	6,033,983	364%
Finance Cost	(110,444,399)	(141,749,200)	31,304,801	-22%
Profit before taxation	156,053,808	40,476,970	115,576,838	286%
Net Profit / (Loss)	133,119,723	40,476,970	92,642,753	229%
Earning per share	0.85	0.33	1	158%

FUTURE PROSPECTS

Ghani Chemical Industries Limited (subsidiary company)

As a major breakthrough, after long term sales contract of 5 years with Attock Refinery, the subsidiary company has succeeded to enter into long- term sales contract for a period of 15 years with Engro Polymer & Chemicals Limited, Port Qasim, Karachi and supply against this contract is expected to be commence during fourth quarter of current financial year. To meet the expected increase in demand of industrial and medical gases the subsidiary is setting up its 4th ASU plant at Port Qasim. This project is expected to be commissioned, by October 2021.

The subsidiary has decided, to setup an additional manufacturing plant of 275MTPD capacity for medical and industrials gases at Hattar Economic Zone, District Haripur, Khyber Pakhtunkhwa (KP)

This decision has been made to respond to the national cause of overcoming the growing shortage of Oxygen in hospitals, and especially as a result of the recent EOI published by the Khyber Pakhtunkhwa Economic Zones Development & Management Company.

The added capacity shall ensure consistent supply of Oxygen to the hospitals in KP and Northern regions of the country with the spirit of combating COVID-19 emergencies besides meeting the industrial requirements of CPEC projects.

Land for this project is already available with our subsidiary in Hattar Economic Zone. Approximate investment size of this project shall be PKR 2.00 billion (US$ 13Mn), and completion target has been set for September 2022, Insha Allah. Detailed financial plans for this expansion phase will be released in next few weeks' time.

With this expansion, the Company shall have a total of five manufacturing plants, more than any other producer, at separate strategic locations of three provinces of the country. The disbursing of manufacturing locations would enable the Company to cater to the requirement of the entire country with better logistical and distribution efficiencies.

The added capacity shall ensure not only consistent supply of fast growing demand of Oxygen to the hospitals in KP and Northern regions of the country but also meeting the increasing demand of gases for development projects by Government and for industrial requirements of CPEC projects.

The subsidiary is already in the final stage of listing through reserve merger, subject to the approval of Sindh High Court.

Ghani Global Glass Limited (subsidiary company)

Alhamdulillah transaction of 140% Right Issue amounting to Rs. 1.400 Billion has successfully completed to meet the funds requirements of expansion plan, BMR and repayment of financings. All LC's for import of refractory, furnace equipment from Europe, Japan and China already opened by this subsidiary. Machinery against the LCs are in arrival process and work on furnace is actively in process of errection in accordance with the planning.

With commissioning of new furnace having additional production line, tube manufacturing capacity of this subsidiary will be enhanced by about 50% and this furnace is expected to be ready in fourth quarter of current calendar year IN SHAA ALLAH.

Kilowatt Labs Technologies Limited (subsidiary company)

Your Company (Ghani Global Holdings Limited) signed a strategic Memorandum of Understanding (MOU) with M/s Kilowatt Labs Inc. New York, USA for setting up a manufacturing facility and the sale of long-life super capacitor battery storage units to meet the emerging demand of extended life and efficient energy storages solutions to be used for telecom, locomotives, industrials equipment, green technology energy harvesting, electric vehicles, solar & UPS solutions and micro grid etc., purposes in Pakistan, and for exporting the same to other countries. For this purpose, your Company incorporated a subsidiary in the name of Kilowatt Labs Technologies Limited.

Board of Directors of your Company has further decided to sign a strategic Memorandum of Understanding (MOU) with Service Fabrics Limited (SERF) for joint investment in Kilowatt Labs Technologies Limited.

Presently, the Joint Venture Agreement with M/s Kilowatt Labs Inc. New York, USA, is in process for the setting up of this project, while Ghani Global Holdings Limited (GGL) has already made the arrangements for the import and sale of finish units in Pakistan from one of KLI's manufacturing facilities in UAE.

PAYOUT TO THE SHAREHOLDERS

The board of directors of your Company has recommended to issue 15% (in addition to 10% Bonus Shares already issued and allotted during the year on February 10, 2021) bonus shares to the shareholders for the year ended June 30, 2021 out of capital/revenue reserve of the company. Bonus shares will be issued to those shareholders whose names will appear in Register of Members on October 14, 2021.

Agenda item for approval of the shareholders to capitalize Rs. 419,904,652/- out of capital/revenue reserve of the Company and applied towards issue of 41,990,465 ordinary shares of Rs. 10 each to be allotted as fully paid Bonus Shares in proportion of Fifteen (15) Ordinary Share for every hundred (100) Ordinary Shares (15% Bonus Shares) is included in notice of AGM.

STATUS OF INVESTMENT IN ASSOCIATED/ SUBSIDIARY COMPANIES

Nature of investments by the Company in associated/ subsidiary company and its present status is as under:

Company Name	Nature of Investment	Amount Rs. In, 000	Benefit during the year Rs. In, 000	Present Status
Ghani Chemical Industries Limited	Equity Investment Corporate Guarantees	2,056,951 450,000	- 3,682	Long Term Investment Rs. 760 Million Valid upto October 28, 2025.
Ghani Global Glass Limited	Equity Investment Corporate Guarantees	1,423,690 744,900	- 1,900	Long Term Investment Rs. 650 Million Valid upto October 27, 2021. Rs. 750 Million Valid upto October 28, 2025.
Kilowatt Labs Technologies Limited	Equity Investment	500	-	Long Term Investment

STATUTORY AUDITORS OF THE COMPANY

The present auditors' M/s. SHINEWING Hameed Chaudhri & Co., Chartered Accountants will retire on conclusion of Annual General Meeting being held on October 23, 2021. 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, 2022.

SHARE PRICE TREND

Name of Company : Ghani Global Holdings Limited
Trading Symbol : GGL

Share price trend of the Company at Pakistan Stock Exchange Limited (PSX) during the year ended June 30, 2021 remain as under:

Period	Share Price			
	High	Low	Close	Daily Average of Trading Volume
1st Quarter (Jul -Sep 2020)	18.24	13.40	13.55	1,971,773
2nd Quarter (Oct -Dec 2020)	16.50	11.60	16.30	1,578,773
3rd Quarter (Jan -Mar 2021)	24.40	13.50	23.62	7,267,597
4th Quarter (Apr -Jun 2021)	52.34	22.75	49.64	20,492,424
Annual for the year	52.34	11.60	49.64	7,577,827

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

At present no remuneration to any executive director, Chief Executive and/or any person performing duties for the Company is paid. Accordingly any scheme for staff retirement benefits is not being maintained by the Company.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Code of Corporate Governance the Listed Companies (Code of Corporate Governance) Regulations, 2019) 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, 2019 is annexed.

CODE OF CONDUCT

The board of Ghani Global Holdings 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

The Company is acting as holding company of its subsidiaries (Ghani Chemical Industries Limited and Ghani Global Glass Limited) and has contributed Rs. 55.4 million (2020: Rs. NIL million) in shape of taxes, duties and levies paid to central, provincial government and local authorities.

AUDIT COMMITTEE

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

Names of Members of Audit Committee are as under:

Name of Director	Category	Designation in Committee
Mahmood Ahmed	Independent director	Chairman
Hafiz Farooq Ahmad	Non-executive director	Member
Rabia Atique	Non-executive director	Member
Hafsa Masroor	Non-executive director	Member

At present no remuneration to any executive director, Chief Executive and/or any person performing duties for the Company is paid. Accordingly any scheme for staff retirement benefits is not being maintained by the Company.

HR&R AND COMPENSATION 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	Category	Designation in Committee
Ch. Umair Waqar	Independent director	Chairman
Atique Ahmad Khan	Executive director	Member
Hafiz Farooq Ahmad	Non-executive director	Member
Hafsa Masroor	Non-executive director	Member

RELATIONS WITH STAKEHOLDERS

The Company is committed to establishing mutually beneficial relations with all stakeholders, 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 wellbeing 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 to 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 Seven (07) 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	05
Female	02
Total	**07**

Composition of directors:

Categories	Number of Directors
Independent directors	02
Other non-executive directors	04
Executive directors	01
Total	**07**

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, 2021. 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, 2020 for a period of three years and shall retire on October 30, 2023.

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, 2021, 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, 2021 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.

RIGHT ISSUE

Alhamdulillah 66% Right Issue announced by the Board of Directors of the Company on October 27, 2020 has been successfully completed and Company received total Rs. 1,011,818,440 and allotted 101,181,844 ordinary shares at par value of Rs. 10/- to all shareholders on January 25, 2021. The Board of Directors of the Company thanks to the all shareholders and stakeholders to reposed their confident on the management of the Company.

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 following:-

1- Enhancement in authorized share capital of the Company from Rs. 3,000 million to 4,000 million in Extra Ordinary General Meeting (EOGM) held on August 28, 2021.

2- Approval for Equity investment in Service Fabrics Limited (SERF), associated undertaking of the Company up to Rs. 250 million under section 199 of the Companies Act, 2017 in Extra Ordinary General Meeting (EOGM) held on August 28, 2021.

GRANT OF STOCK OPTIONS UNDER EMPLOYEE STOCK OPTION SCHEME

After the recommendations of the HR&R and Compensation Committee the Board of directors On August 02, 2021 has allocated 2,799,364 ordinary shares of the Company to the employees of subsidiary companies at the rate of PKR 30/- (with a premium of Rs. 20/- per share) in accordance with the Chapter VI-Employee Stock Option Scheme under the Companies (Further issue of shares) Regulations 2020, detail as under:-

Ghani Global Holdings Limited - Employees Stock Option Scheme (ESOS)	
Financial Year	2020-2021
Date of Grant	2-Aug-21
Date of Entitlement	16-Jul-21
Share Price (Option Price) from	3-May-21
Share Price (Option Price) to	1-Aug-21
Exercise Price (Option Price) determined by Compensation Committee	Rs. 30.00
Revised Price i.e. "Exercise Price in Rs. per Share (Revised)	Not Applicable
Minimum Vesting Period : from	3-Aug-21
Minimum Vesting Period : to	3-Aug-22
Exercise (Option) Period : from	4-Aug-22
Exercise (Option) Period : to	3-Aug-23
Grant of Option as a % of Shares Outstanding	1.00%
Share Outstanding (at the Date of Grant)	279,936,435

No. of Options Granted	2,799,364
No. of Options Exercised	-
No. of Options Declined /Lapsed but subsequently Offered	-
No. of Options Lapsed / Declined - [and subsequently NOT offered]	-
No. of Shares Issued (pursuant to exercise of options granted & offered)	-
Status	Vesting Period
No. of Employees	136
Minimum Lock Period	Not Applicable

OPTION POOL

No. of Shares Outstanding	latest	**279,936,435**
Option Pool	15%	41,990,465
Grant of Option	**2020-2021**	2,799,364
Total Options Granted		2,799,364
Balance Available in Option Pool		**39,191,101**

Agenda item for approval from shareholders of the Company is included in notice of AGM. List of employees to whom shares under ESOS scheme has been allocated will be available for inspection by the shareholders at Annual General Meeting.

COVID-19 PANDEMIC

During COVID-19 pandemic Ghani Global Holdings Limited and its subsidiaries taken timely and proactive measures by observing Government SOP's for industries. We enforced sanitization facility at entry point, provided hand washing facility, mandatory use of face mask, daily body temperature screening of all employees, education to employees about the risk of corona virus, proper hygiene measures and provided forced leave or alternate days attendance to staff (wherever necessary). In and out of vehicles were allowed after proper sanitization.

For attending shareholders, board and committee's meetings, the Company made arrangements and encourage all participants, including shareholders, board members and committees' members to participate in meeting proceedings via video link.

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 and its subsidiaries 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 Pakistan 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

Lahore September 09, 2021	**ATIQUE AHMAD KHAN** (CHIEF EXECUTIVE OFFICER)	Hafiz Farooq **HAFIZ FAROOQ AHMAD** (DIRECTOR)

ختم شدہ/ ردشدہ اختیارات کی تعداد- اور بعد میں پیش نہیں کی گئی	-
جاری کردہ حصص کی تعداد (دیے گئے اور پیش کردہ اختیارات کے استعمال کے مطابق)	-
حالت	ویسٹنگ پیریڈ
ملازمین کی تعداد	136
کم سے کم لاک پیریڈ۔	قابل اطلاق نہیں

آپشن پول

بقایا حصص کی تعداد

بقایا حصص کی تعداد	تازہ	**279,936,435**
آپشن پول	15%	41,990,465
آپشن کی گرانٹ	**2020-2021**	2,799,364
کل گرانٹڈ آپشن		2,799,364
آپشن پول میں بیلنس دستیاب ہے۔		**39,191,101**

کمپنی کے شیئر ہولڈرز سے منظوری کے لیے ایجنڈا آئٹم اے جی ایم کے نوٹس میں شامل ہے۔ESOS اسکیم کے تحت جن ملازمین کو شیئرز مختص کیے گئے ہیں ان کی فہرست سالانہ جنرل میٹنگ میں شیئر ہولڈرز کے معائنے کے لیے دستیاب ہوگی۔

COVID-19 عالمی وباء

کوویڈ-19 وبائی مرض کے دوران غنی گلوبل ہولڈنگز لمیٹڈ نے صنعتوں کے لئے گورنمنٹ ایس او پی کے مطابق بروقت اور فعال اقدامات کیے۔ہم نے داخلے کے مقام پر صفائی ستھرائی کی سہولت نافذ کی، ہاتھ دھونے کی سہولت فراہم کی، چہرے کے ماسک کا لازمی استعمال، تمام ملازمین کی روزانہ جسمانی درجہ حرارت کی جانچ، کورونا وائرس کے خطرے سے متعلق ملازمین کو تعلیم، حفظانِ صحت کے مناسب اقدامات اور عملے کو جبری رخصت یا متبادل دن حاضری فراہم کی۔ (جہاں بھی ضروری ہوا)۔مناسب صفائی کے بعد گاڑیوں کے اندر اور باہر جانے کی اجازت تھی۔شیئر ہولڈرز، بورڈ اور کمپنی کے اجلاسوں میں شرکت کے لئے کمپنی تمام شرکاء بشمول شیئر ہولڈرز، بورڈ ممبران اور کمپنی ممبران کو ویڈیو لنک کے ذریعے میٹنگ کی کارروائی میں حصہ لینے کی ترغیب دی۔

اعترافی بیانیہ

ڈائریکٹرز اپنے معزز کسٹمرز جنہوں نے کمپنی پر اعتماد کیا ان کی تہہ دل سے قدر کرتی ہے۔ہم اپنے ملازمین کی پیشہ ورانہ فرائض کی ادائیگی پر تہہ دل سے قدر کرتے ہیں اور بینکرز اور گورنمنٹ اداروں کے تعاون پر مشکور ہیں جن کی وجہ سے کمپنی اچھے رزلٹ دینے میں کامیاب ہوئی۔

ہم اپنے حصص داران کا شکریہ ادا کرتے ہیں جنہوں نے کمپنی کی انتظامیہ پر اعتماد کیا اس طرح 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) کے سنت مبارکہ سے رہنمائی چاہتے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے

عتیق احمد خان (چیف ایگزیکٹو آفیسر)

حافظ فاروق احمد (ڈائریکٹر)

لاہور
09 ستمبر 2021

پوسٹ بیلنس شیٹ ایونٹس

کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلیاں یا وعدے کمپنی کے مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان نہیں ہوئے، سوائے مندرجہ ذیل کے:

1-28 اگست 2021 کو منعقد ہونے والی ایکسٹرا آرڈینری جنرل میٹنگ (EOGM) میں کمپنی کے مجاز شیئر کیپٹل میں 3,000 ملین روپے سے 4,000 ملین تک اضافہ۔

2-سروس فیبرکس لمیٹڈ (ایس ای آر ایف) میں ایکویٹی انویسٹمنٹ کی منظوری، کمپنی ایکٹ 2017 کے سیکشن 199 کے تحت کمپنی کے 250 ملین روپے تک وابستہ انڈرٹیکنگ 28 اگست 2021 کو ہونے والی ایکسٹرا آرڈینری جنرل میٹنگ (ای او جی ایم) میں۔

اسٹاک آپشنز کی گرانٹ ایمپلائی اسٹاک آپشن اسکیم کے تحت

02 اگست، 2021 کو، HR&R اور معاوضہ کمیٹی کی سفارشات کے بعد بورڈ آف ڈائریکٹرز نے باب VI-ملازم اسٹاک آپشن سکیم کے مطابق کمپنیوں (حصص کا مزید مسئلہ) ریگولیشنز 2020 کے تحت کمپنی کے 2،799،364 عام حصص 30RUPEESPAK/-کی شرح سے ماتحت کمپنیوں کے ملازمین کے لیے مختص کیے ہیں (20 روپے کے پریمیم کے ساتھ)/-فی شیئر)، تفصیل ذیل میں:-

غنی گلوبل ہولڈنگز لمیٹڈ - ایمپلائز اسٹاک آپشن اسکیم (ESOS)	
مالی سال	2020-2021
گرانٹ کی تاریخ۔	2-Aug-21
استحقاق کی تاریخ	16-Jul-21
شیئر پرائس (آپشن پرائس) سے۔	3-May-21
شیئر پرائس (آپشن پرائس) کو۔	1-Aug-21
ایکسرسائز پرائس (آپشن پرائس) معاوضہ کمیٹی کی طرف سے مقرر کی جاتی ہے۔	Rs. 30.00
نظر ثانی شدہ قیمت یعنی "ایکسرسائز قیمت روپے فی شیئر (نظر ثانی شدہ)	Not Applicable
کم از کم ویسٹنگ پیریڈ: سے۔	3-Aug-21
کم از کم ویسٹنگ پیریڈ: کو۔	3-Aug-22
ایکسرسائز (آپشن) مدت: سے۔	4-Aug-22
ایکسرسائز (آپشن) مدت: کو۔	3-Aug-23
بقایا حصص کے فیصد کے طور پر آپشن کی گرانٹ۔	1.00%
بقایا شیئر کریں (گرانٹ کی تاریخ پر)	279,936,435
اختیارات کی تعداد دی گئی۔	2,799,364
اختیارات کی تعداد استعمال کی گئی۔	-
اختیارات کی تعداد رد/ختم ہو گئی لیکن بعد میں پیش کی گئی۔	-

تفصیل	ڈائریکٹران کی تعداد
مرد	05
خواتین	02
کل تعداد	**07**

ڈائریکٹران کی ساخت

تفصیل	تعداد
آزاد/غیر متعلقہ ڈائریکٹرز	02
نان ایگزیکٹوڈائریکٹرز	04
ایگزیکٹوڈائریکٹرز	01
کل تعداد	**07**

بورڈ کا چیئر مین نان ایگزیکٹوڈائریکٹر میں سے ہے۔ بورڈ میٹنگ کا نوٹس میٹنگ سے سات روز قبل بمعہ ورکنگ پیپرز ڈائریکٹرز کو ارسال کیا جاتا ہے۔

سال مختتمہ 30 جون 2021 کے دوران ڈائریکٹرز کے کل سات (07) اجلاس میں غیر حاضر رہنے والے ڈائریکٹرز کو چھٹی کی اجازت دی گئی۔

موجودہ بورڈ آف ڈائریکٹرز سالانہ اجلاس عام منعقدہ 28 اکتوبر 2020 کو تین سالوں کے لئے منتخب ہوئے جو کہ 30 اکتوبر 2023 کو ریٹائر ہو جائیں گے۔

ڈائریکٹران کا معاوضہ

ڈائریکٹرز کا زر معاوضہ مارکیٹ میں معیارات کی بنیاد پر کمپنیز ایکٹ 2017 کے سیکشن 170 کی دفعات کے مطابق بورڈ کے ذریعے 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 ایگزیکٹوڈائریکٹرز کے معاوضے کا ہر سال بورڈ آف ڈائریکٹرز کے ذریعے جائزہ لیا جاتا ہے۔ 30 جون 2021 کو ختم ہونے والے سال کے دوران چیف ایگزیکٹوڈائریکٹرز، نان ایگزیکٹوڈائریکٹرز اور آزاد ڈائریکٹرز اپنے فرائض کی انجام دہی اور بورڈ آف ڈائریکٹرز یا کمپنیوں کے اجلاسوں میں شرکت کرنے پر معاوضہ اور فیس ادا نہیں کی گئی۔

چیئرمین کے جائزہ رپورٹ

کمپنیز ایکٹ 2017 کی دفعہ (4)192 کے تحت بورڈ کی مجموعی کارکردگی اور کمپنی کے مقاصد کے حصول کی خاطر بورڈ کو موثر رول کے متعلق اختتامی سال 30 جون 2021 کیلئے چیئر مین کا جائزہ منسلک ہے۔

حصص داران کا پیٹرن

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

رائٹ ایشو

الحمدللہ کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے 27 اکتوبر 2020 کو اعلان کردہ 66 فیصد حق کا مسئلہ کامیابی سے مکمل ہو چکا ہے اور کمپنی کو کل 1,011,818,440 روپے ملے اور 101,181,844 عام حصص 10 روپے کی قیمت پر تمام شیئر ہولڈرز کو 25 جنوری 2021 کو الاٹ کیے گئے۔

کمپنی کے بورڈ آف ڈائریکٹرز تمام شیئر ہولڈرز اور سٹیک ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے کمپنی کے انتظام پر اعتماد کیا۔

کمیٹی کے ممبران کے نام یہ ہیں۔

ڈائریکٹرز کا نام	تخصیص	عہدہ
محمود احمد	غیر متعلقہ / آزاد ڈائریکٹر	چیئرمین
حافظ فاروق احمد	نان ایگزیکٹو ڈائریکٹر	ممبر
رابعہ عتیق	نان ایگزیکٹو ڈائریکٹر	ممبر
حفصہ مسرور	نان ایگزیکٹو ڈائریکٹر	ممبر

آڈٹ کمیٹی کا اپنا ٹرم آف ریفرنس ہے جو بورڈ آف ڈائریکٹرز نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 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 ایک غیر متعلقہ، دو نان ایگزیکٹو اور ایک ایگزیکٹو ڈائریکٹر شامل ہیں۔

ہیومن ریسورس اور معاوضہ کمیٹی کے ممبران کے نام یہ ہیں۔

ڈائریکٹرز کا نام	تخصیص	عہدہ
چوہدری عمیر وقار	غیر متعلقہ / آزاد ڈائریکٹر	چیئرمین
عتیق احمد خان	ایگزیکٹو ڈائریکٹر	ممبر
حافظ فاروق احمد	نان ایگزیکٹو ڈائریکٹر	ممبر
حفصہ مسرور	نان ایگزیکٹو ڈائریکٹر	ممبر

سٹیک ہولڈرز سے تعلقات

غنی گلوبل ہولڈنگز لمیٹڈ کسٹمرز، سپلائرز، بینکرز، ملازمین، سٹاک ایکسچینج، ایس ای سی پی اور دوسرے بزنس پارٹنرز سے باہمی تعلقات خوشگوار رکھنے میں پرعزم ہیں۔

الحمداللہ اس مدت کے دوران تمام اسٹیک ہولڈرز کے ساتھ تعلقات خوشگوار رہیں۔

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 حمائت کرتی ہے۔ کمپنی کارپوریٹ سماجی ذمہ داری اور کارپوریٹ گورننس کی رہنمائی سے صحیح سمت میں گامزن ہے۔ کمپنی ایک صاف ستھرے ماحول ی 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۔

بورڈ آف ڈائریکٹرز

کمپنی کے بورڈ آف ڈئریکٹرز جو تعداد میں سات ہیں اپنی آزاد ذمہ دوریوں اور کمپنی کو شفاف طریقوں سے نگران کے طور پر اس طرح کے فیصلے کرتے ہیں کہ کمپنی کی پائیدار ترقی میں اضافہ ہو۔

مدت	شیئر کی قیمت (روپے میں)			
	زیادہ	کم	ختم	تجارتی حجم کی روزانہ اوسط
پہلی سہ ماہی	18.24	13.40	13.55	1,971,773
دوسری سہ ماہی	16.50	11.60	16.30	1,578,773
تیسری سہ ماہی	24.40	13.50	23.62	7,267,597
چوتھی سہ ماہی	52.34	22.75	49.64	20,492,424
سالانہ	52.34	11.60	49.64	7,577,827

یکجا مالی حسابات

کمپنیز ایکٹ 2017 کے سیکشن 228 کی ضروریات کو سامنے رکھتے ہوئے کمپنی کی یکجا مالی حسابات کے ساتھ آڈیٹرز اور ڈائریکٹرز کی رپورٹ کمپنی کے مالی حسابات کے ساتھ منسلک ہے۔

فوائد برائے سٹاف ریٹائرمنٹ

فی الحال کسی بھی ایگزیکٹو ڈائریکٹر، چیف ایگزیکٹو اور/یا کمپنی کے لئے فرائض سرانجام دینے والے کسی فرد کو معاوضہ نہیں دیا جاتا ہے۔اس کے مطابق کمپنی کے ذریعے عملے کی رٹائرمنٹ فوائد کے لئے کوئی بھی سکیم برقرار نہیں ہے۔

کارپوریٹ گورننس کے کوڈ کے ساتھ تعمیل

غنی گلوبل ہولڈنگز لمیٹڈ نے 30 جون 2021 کو ختم ہونے والے سال کے لیے متعلقہ کارپوریٹ گورننس (فہرست شدہ کمپنیاں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019) کی ضروریات کو اپنایا ہے اور ان کی مناسب طریقے سے تعمیل کی گئی ہے۔آزاد ڈائریکٹرز کی شمولیت کے بارے قوانین، نئے بورڈ آف ڈائریکٹرز کے الیکشن کے ساتھ مشروط کیے گئے ہیں۔

تعمیل کا بیانیہ

لیسٹیڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 سے متعلق عمل کرنے کا بیانیہ اس رپورٹ میں شامل ہے۔

ضابطہ اخلاق

غنی گلوبل ہولڈنگز 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 تاکہ اس ضابطہ کے رولز جو گا ہکوں، سپلائرز سے متعلق ہیں اس پر عمل درآمد کریں۔

قومی خزانے میں حصہ

کمپنی اپنی ذیلی کمپنی (غنی کیمیکل انڈسٹریز لمیٹڈ اور غنی گلوبل گلاس لمیٹڈ) کی ہولڈنگ کمپنی کے طور پر کام کررہی ہے اور اس میں مرکزی صوبائی حکومت اور مکامی حکام کو ادا کئے جانے والے ٹیکس، ڈیوٹی اور محصولات کی شکل میں 55.4 ملین روپے (2019 Nill) کی مدد کی ہے۔

محاسبتی کمیٹی

بورڈ نے ایک آڈٹ کمیٹی قائم کی ہے جو چار ممبران پر مشتمل ہے جن میں سے ایک غیر متعلقہ اور چار نان ایگزیکٹو ڈائریکٹر ہیں۔

لیے کمپنی کے کیپٹل/ ریونیو ریزرو میں سے اور ہر سو (100) عام شیئرز (15 فیصد بونس شیئرز) کے لیے لاگو کیا گیا ہے تا کہ پندرہ (15) کے تناسب سے مکمل ادا شدہ بونس شیئر کے طور پر الاٹ کیا جائے عام اجلاس کے نوٹس میں شامل ہے۔

ایسوسی ایٹ/ذیلی کمپنی میں سرمایہ کاری کی صورتحال

ایسوسی ایٹ/ذیلی کمپنی میں سرمایہ کاری کی صورتحال درجہ ذیل ہے:

کمپنی کے نام	سرمائے کی نوعیت	رقم (ہزاروں میں)	سال کے دوران فوائد (ہزاروں میں)	موجودہ صورتحال
غنی کیمیکل انڈسٹریز لمیٹڈ	ایکوٹی سرمایہ کاری کارپوریٹ گارنٹی	2,056.991 450,000	- 3,682	طویل مدتی سرمایہ کار 760 ملین روپے 28 اکتوبر 2025 تک موثر
غنی گلوبل گلاس لمیٹڈ	ایکوٹی سرمایہ کاری کارپوریٹ گارنٹی	1,423,690 744,900	- 1,900	طویل مدتی سرمایہ کار 650 ملین روپے 27 اکتوبر 2021 تک موثر 750 ملین روپے 28 اکتوبر 2025 تک موثر
کلوواٹ لیبز ٹیکنالوجیز لمیٹڈ	ایکوٹی سرمایہ کاری	500	-	طویل مدتی سرمایہ کار

کمپنی کے قانونی محاسبان

موجودہ آڈیٹرز شائن ونگ حمید چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس 23 اکتوبر 2021 کو ہونے والی سالانہ اجلاس عام کے بعد ریٹائز ہو جائیں گے۔ آڈٹ کمیٹی کے مشورہ کے مطابق بورڈ آف ڈائریکٹرز نے موجودہ آڈیٹرز کے 30 جون 2022 کے اختتامی سال کے لئے بطور کمپنی کے آڈیٹرز دوبارہ تعیناتی کی سفارش کی ہے

شیئرز کی قیمت کا رجحان

کمپنی کا نام : غنی گلوبل ہولڈنگز لمیٹڈ

تجارتی علامت : GGL

30 جون 2021 کو ختم ہوئے سال کے دوران پاکستان اسٹاک ایکسچینج لمیٹڈ (پی ایس ایکس) میں کمپنی کے حصص کی قیمت کا رجحان درجہ ذیل رہا۔

(13 ملین ڈالر) ہوگا، اور انشاء اللہ ستمبر 2022 کو تکمیل کا ہدف رکھا گیا ہے۔ اس توسیع کے مرحلے کے لئے مفصل مالیاتی منصوبے آئندہ چند ہفتوں میں جاری کردیئے جائیں گے۔

اس توسیع کے ساتھ، کمپنی کے پاس ملک کے تین صوبوں کے الگ الگ اسٹریٹجک مقامات پر، کسی بھی دوسرے پروڈیوسر سے زیادہ، پانچ مینوفیکچرنگ پلانٹ ہوں گے۔ ان مینوفیکچرنگ مقامات سے کمپنی بہتر لاجسٹک اور تقسیم کی اہلیت کے ساتھ پورے ملک کی ضروریات پوری کرسکے گی۔

اضافی صلاحیت نہ صرف کے پی کے اور شمالی علاقوں کے اسپتالوں میں آکسیجن کی تیزی سے بڑھتی ہوئی طلب کی مسلسل فراہمی کو یقینی بنائے گی بلکہ حکومت کی جانب سے ترقیاتی منصوبوں اور CPEC منصوبوں کی صنعتی ضروریات کے لئے گیسوں کی بڑھتی ہوئی طلب کو بھی پورا کرے گی۔

ذیلی ادارہ پہلے ہی ریورس مرجر کے ذریعے لسٹنگ کے آخری مرحلے میں ہے جو سندھ ہائی کورٹ کی منظوری سے مشروط ہے۔

غنی گلوبل گلاس لمیٹڈ (ماتحت ادارہ)

الحمدللہ 1.400 ارب روپے کی 140 فیصد رائٹ ایشو کی ٹرانزیکشن نے توسیعی منصوبے، بی ایم آر اور فنانسنگ کی ادائیگی کی فنڈز کی ضروریات کو پورا کرنے کے لئے کامیابی کے ساتھ مکمل کرلیا ہے۔ یورپ، جاپان اور چین سے ریفریٹری، فرنس سامان کی درآمد کے لئے تمام ایل سی پہلے ہی ذیلی ادارہ کھول چکا ہے۔ ایل سی کے ذریعے مشینری کی آمد جاری ہے اور منصوبہ بندی کے مطابق فرنس پر کام تیزی سے جاری ہے۔

اضافی پروڈکشن لائن والی نئی فرنس کے آغاز کے ساتھ، اس ذیلی ادارہ کی ٹیوب مینوفیکچرنگ کی گنجائش میں تقریبا 50 فیصد اضافہ ہوجائے گا اور توقع کی جارہی ہے کہ یہ فرنس موجودہ سال کی چوتھی سہ ماہی میں ان شاء اللہ تیار ہوجائے گی۔

کلوواٹ لیبز ٹیکنالوجیز لمیٹڈ (ماتحت کمپنی)

آپ کی کمپنی (غنی گلوبل ہولڈنگز لمیٹڈ) نے M/s Kilowatt Labs Inc., USA کے ساتھ اسٹریٹجک میمورنڈم آف ایسوسی ایشن پر دستخط کیے ہیں۔ نیویارک، امریکہ، ٹیلی کام، انجنوں، صنعتی آلات، گرین ٹیکنالوجی توانائی کی کٹائی کے لئے استعمال ہونے والے توسیعی زندگی اور موثر توانائی کے ذخیرہ اندوزی کے حل کی ابھرتی ہوئی طلب کو پورا کرنے کے لئے مینوفیکچرنگ کی سہولت کے قیام اور طویل زندگی کے سپر کیپسیٹر بیٹری اسٹوریج یونٹوں کی فروخت کے لئے۔ الیکٹرک گاڑیاں، شمسی اور یو پی ایس کا حل اور مائکروگرڈ وغیرہ کے مقاصد کے تحت پاکستان میں، اور دوسرے ممالک کو برآمد کرنے کے لئے ہے۔ اس مقصد کے لئے آپ کی کمپنی نے کلوواٹ لیبز ٹیکنالوجیز لمیٹڈ کے نام سے ایک ذیلی ادارہ قائم کیا ہے۔

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے کلوواٹ لیبز ٹیکنالوجیز لمیٹڈ میں مشترکہ سرمایہ کاری کے لئے سروس فیبرکس لمیٹڈ کے ساتھ اسٹریٹجک میمورنڈم آف ایسوسی ایشن پر دستخط کرنے کا فیصلہ کیا ہے۔ فی الحال، اس منصوبے کے قیام کے لئے میسرز کلوواٹ لیبز انکارپوریٹڈ نیویارک، امریکہ کے ساتھ مشترکہ منصوبے کے معاہدے پر کام جاری ہے۔

جبکہ غنی گلوبل ہولڈنگز لمیٹڈ متحدہ عرب امارات کلوواٹ لیبز کے ایک یونٹ کے ذریعے پہلے ہی اس کی درآمد اور فروخت کے انتظامات جاری ہیں۔

حصص یافتگان کے لئے ادائیگی

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2021 کو ختم ہونے والے سال کے حصص یافتگان کو کمپنی کا سرمایہ/ ریونیو ریزرو میں سے 15 فیصد (10 فیصد بونس حصص کے علاوہ جو پہلے ہی جاری کیے گئے ہیں اور 10 فروری 2021 کو الاٹ کیے گئے ہیں) جاری کرنے کی سفارش کی ہے۔ بونس شیئرز ان شیئر ہولڈرز کو جاری کیے جائیں گے جن کے نام رجسٹر آف ممبرز میں 14 اکتوبر 2021 کو ظاہر ہوں گے۔

شیئر ہولڈرز کی منظوری کے لیے ایجنڈے کا آئٹم کمپنی کے 419,904,652 روپے کے لیے 10 روپے کے شیئر 41,990,465، عام شیئرز کے اجراء کے

Particulars	June 2021	June 2020	Variance	Variance
	Rs.	Rs.	Rupees in '000'	%
Sales - Gross	1,645,391,486	1,514,533,424	130,858,062	9%
Sales tax & discounts	(247,223,222)	(217,448,908)	(29,774,314)	14%
Net Sales	1,398,168,264	1,297,084,516	101,083,748	8%
Cost of Sales	(973,949,985)	(1,010,742,262)	36,792,277	-4%
Gross Profit	424,218,279	286,342,254	137,876,025	48%
Distribution Cost	(35,270,253)	(37,241,944)	1,971,691	-5%
Administrative Expenses	(109,458,591)	(62,998,038)	(46,460,553)	74%
Operating Profit	279,489,435	186,102,272	93,387,163	50%
Other operating expenses	(20,683,246)	(5,534,137)	(15,149,109)	274%
Other income	7,692,018	1,658,035	6,033,983	364%
Finance Cost	(110,444,399)	(141,749,200)	31,304,801	-22%
Profit before taxation	156,053,808	40,476,970	115,576,838	286%
Net Profit / (Loss)	133,119,723	40,476,970	92,642,753	229%
Earning per share	0.85	0.33	1	158%

مستقبل کے امکانات

موجودہ مالی سال میں ایک اہم پیشرفت کے طور پر اٹک ریفائنری کے ساتھ 5 سال کا ایک طویل مدتی سیل معاہدے کے علاوہ اس ذیلی کمپنی نے اینگرو پولیمر اینڈ کیمیکلز لمیٹڈ، پورٹ قاسم، کراچی کے ساتھ 15 سال کی مدت کے لئے طویل مدتی سیل کا معاہدہ کرنے میں کامیابی حاصل کی ہے اور توقع ہے کہ اس معاہدے کے تحت سیل اس سال کی چوتھی سہ ماہی کے دوران سیل شروع ہو جائے گی۔ صنعتی اور طبی گیسوں کی مانگ میں متوقع اضافے کو پورا کرنے کے لئے ماتحت ادارہ پورٹ قاسم میں اپنا چوتھا ASU پلانٹ لگا رہا ہے۔ توقع ہے کہ یہ منصوبہ اکتوبر 2021 کے دوران شروع ہو جائے گا۔

غنی کیمیکل انڈسٹریز لمیٹڈ (جی سی آئی ایل) نے خیبر پختون خوا (کے پی کے) ضلع ہری پور، ضلع ہاتر اقتصادی زون میں میڈیکل اور صنعتی گیسوں کے لئے 275MTPD گنجائش کا ایک اضافی مینوفیکچرنگ پلانٹ لگانے کا فیصلہ کیا ہے۔

نئے پلانٹ کے شروع ہونے سے، جی سی آئی ایل آکسیجن اور دیگر طبی و صنعتی گیسوں کا سب سے بڑا پیداواری ہونے کی اپنی اہم پوزیشن کو مزید تقویت بخشے گی جس کی کل نصب صلاحیت 705 ایم ٹی پی ڈی ہے۔ نئے پلانٹ کے نتیجے میں لگ بھگ 35-40 فیصد زیادہ کارکردگی اور وابستہ بجلی اور پیداوار کے اخراجات میں کمی واقع ہوگی۔

یہ فیصلہ اسپتالوں میں آکسیجن کی بڑھتی ہوئی کمی پر قابو پانے کی قومی وجہ کا جواب دینے کے لئے کیا گیا ہے، اور خاص طور پر خیبر پختونخواہ اقتصادی زون ڈویلپمنٹ اینڈ مینجمنٹ کمپنی کے ذریعہ شائع کردہ حالیہ EOI کے نتیجے میں ہے۔

اضافی گنجائش CPEC منصوبوں کی صنعتی ضروریات کو پورا کرنے کے ساتھ ساتھ، کووڈ 19 کے ہنگامی حالات کا مقابلہ کرنے کے جذبے سے کے پی کے اور شمالی علاقوں کے اسپتالوں میں آکسیجن کی مسلسل فراہمی کو یقینی بنائے گی۔

اس منصوبے کے لئے اراضی پہلے ہی حطار اکنامک زون میں اس ذیلی ادارہ کے پاس موجود ہے۔ اس منصوبے میں لگ بھگ سرمایہ کاری کا حجم 2.00 ارب روپے

ایک اہم پیش رفت کے طور پر، اٹک ریفائنری کے ساتھ 5 سال کے طویل مدتی فروخت کے معاہدے کے بعد، ذیلی کمپنی اینگرو وپولیمر اینڈ کیمیکلز لمیٹڈ، پورٹ قاسم، کراچی اور سپلائی کے ساتھ 15 سال کی مدت کے لیے طویل المیعاد فروخت کا معاہدہ کرنے میں کامیاب ہوگئی ہے۔ یہ معاہدہ مالی سال کی دوسری سہ ماہی کے دوران شروع ہونے کی توقع ہے۔ صنعتی اور طبی گیسوں کی مانگ میں متوقع اضافے کو پورا کرنے کے لیے ذیلی ادارہ پورٹ قاسم میں اپنا 4واں ASU پلانٹ لگا رہا ہے۔

یہ ذیلی ادارہ (پاکستان میں صنعتی اور طبی گیسوں کا سب سے بڑا کارخانہ دار ہے) نے سرکاری محکموں اور ہسپتالوں کے ساتھ قریبی رابطے کے ساتھ COVID وبائی مرض کے لیے میڈیکل آکسیجن کی بڑھتی ہوئی طلب کو پورا کرنے میں اہم کردار ادا کیا۔

قرضوں کی ادائیگی اور ورکنگ کیپیٹل کے لیے فنڈز کی ضروریات کو پورا کرنے کے لیے، دسمبر 2020 کے دوران اس ذیلی ادارے کے بورڈ آف ڈائریکٹرز نے کمپنی کے ادا شدہ سرمائے کو 385.250 ملین مزید شیئرز کے ذریعے 38.525 ملین عام شیئرز یعنی 33.5 فیصد حق حصص روپے کی قیمت پر۔ 10 فی شیئر روپے میں بڑھانے کا فیصلہ کیا۔ غنی گلوبل ہولڈنگز لمیٹڈ (جی جی ایل) کے شیئر ہولڈرز کی طرف سے 05 ستمبر 2020 کو ہونے والی غیر معمولی جنرل میٹنگ میں منظور کی گئی خصوصی قرارداد کی تعمیل میں، جی جی ایل (اکثریت شیئر ہولڈر ہونے کے ناطے) نے اس صحیح مسئلے کو سبسکرائب کرنے سے انکار کردیا۔ اس کے بعد اس ذیلی ادارے کے بورڈ آف ڈائریکٹرز نے اس ذیلی ادارے اور اس سے وابستہ کمپنی کے دیگر موجودہ شیئر ہولڈرز اور ملازمین کو حق کے مسئلے کا مسترد شدہ حصہ پیش کیا۔

غنی گلوبل گلاس لمیٹڈ

غنی گلوبل گلاس لمیٹڈ 2015 سے درآمدی متبادل گلاس ٹیوب، گلاس ایمپولز اور گلاس وائلز کی تیاری اور فروخت میں مصروف ہے۔ ایک سال کے دوران یہ ذیلی کمپنی کثیر القومی کمپنیوں (MNCs)، درمیانے اور بڑے پیمانے پر قومی کمپنیوں میں اپنی مصنوعات کو منظور کرنے میں کامیاب ہوگئی جہاں یہ کمپنی ان کمپنیوں کے ساتھ مل کر کام کر رہی ہے اور مارکیٹ میں متعدد کنورٹرز کے باوجود ایک اہم کاروبار حاصل کر رہی ہے۔

زیر نظر سال کے دوران تمام منفی معاشی عوامل اور COVID-19 کے اثرات کے باوجود اللہ تعالیٰ کے فضل سے، آپ کی کمپنی نے گزشتہ سال کے مقابلے میں فروخت/ کاروبار اور منافع کو بہتر بنایا۔ جون 2021 کو ختم ہونے والے سال کے لیے، آپ کی کمپنی نے فروخت کو 1,645 ملین روپے تک بند کردیا جبکہ پچھلے سال کے آخر میں 1,514 ملین روپے کی فروخت میں 9 فیصد اضافہ دکھایا گیا۔ مجموعی منافع گزشتہ سال کے مقابلے میں 287 ملین روپے سے بڑھ کر 424 ملین روپے ہوگیا یعنی 22 فیصد سے 30 فیصد تک بہتر ہوا۔ تقسیم کے اخراجات اور سال کے دوران انتظامی لاگت 35 ملین روپے اور 109 ملین روپے ہے جبکہ پچھلے سال یہ بالترتیب 38 ملین اور 62 ملین روپے تھی۔ انتظامی لاگت میں 32 ملین روپے کے رائٹ ایشو اخراجات کی وجہ سے اضافہ ہوا۔ کمپنی کے آپریٹنگ منافع میں 14 فیصد سے 20 فیصد اضافہ ہوا۔

طویل مدتی فنانس اور ورکنگ کیپیٹل لائنز پر ہونے والی مدت کے لیے فنانس کی لاگت پچھلی مدت کے 142 ملین روپے کے مقابلے میں کم ہو کر 110 ملین روپے رہ گئی۔ الحمدللہ کمپنی نے گزشتہ سال کے مقابلے میں 133 ملین روپے کا منافع کمایا جو کہ 40 ملین روپے تھا یعنی 3٪ سے 10٪ الحمدللہ بہتری۔ نتیجہ میں فی حصص آمدنی 0.85 روپے ہے جبکہ پچھلے سال کمپنی کی فی حصص آمدنی 0.33 روپے تھی۔

جون 2021 کو ختم ہونے والے سال کے لیے گزشتہ سال کے ساتھ آپ کی کمپنی کے اہم مالیاتی نتائج کا موازنہ درجہ ذیل ہے:

غنی کیمیکل انڈسٹریز لمیٹڈ

غنی کیمیکل انڈسٹریز لمیٹڈ (GCIL) صنعتی اور طبی گیسوں اور کیمیکلز کی تیاری اور فروخت میں مصروف ہے۔

الحمدللہ گزشتہ سال کی اسی مدت کے مقابلے میں اس ماتحت ادارے کی فروخت اور اختتامی نتائج کی کارکردگی میں کافی اضافہ ہوا ہے۔

جون 2021 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ فروخت 4،350 ملین روپے پر بند ہوئی جو گزشتہ سال جون 2020 کے مقابلے میں 2330 ملین روپے کی فروخت تھی، جو کہ 86.5٪ کا زبردست اضافہ دکھا رہی ہے، الحمدللہ۔ مجموعی منافع 494 ملین روپے سے بڑھ کر 1، 657 ملین روپے ہو گیا ہے جس میں 1163 ملین روپے کا اضافہ دکھایا گیا ہے جو 236 فیصد اضافہ ہے، فیصد کے لحاظ سے یہ سیلز کے حجم میں اضافے کے ساتھ ساتھ اوسط فروخت میں اضافے کی وجہ سے مصنوعات کی قیمت میں 24 فیصد سے بڑھ کر 43 فیصد ہو گیا ہے . تقسیم کے اخراجات اور انتظامی اخراجات بھی فروخت کے فیصد کے لحاظ سے بالترتیب 12 فیصد سے 8 فیصد اور 6 فیصد سے 4 فیصد تک کم ہوئے۔ جون 2021 کو ختم ہونے والا کمپنی کا آپریٹنگ منافع 1،175 ملین روپے ہے جو پچھلے سال 97 ملین روپے کے آپریٹنگ منافع کے مقابلے میں 1، 077 ملین روپے کا اضافہ ظاہر کرتا ہے، جو کہ 1، 110٪ کا اضافہ دکھا رہا ہے۔ کمپنی کی مالیاتی لاگت بھی 320 ملین روپے سے کم ہو کر 208 ملین روپے ہو گئی ہے جو کہ 35 فیصد کی کمی کو ظاہر کرتی ہے، جس سے کمپنی کے نیچے منافع پر مثبت اثر پڑتا ہے۔ کمپنی کا خالص منافع 160 ملین روپے کے نقصان سے بڑھ کر 691 ملین روپے ہو گیا ہے، یعنی فیصد کے لحاظ سے خالص منافع تناسب سے 8- to سے 18۔ الحمدللہ، اس کے مطابق، کمپنی کا EPS روپے (1.22) سے بڑھ کر 4.88 روپے ہو گیا ہے۔ کمپنی طویل مدتی قرضوں کے خلاف اپنی ادائیگیوں کا بروقت انتظام کر رہی ہے۔ ملازم کیپٹل پر واپسی 3 فیصد سے بڑھ کر 28 فیصد ہو گئی ہے۔ مالیاتی لحاظ سے کمپنی کا موجودہ تناسب 0.72 سے بڑھ کر 1.03 ہو گیا ہے۔ قرض دہندگان کے دنوں میں بھی بہتری آئی ہے یعنی قرض دہندگان کے دن 97 دن سے کم ہو کر 56 دن رہ گئے ہیں۔ کمپنی کے قلیل مدتی قرضوں کو 455 ملین روپے یعنی جون 2020 میں 1،292M روپے سے کم کر کے جون 2021 میں 837 ملین روپے کر دیا گیا ہے۔

پچھلے سال کی اسی مدت کے ساتھ 30 جون 2021 کو ختم ہونے والے نو ماہ کے لئے آپ کی اس ذیلی کمپنی کے اہم مالیاتی نتائج کا موازنہ حسب ذیل ہے:

Particulars	Jun-21 Rupees in '000'	Jun-20 Rupees in '000'	Variance Rupees in '000'	Variance %
Sales	4,350,558	2,332,739	2,017,819	86.50%
Net Sales	3,837,826	2,049,031	1,788,795	87.30%
Cost of Sales	2,180,711	1,555,332	625,379	40.21%
- As %age of net sales	57%	76%		
Gross Profit	1,657,115	493,699	1,163,416	235.65%
- As %age of net sales	43.18%	24.09%	19.08%	79.21%
Distribution Cost	302,109	249,829	52,280	20.93%
- As %age of net sales	7.87%	12.19%	-4.32%	-35.44%
Administrative Expenses	145,612	130,318	15,294	11.74%
- As %age of net sales	3.79%	6.36%	-2.57%	-40.34%
Operating Profit	1,175,011	97,129	1,077,882	1109.74%
- As %age of net sales	30.62%	4.74%	25.88%	545.89%
Finance Cost	208,265	320,816	(112,551)	-35.08%
- As %age of net sales	5.43%	15.66%	-10.23%	-65.34%
Profit/(loss) before taxation	966,746	(223,687)	1,190,433	-532.19%
Taxation	275,597	(62,856)	338,453	-538.46%
Net Profit/(Loss)	691,149	(160,831)	851,980	-529.74%
Net Profit/(Loss) %age	18.01%	-7.85%		
Earning per share	4.88	(1.22)	6.10	-501.33%

انتظامات اورتعمیرنو کی اسکیم کی تعمیل میں، کمپنی نے اپنا مینوفیکچرنگ انڈرٹیکنگ ،جس میں تمام اثاثے ، واجبات ،حقوق ،عنوان اور دلچسپی ملازمین شامل ہیں کمپنی کے ماتحت ادارہ کو منتقل کیا۔

اس کے مطابق اس مدت کے دوران، کمپنی نے کوئی کاروبار نہیں کیا۔ کمپنی کے ذریعہ کیے جانے والے انتظامی اخراجات رائٹ ایشو اور بونس حصص سے متعلق اخراجات اور کمپنی کے عام آپریٹنگ اخراجات ہیں۔ دوسری آمدنی کمپنی کی طرف سے جاری کردہ کارپوریٹ گارنٹی پر کمیشن ہے اور اکاؤنٹس کی بچت پر بینکوں سے منافع ہوتا ہے۔

علیحدہ سے کارکردگی

آپ کی کمپنی کے 30 جون 2021 کو ختم ہوئے سال کے اہم مالیاتی نتائج کا گذشتہ سال کے ساتھ موازنہ درجہ ذیل ہے۔

تفصیلات	روپے '000' میں سوائے فی حصص	
	جون 2021	جون 2020
فروخت	8,157	11,500
خالص فروخت	6,973	10,050
مجموعی منافع	607	-
انتظامی اخراجات	(36,253)	2,145
دوسری آمدنی	10,607	2,790
بعداز ٹیکس منافع/(نقصان)	(25,039)	645
فی حصص منافع	(0.14)	0.004

یکجا کارکردگی

30 جون 2021 کو ختم ہونے والے مالیاتی سال کا پچھلے سال سے موازنہ یکجا کارکردگی کے ساتھ درجہ ذیل ہے۔

تفصیلات	روپے '000' میں سوائے فی حصص		اختلاف	
	جون 2021	جون 2020	روپے '000'	%
فروخت	5,955,603	3,807,844	2,147,759	56
خالص فروخت	5,194,462	3,312,417	1,882,045	57
مجموعی منافع	2,081,940	780,987	1,300,953	167
تقسیم کاری کی لاگت	337,379	288,015	49,364	17
انتظامی اخراجات	301,985	199,015	102,970	52
آپریٹنگ منافع	1,404,882	274,039	1,130,843	413
مالی لاگت	307,219	456,647	(149,428)	-33
خالص منافع/(نقصان)	792,426	(119,752)	912,178	762
فی حصص منافع/(نقصان)	2.34	(0.69)	3.03	438

ڈائیریکٹرز رپورٹ

معزز حصص داران

السلام وعلیکم ورحمۃ اللہ برکا یہ

غنی گلوبل ہولڈنگز لمیٹڈ (سابقہ غنی گیسز لمیٹڈ) کے ڈائریکٹران کمپنیز ایکٹ 2017 کے تصریحات کے تحت سالانہ تنقیح شدہ اور غیر یکجا مالی حسابات برائے سال مختتمہ 30 جون 2021 پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

قومی معیشت کا جائزہ

ورلڈ بینک کی ایک نئی رپورٹ کے مطابق، کوویڈ کیسوں میں حالیہ اضافے کے باوجود، پاکستان میں معاشی حرکیات کی بتدریج بحالی کے ساتھ ایک کمزور معاشی بحالی کے آثار ظاہر ہورہے ہیں۔

پاکستان ڈویلپمنٹ اپ ڈیٹ کے مطابق، مالی سال 2021 میں پاکستان کی معاشی نمو 1.3 فیصد تک پہنچنے اور مالی سال 2022-23 کے لئے اوسطا 2.7 فیصد تک پہنچنے کی توقع ہے۔ تاہم، بنیادی معاشی نمو کی پیش گوئی انتہائی غیر یقینی ہے، خاص طور پر ملک میں اس وقت وبائی امراض کی تیسری اور زیادہ متعدی لہر کو دیکھتے ہوئے۔ تخمینہ ہے کہ نجی استعمال میں جولائی سے دسمبر 2020 تک کا اضافہ ہوا ہے، جس کی ایک وجہ یہ ہے کہ ترسیلات زر کی آمد میں ریکارڈ اضافہ، احصاص پروگرام سے سماجی اعانت کی حمایت، حکومت کے تعمیراتی پیکیج، اور ستمبر 2020 سے پہلے سے COVID نقل وحرکت کی سطح پر واپسی سرمایہ کاری میں بھی بازیافت ہونے کا تخمینہ لگایا گیا ہے، کیونکہ اس عرصے کے دوران مشینری کی درآمد اور سیمنٹ کی فروخت میں دو اعداد وشمار کی نمو ریکارڈ کی گئی ہے۔

پاکستان کی معیشت کی مسابقت کو فروغ دینے اور مزید مضبوط، جامع اور پائیدار بحالی کی ایک مضبوط بنیاد رکھنے کے لئے مثبت اصلاحی تحریک کو برقرار رکھنے کے لئے یہ ضروری ہے۔ مسابقت اور بڑھتی ہوئی نجی سرمایہ کاری اور برآمدات کو متحرک معاشی استحکام، مارکیٹ سے طے شدہ شرح تبادلہ کی بحالی، اور کاروباری ماحول میں بہتری لانے کی ضرورت ہوگی تا کہ تمام فرموں خصوصا ایس ایم ایز کو مارکیٹوں تک رسائی حاصل ہوسکے اور سطح پر چلنے والے میدان میں کھل کر مقابلہ کیا جاسکے۔ مضبوط بازیابی اور نمو میں اضافے کا امکان موجود ہے۔ اس کو بنانے کیلئے اصلاحات کو مزید برقرار رکھنے کی ضرورت ہے۔ COVID-19 بحران کی وسعت اور وسعت کو دیکھتے ہوئے، یہ سمجھنے سے کہ پاکستان کے نجی شعبے کو وبائی مرض سے کس طرح متاثر ہوا ہے، تا کہ طویل المیعاد فرموں کی بندش اور ملازمت میں ہونے والے نقصانات کو روکنے کے لئے نئے پالیسی اقدامات کے ڈیزائن کو مطلع کرنے یا موجودہ حالات کو بہتر بنانے میں کلیدی ثابت ہوگی۔ نجی شعبے میں کچھ بازیابی کے باوجود، بہت سی فرمیں کمزور رہتی ہیں اور انہیں بندش اور ملازمت کے مزید نقصانات کو روکنے کے لئے مدد کی ضرورت ہوتی ہے۔ پالیسی اقدامات جو مستقل فرم کی بندشوں اور ملازمت کے مزید نقصانات کو روکتے ہیں بحالی کو برقرار رکھنے میں نمایاں کردار ادا کریں گے۔ جن پالیسی اقدامات پر غور کیا جاسکتا ہے ان میں نجی شعبے کو باضابطہ فنانس تک رسائی بڑھانا، خاص طور پر مائیکرو، چھوٹے اور درمیانے درجے کے کاروباری اداروں کے لئے، تعمیل اخراجات کو کم کرنے کے لئے ریگولیٹری اور انتظامی تقاضوں کو ہموار کرنا، اور ڈیجیٹائزنگ اور آن لائن موجودگی کے قیام میں فرموں کو مدد فراہم کرنا شامل ہیں۔

بنیادی سرگرمیاں

کمپنی کی بنیادی سرگرمی اس کے ماتحت اور متعلقہ کمپنیوں میں سرمایہ کاری کا انتظام کرنا ہے۔

مالیاتی کارکردگی

01 جولائی، 2018 سے نافذ ہونے والے، سول اوریجنل نمبر 221137 میں، معزز لاہور ہائیکورٹ، لاہور نے 06-02-2019 کو منظور شدہ سمجھوتوں،

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: GHANI GLOBAL HOLDINGS LIMITED
Year Ended: JUNE 30, 2021

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 in the following manner:

1- The total number of directors are seven (07) as per the following:

a. Male: 5
b. Female: 2

2- The composition of board is as follows:

i.	Independent Directors	Mr. Mahmood Ahmad Chaudhry Umair Waqar
ii.	Non-executive Directors	Mr. Masroor Ahmad Khan Hafiz Farooq Ahmad Mrs. Rabia Atique Ms. Hafsa Masroor
iii.	Executive Directors	Mr. Atique Ahmad Khan
iv.	Female Directors	Mrs. Rabia Atique Ms. Hafsa Masroor

3- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

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. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the company;

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 Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board;

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

9. Three Directors out of seven have acquired the prescribed certification under Director's Training Program;

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

11. Chief Financial Officer and Chief Executive Officer 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. Mahmood Ahmad	Chairman
Hafiz Farooq Ahmad	
Mrs. Rabia Atique	
Ms. Hafsa Masroor	

    b. HR and Remuneration Committee

Chaudhry Umair Waqar	Chairman
Mr. Atique Ahmad Khan	
Hafiz Farooq Ahmad	
Ms. Hafsa Masroor	

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
b. HR and Remuneration Committee	Annually

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 Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer , Head of Internal Audit, company Secretary or Director of the company;

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 requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;

19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 are below:

Sr.No	Reg. Ref.	Requirements	Explanation
1.	19	By June 30,2021, at least 75% of directors shall acquire certification under Director's Training Program.	Due to ongoing COVID-19 pandemic situation in the country , the board was unable to arrange Director's Training Program for the remaining directors.

(MASROOR AHMAD KHAN)
Chairman

(ATIQUE AHMAD KHAN)
Chief Executive Officer

Lahore: 09-09-2021

ShineWing PAKISTAN

SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS

HM House,
7-Bank Square, Lahore.
Tel: +92 42 37235084-87
Email: lhr@hccpk.com
www.hccpk.com

Other Offices:
Karachi, Islamabad & Multan.

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF GHANI GLOBAL HOLDINGS LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **GHANI GLOBAL HOLDINGS LIMITED** (the Company) for the year ended June 30, 2021 in accordance with the requirements of regulation 36 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. 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.

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, 2021.

Further, we highlight below an instance of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where this is stated in the Statement of Compliance:

Sr. No.	Paragraph Reference	Description
1	9	At least 75% of the Directors have not acquired the prescribed certification under the Directors' Training Program as required under clause 19 of the Regulations.

ShineWing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS

LAHORE; 06 SEP 2021

a member firm of ShineWing International

PATTERN OF THE SHAREHOLDING
As on 30-06-2021

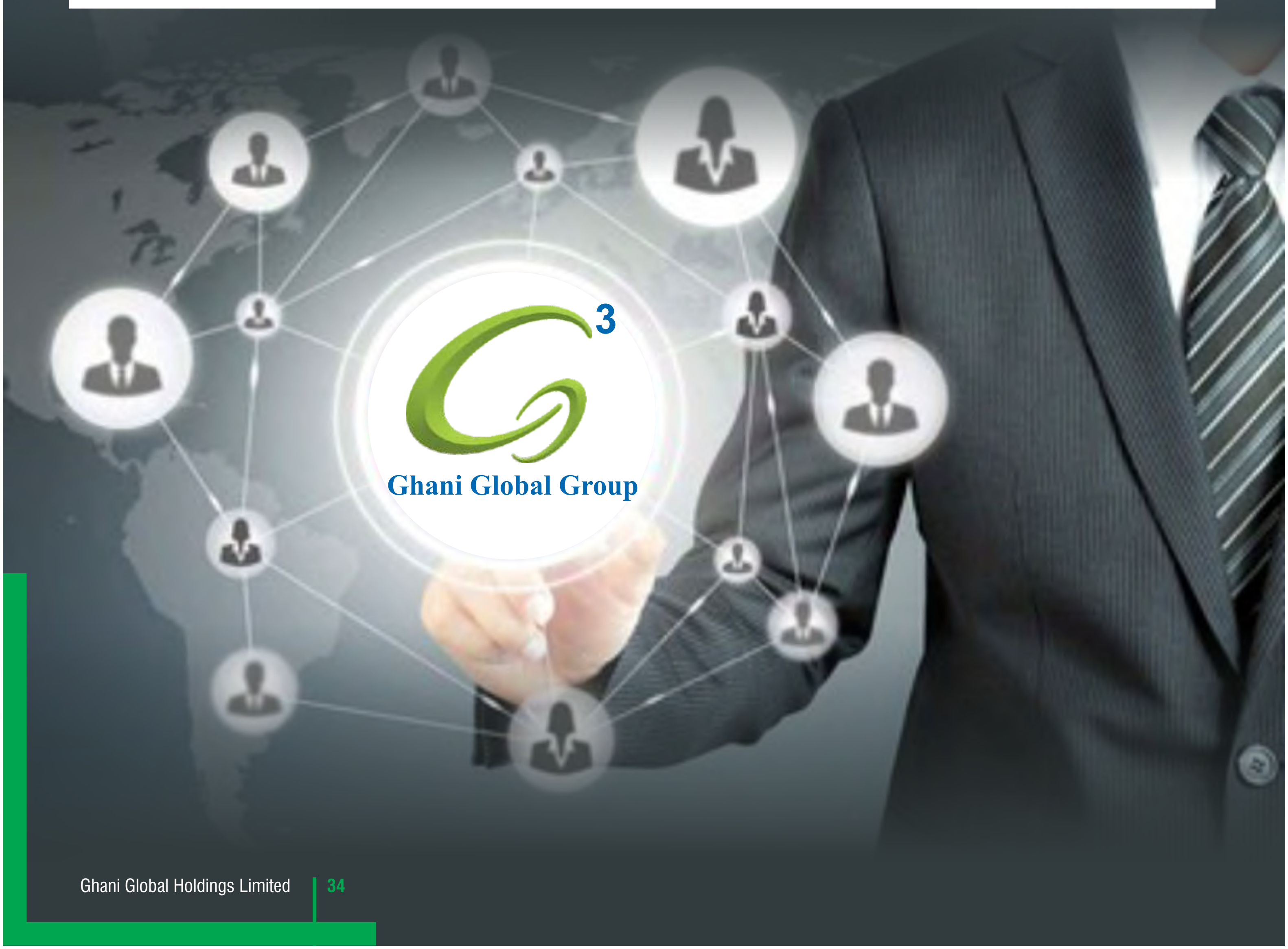
FORM - 34

NUMBER OF SHARES		NO OF SHAREHOLDERS	NUMBER OF SHARES HELD	%ON ISSUED
From	To			
1	100	588	20,832	0.01
101	500	599	218,142	0.08
501	1000	573	470,210	0.17
1001	5000	1039	2,662,496	0.95
5001	10000	277	2,149,184	0.77
10001	15000	125	1,555,132	0.56
15001	20000	70	1,291,142	0.46
20001	25000	45	1,038,602	0.37
25001	30000	39	1,083,972	0.39
30001	35000	24	786,057	0.28
35001	40000	21	802,901	0.29
40001	45000	6	248,050	0.09
45001	50000	29	1,409,488	0.50
50001	55000	16	829,052	0.30
55001	60000	12	708,344	0.25
60001	65000	14	876,309	0.31
65001	70000	7	479,336	0.17
70001	75000	2	143,750	0.05
75001	80000	3	233,871	0.08
80001	85000	6	497,055	0.18
85001	90000	3	267,742	0.10
90001	95000	2	183,800	0.07
95001	100000	10	990,354	0.35
100001	105000	1	103,950	0.04
105001	110000	8	866,587	0.31
110001	115000	3	342,500	0.12
115001	120000	1	115,500	0.04
120001	125000	2	248,000	0.09
125001	130000	3	382,500	0.14
130001	135000	1	130,500	0.05
135001	140000	1	139,000	0.05
140001	145000	2	282,231	0.10
145001	150000	2	300,000	0.11
150001	155000	1	154,500	0.06
160001	165000	3	486,150	0.17
165001	170000	1	169,500	0.06
175001	180000	1	176,000	0.06
180001	185000	2	365,500	0.13
185001	190000	1	187,907	0.07
195001	200000	5	998,000	0.36
205001	210000	5	1,042,895	0.37
210001	215000	1	213,000	0.08
215001	220000	1	217,000	0.08
220001	225000	1	222,079	0.08
225001	230000	2	453,500	0.16
230001	235000	1	235,000	0.08

235001	240000	2	471,550	0.17
245001	250000	1	250,000	0.09
260001	265000	2	525,587	0.19
275001	280000	1	280,000	0.10
280001	285000	1	283,813	0.10
295001	300000	4	1,200,000	0.43
300001	305000	1	302,570	0.11
310001	315000	1	311,041	0.11
320001	325000	1	325,000	0.12
325001	330000	1	327,000	0.12
340001	345000	1	343,500	0.12
345001	350000	1	350,000	0.13
350001	355000	1	352,000	0.13
395001	400000	1	400,000	0.14
430001	435000	2	868,000	0.31
525001	530000	1	528,000	0.19
535001	540000	1	539,000	0.19
550001	555000	1	551,000	0.20
570001	575000	1	573,300	0.20
595001	600000	1	600,000	0.21
605001	610000	1	610,000	0.22
635001	640000	1	639,000	0.23
645001	650000	1	650,000	0.23
715001	720000	1	718,500	0.26
750001	755000	1	753,300	0.27
795001	800000	2	1,596,000	0.57
895001	900000	1	900,000	0.32
995001	1000000	1	1,000,000	0.36
1020001	1025000	1	1,025,000	0.37
1050001	1055000	1	1,052,500	0.38
1195001	1200000	1	1,200,000	0.43
1290001	1295000	1	1,294,500	0.46
1380001	1385000	1	1,383,000	0.49
1395001	1400000	1	1,400,000	0.50
1495001	1500000	1	1,500,000	0.54
1985001	1990000	1	1,985,500	0.71
2385001	2390000	1	2,386,000	0.85
2505001	2510000	1	2,509,000	0.90
2920001	2925000	1	2,920,134	1.04
2995001	3000000	1	3,000,000	1.07
3495001	3500000	1	3,500,000	1.25
5495001	5500000	1	5,500,000	1.96
6360001	6365000	1	6,360,149	2.27
6495001	6500000	1	6,500,000	2.32
6800001	6805000	1	6,800,561	2.43
8495001	8500000	1	8,500,000	3.04
8500001	9500000	1	9,471,712	3.38
11495001	11500000	1	11,500,000	4.11
13770001	13775000	1	13,774,854	4.92
23440001	23445000	1	23,444,000	8.37
38400001	38406000	1	38,405,543	13.72
39980001	39985000	1	39,981,094	14.28
41510001	41518000	1	41,517,107	14.83
		3619	**279,936,435**	**100**

CATAGORIES OF SHAREHOLDERS
As At June 30, 2021

Catagories of Shareholders	Number of Shareholders	Number of Share held	Percentage %
Directors, Chief Executive Officer and their Spouce(s) and minor Children	7	129,436,345	46.238
Financial Instituion	1	1,383,000	0.494
Insurance Companies	2	3,886,000	1.388
Mutual Funds	20	8,574,488	3.063
Modaraba Companies	1	108	0.000
Provident Funds	2	172	0.000
Government Institution	1	106,937	0.038
Joint Stock Companies	54	28,674,975	10.243
Investment Companies	1	8,500,000	3.036
Individuals	3,530	99,374,410	35.499
TOTAL	**3,619**	**279,936,435**	**100.00**



SIX YEARS AT A GLANCE

Rs. (in 000)

	2021	2020	2019	2018	2017	2016
Operating Results						
Sales (gross)	8,158	11,500	-	2,330,253	2,053,432	2,013,015
Gross profit	607	-	-	638,698	568,634	575,635
Loss/Profit before tax	(25,039)	645	239	158,785	181,084	276,612
Financial data						
Fixed assets	-	-	-	3,039,513	2,838,962	2,682,306
Capital work in progress	-	-	-	4,800	100,146	79,409
Intangible assets	70	70	70	14,631	70	70
Long term deposits	-	-	-	68,257	57,756	68,909
Long term investment	3,481,141	2,779,337	2,779,267	593,000	593,000	500
Current assets	295,255	3,485	1,973	1,606,976	1,374,818	2,070,629
Current liabilities	16,241	2,670	1,803	1,426,491	654,930	1,534,421
	3,776,466	**2,782,822**	**2,779,507**	**3,900,686**	**4,309,822**	**3,367,402**
Financed by:						
Ordinary capital	2,799,365	1,533,059	1,533,059	1,322,682	1,247,813	1,247,813
Reserves	267,649	522,137	522,137	460,198	535,067	535,067
Un appropriated profit	693,211	724,956	724,311	724,141	566,436	429,333
Shareholder's equity	**3,760,225**	**2,289,152**	**2,779,507**	**2,507,021**	**2,349,316**	**2,212,213**
Loan from sponsors (interest fee)	-	-	-	231,450	638,500	501,200
Non-current liabilities	-	-	-	1,162,215	1,322,006	653,989
Finances and deposits	**-**	**-**	**-**	**1,393,665**	**1,960,506**	**1,155,189**
Funds invested	**3,776,466**	**2,782,822**	**2,779,507**	**3,900,686**	**4,309,822**	**3,367,402**
		(Restated)				
Earning per-share (Rs.)	(0.140)	0.003	0.001	1.14	1.04	1.90
Cash Dividend %	-	-	-	-	-	-
Bonus Share %	10%	-	-	5	6	-
Right Share %	66%	-	-	-	-	68

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 14th Annual General Meeting (AGM) of **Ghani Global Holdings Limited** (the Company) will be held on Saturday October 23, 2021 at 11:00 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, 2021 together with Directors' and Auditors ' Reports thereon.

2. To appoint Auditors of the Company for the year ending June 30, 2022 and to fix their remuneration.

3. Any other business with permission of the Chair.

SPECIAL BUSINESS

4. Approval of Bonus Shares

   To authorize and approve, as recommended by the Board of Directors, issue of 15% bonus shares (in addition to 10% Bonus Shares already issued and allotted during the year on February 10, 2021) in proportion of Fifteen (15) Ordinary Share for every Hundred (100) Ordinary Shares held by the Members (i.e.@ 15%) by capitalization of a sum of Rs. 419,904,652/- out of capital/revenue reserve of the company, by passing special resolution as proposed in the Statement under section 134(3) of the Companies Act 2017 annexed to the notice of AGM.

5. Allocation and Allotment of Shares under ESOS

   To approval the allocation and allotment of 2,799,364 ordinary shares of the Company to the employees of subsidiary companies at the rate of PKR 30/- (with a premium of Rs. 20/- per share) under Employee Stock Option Scheme (ESOS), by passing special resolution as proposed in the Statement under section 134(3) of the Companies Act 2017 annexed to the notice of AGM.

6. Donation of Sale Proceed of Fraction Shares

   To approve the sale present outstanding fraction shares appearing in shares register (total 7,114 ordinary shares of Ghani Global Holdings Limited) and all future fraction shares to be created in the result of any entitlement announced by the Company and to donate the sale proceed of fraction shares to Ghani Global Foundation Trust instead of distributing to shareholders of the Company by passing special resolution proposed in the Statement under section 134(3) of the Companies Act 2017 annexed to the notice of AGM.

By order of the Board

FARZAND ALI
Company Secretary

Place: Lahore
Dated: October 01, 2021

Notes:

1. BOOK CLOSURE

Share Transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from Friday, October 15, 2021 to Friday, October 22, 2021 (both days inclusive). Transfer received in order at the office of the share registrar

M/s Vision Consulting Limited
1st Floor,3-C, LDA Flats, Lawrence Road, Lahore.
Telephone No. 042-36375531,36375339
Fax No. 042-36312550, Email: shares@vcl.com.pk

at the close of business on Thursday, October 14, 2021 will be treated in time for the purpose of determination of entitlement of bonus shares as recommended by the board of directors and 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 valid Computerized National Identity Card (CNIC) 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 CNIC or passport.

3. COVID-19 CONTINGENCY PLANNING

Due to current COVID-19 situation, the Company intends to convene this AGM with minimal physical interaction of shareholders while ensuring compliance with the quorum requirements and requests the members to consolidate their attendance and voting at the AGM through proxies.

The Company has made arrangements to ensure that all participants, including shareholders, can now participate in the AGM proceedings via video link. In order to attend the meeting through video link members are requested to share the below information at corporate@ghaniglobal.com, for their appointment/registration and proxy verification by or before Friday October 15, 2021 as per below format.

Full Name	Folio/CDC No.	Company Name	CNIC Number	Registered Email Address	Cell Number

Video link details and login credentials will be shared with those members whose registered emails containing all the particulars are received on or before Friday October 15, 2021.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address corporate@ghaniglobal.com.

Members are therefore, encouraged to attend the AGM through video link or by consolidating their attendance through proxies.

4. TRANSMISSION OF ANNUAL AUDITED FINANCIAL STATEMENTS:

The Company has circulated annual financial statements to its members through CD at their registered address. Printed copy of above referred statements can be provided to members upon request. Request Form is available on website of the company i.e. www.ghaniglobal.com.

5. AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE:

The audited financial statements of the Company for the year ended June 30, 2021 have been made available on Company's website www.ghaniglobal.com in addition to annual and quarterly financial statements for the prior years.

6. CHANGE IN ADDRESS AND CNIC

Members are requested to notify/submit the following information / documents, in case of book entry securities in CDS to their respective participants and in case of physical shares to the registrar of the Company by quoting their folio numbers and name of the Company at the below mentioned address of the Company's Share Registrar, if not earlier notified/submitted:

- Change in their address, if any

- Members, who have not yet submitted attested photocopy of their valid CNIC are requested to submit the same along with folio numbers at earliest, directly to the Company's Share Registrar.

7. **PAYMENT OF CASH DIVIDEND (IF ANY) ELECTRONICALLY (MANDATORY)**

   Under the second proviso of Section 242 of the Company Act, 2017, listed companies are required to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. Accordingly, Members are requested to provide their International Banking Account Number (IBAN) together with a copy of the Computerized National Identity Card (CNIC) to update our records. In case of non-submission, all future dividend payments may be withheld.

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

The material facts concerning the special business to be transacted at the Annual General Meeting are given below:

Agenda Item No. 4

Approval of Bonus Shares:

The Board of Directors of Ghani Global Holdings Limited (the Company) has recommended to issue of bonus shares in proportion of Fifteen (15) Ordinary Share for every hundred (100) Ordinary Shares held by the Members (i.e. @ 15%) (in addition to 10% Bonus Shares already issued and allotted during the year on February 10, 2021) out of capital/revenue reserve of the company.

The Directors are not directly or indirectly interested in this special business except to the extent of entitlements of bonus shares to be allotted and/or already allotted to them and their spouses as shareholders of the Company.

Draft Proposed Resolutions:

The following resolutions are proposed to be passed as Special Resolution, with or without modifications, additions or deletions to approve 15% Bonus Shares:

> **RESOLVED THAT** a sum of Rs. 419,904,652/- be capitalized out of capital/revenue reserve of the Company (Ghani Global Holdings Limited) and applied towards issue of 41,990,465 ordinary shares of Rs. 10 each to be allotted as fully paid bonus shares in the proportion of Fifteen (15) Ordinary Share for every hundred (100) Ordinary Shares (15% Bonus Shares) held by the Members of the Company whose names appear on the Members' Register at the close of business on October 14, 2021.
>
> **FURTHER RESOLVED THAT** a sum of Rs. 254,487,668/- be capitalized out of capital/revenue reserve of the Company (Ghani Global Holdings Limited) and applied towards issue of 25,448,767 shares of Rs. 10 each for allotment as fully paid bonus shares in the proportion of Ten (10) Ordinary Share for every hundred (100) Ordinary Shares (10% Bonus Shares) already allotted to the members of the Company on February 10, 2021.
>
> **FURTHER RESOLVED THAT** the above bonus shares when issue shall rank pari passu in all respects with the existing ordinary shares of the Company.
>
> **FURTHER RESOLVED THAT** members' entitlement to fractional shares as a result of their entitlement being less than one ordinary share shall be consolidated into whole shares and sold on the Pakistan Stock Exchange Limited and the proceeds so realized shall be donated to Ghani Global Foundation Trust.
>
> **FURTHER RESOLVED THAT** the Chief Executive Officer and Company Secretary of the Company be and are hereby jointly and/or severally authorized to give effect to above resolutions and to do and cause to be done all acts, deeds and things that may be necessary, incidental or required for issue, allotment and distribution of the said bonus shares and payment of the sale proceeds of the fractional shares.

Agenda Item No. 5

Allocation and allotment of Shares to employees under Employees Stock Option Scheme:

Ghani Global Holdings Limited (the Company) consider its employees of its subsidiaries are to be the most valuable asset and to get their commitment and efforts, the Company firmly believes in providing them conducive environment and making them feel a sense of security.

he board of directors of the Company has allocated 2,799,364 ordinary shares of the Company for allotment to the employees of its subsidiary companies at the rate of PKR 30/- (with a premium of Rs. 20/- per share) under Employee Stock Option Scheme (ESOS) to be approved with or without modifications, additions or deletions by the shareholders of the Company. List of employees to whom shares under ESOS scheme has been allocated will be available for inspection by the shareholders at Annual General Meeting.

The Directors of the Company are not interested in the aforementioned special business except to the extent those executive directors including chief executive which may entitled to the options as an eligible employee.

Draft Proposed Resolutions:

The following resolutions are proposed to be passed as Special Resolution, with or without modifications, additions or deletions:

> **RESOLVED THAT**, approval of shareholders of the Company (Ghani Global Holdings Limited) be and is hereby accorded to allocate and allot 2,799,364 ordinary shares of the Company to the Employees of its subsidiary companies under Employees Stock Option Scheme (ESOS) at the rate of PKR 30/- per share (with a premium of Rs. 20/- per share) pursuant to the provision of Section 83 of the Companies Act, 2017 and the Companies (Further Issue of Shares) Regulations, 2020, considered in this Annual General Meeting and circulated by the Company along with notice of the meeting, be and is hereby approved, adopted and agreed.
>
> **RESOLVED FURTHER** that the Chief Executive Officer and Company Secretary of the Company be and are hereby singly authorized to do all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient for the purpose of giving effect to the aforementioned Resolutions and for matters connected therewith or incidental thereto, and to take all necessary steps as required under the law or otherwise under the applicable Employees Stock Option Scheme.
>
> **RESOLVED FURTHER** that the Chief Executive Officer and Company Secretary of the Company be and are hereby singly authorized to do all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient for the purpose of giving effect to the aforementioned Resolutions and for matters connected therewith or incidental thereto, and to take all necessary steps as required under the law or otherwise under the applicable Employees Stock Option Scheme.

Agenda Item No. 6

Donation of Sale Proceed of Fraction Shares

On calculation of entitlements announced to shareholders of the Company fraction shares are consolidated and require to distribute the sale proceed to concern shareholders. Usually worked out entitlement are in the range of Rs.10 – Rs.50 and cost of distribution is in the range Rs.50- to Rs.80 per shareholder. The board of directors has proposed instead of distribution of present and future fraction shares sale proceed to shareholders this nominal amounts may be donated to Ghani Global Foundation Trust formed by the sponsors of the Company for benefits of eligible employees and general community at large.

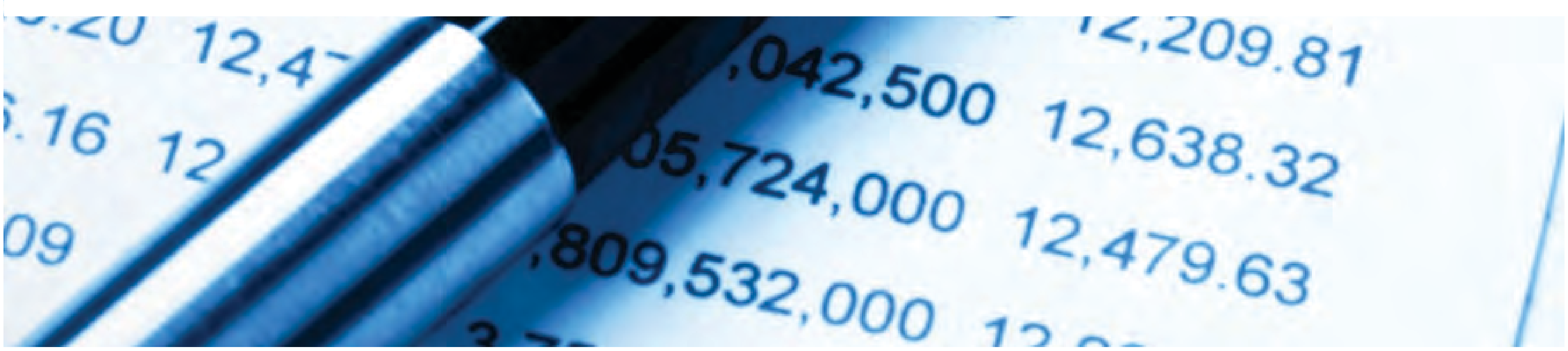
The Directors of the Company are not interested in the aforementioned special business except to the extent that directors are also shareholders of the Company.

Draft Proposed Resolutions:

The following resolutions are proposed to be passed as Ordinary Resolution, with or without modifications, additions or deletions:

> **RESOLVED THAT**, approval of shareholders of the Company (Ghani Global Holdings Limited) be and is hereby accorded to donate the sale proceeds of present and future fraction shares to Ghani Global Foundation Trust instead of distribution to the shareholders of the Company.
>
> **RESOLVED FURTHER** that the Chief Executive Officer and Company Secretary of the Company be and are hereby singly authorized to do all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient for the purpose of giving effect to the aforementioned Resolutions and for matters connected therewith or incidental thereto.

UNCONSOLIDATED FINANCIAL STATEMENTS



ShineWing PAKISTAN

SHINEWING HAMEED CHAUDHRI & CO.
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Karachi, Islamabad & Multan.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GHANI GLOBAL HOLDINGS LIMITED

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **Ghani Global Holdings Limited** (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2021, and the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated 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 unconsolidated statement of financial position, unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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, 2021 and of the loss and other 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 Auditors' Responsibilities for the Audit of the Unconsolidated 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 unconsolidated financial statements of the current year. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How the matter was addressed in our audit
Valuation of Investments The Company has made significant investments in subsidiary companies having carrying values aggregating Rs.3.481 billion at the reporting date. Investments in subsidiary companies are measured at cost in the separate financial statements and 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.	Our procedures in relation to assessment of carrying values of investments in subsidiary companies included the following: - Assessed the appropriateness of management's accounting for investments in subsidiary companies. - Understood management's process for identifying the existence of impairment indicators in respect of investments in subsidiary companies. - Evaluated the management's personnel competence, capabilities and objectivity.

Key audit matter	How the matter was addressed in our audit
In assessing whether there is any impairment of the carrying value of investments in subsidiary companies, management determines the recoverable amounts based on higher of its value in use and its fair value less cost to sell.	- Assessed the valuation methodology used by the management. - Checked the reasonableness of input data used by the management in support of evidence.
The estimation of the recoverable amount involves significant judgment, including assumptions around the current and future market conditions, forecast cash flows and discount rates, etc. In view of significant management judgment involved in the estimation of value in use, we consider this as a key audit matter.	- Assessed the adequacy of disclosures in unconsolidated financial statements in accordance with the applicable financial reporting framework.

Information Other than the Unconsolidated Financial Statements and Auditors' 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 unconsolidated financial statements and our auditors' report thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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 is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 unconsolidated 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 unconsolidated 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 auditors' report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditors' 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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 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 unconsolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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).

Other Matter

The unconsolidated financial statements of the Company for the year ended June 30, 2020 were audited by another firm of auditors who expressed a modified opinion on those unconsolidated financial statements dated October 02, 2020.

The engagement partner on the audit resulting in this independent auditors' report is Nafees ud din.

ShineWing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.,
SWHC CHARTERED ACCOUNTANTS

LAHORE; 06 SEP 2021

GHANI GLOBAL HOLDINGS LIMITED

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

		2021	2020
ASSETS	**Note**	**Rupees in thousand**	
Non-current assets			
Intangible assets	5	70	70
Long term investments	6	3,481,141	2,779,267
		3,481,211	2,779,337
Current assets			
Stock-in-trade	7	98,115	0
Trade debts	8	8,158	0
Loans, advances and other receivables	9	8,084	1,320
Sales tax refundable		21,775	117
Advance income tax		7,460	0
Bank balances	10	151,663	2,048
		295,255	3,485
Total Assets		3,776,466	2,782,822
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
300,000,000 (2020: 200,000,000) ordinary shares of Rs.10 each		3,000,000	2,000,000
Issued, subscribed and paid up share capital	11	2,799,365	1,533,059
Capital reserve - share premium	12	267,649	522,137
Revenue reserve - unappropriated profit		693,211	724,956
		3,760,225	2,780,152
Current liabilities			
Trade and other payables	13	8,691	1,826
Unclaimed dividend		844	844
Taxation	14	6,706	0
Total liabilities		16,241	2,670
Contingencies and commitments	15		
Total Equity and Liabilities		3,776,466	2,782,822

The annexed notes form an integral part of these unconsolidated financial statements.

Atique Ahmad Khan	**Hafiz Farooq Ahmad**	**Asim Mahmud**
Chief Executive Officer	**Director**	**Chief Financial Officer**

GHANI GLOBAL HOLDINGS LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		Rupees in thousand	
Gross sales		**8,158**	11,500
Less: sales tax		**(1,185)**	(1,450)
Net sales		**6,973**	10,050
Direct cost		**(6,366)**	(10,050)
Gross profit		**607**	0
Administrative expenses	16	**(33,136)**	(1,050)
Other expenses	17	**(3,117)**	(1,095)
Other income	18	**10,607**	2,790
		(25,646)	645
(Loss) / profit before taxation		**(25,039)**	645
Taxation	14	**(6,706)**	0
(Loss) / profit after taxation		**(31,745)**	645
Other comprehensive income		**0**	0
Total comprehensive (loss) / income		**(31,745)**	645
		------Rupee------	
			Restated
(Loss) / earnings per share	19	**(0.140)**	0.003

The annexed notes form an integral part of these unconsolidated financial statements.

Atique Ahmad Khan	**Hafiz Farooq Ahmad**	**Asim Mahmud**
Chief Executive Officer	**Director**	**Chief Financial Officer**

GHANI GLOBAL HOLDINGS LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	Share capital	Capital reserve - Share premium	Revenue reserve - Unappropriated profit / (accumulated loss)	Total
	---------------------- Rupees in thousand ----------------------			
Balance as at June 30, 2019	1,533,059	522,137	724,311	2,779,507
Total comprehensive income for the year ended June 30, 2020	0	0	645	645
Balance as at June 30, 2020	1,533,059	522,137	724,956	2,780,152
Bonus shares issued during the year	254,488	(254,488)	0	0
Proceeds from right shares issued during the year	1,011,818	0	0	1,011,818
Total comprehensive loss for the year ended June 30, 2021	0	0	(31,745)	(31,745)
Balance as at June 30, 2021	2,799,365	267,649	693,211	3,760,225

The annexed notes form an integral part of these unconsolidated financial statements.

Atique Ahmad Khan	Hafiz Farooq Ahmad	Asim Mahmud
Chief Executive Officer	Director	Chief Financial Officer

GHANI GLOBAL HOLDINGS LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	Rupees in thousand	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit for the year - before taxation	**(25,039)**	645
Effect on cash flows due to working capital changes		
(Increase) / decrease in current assets:		
Stock-in-trade	**(98,115)**	0
Trade debts	**(8,158)**	0
Loans, advances and other receivables	**(6,764)**	584
Sales tax refundable	**(21,658)**	(117)
Increase in current liabilities:		
Trade and other payables	**6,865**	936
	(127,830)	1,403
Cash (used in) / generated from operations	**(152,869)**	2,048
Income tax paid	**(7,460)**	0
Net cash (used in) / generated from operating activities	**(160,329)**	2,048
CASH FLOWS FROM INVESTING ACTIVITIES		
Long term investments made	**(701,874)**	0
	(862,203)	2,048
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of right shares	**1,011,818**	0
Net increase in cash and cash equivalents	**149,615**	2,048
Cash and cash equivalents at beginning of the year	**2,048**	0
Cash and cash equivalents at end of the year	**151,663**	2,048

The annexed notes form an integral part of these unconsolidated financial statements.

Atique Ahmad Khan	**Hafiz Farooq Ahmad**	**Asim Mahmud**
Chief Executive Officer	**Director**	**Chief Financial Officer**

GHANI GLOBAL HOLDINGS LIMITED
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1. LEGAL STATUS AND OPERATIONS

Ghani Gases (Private) Limited (GGL) was incorporated in Pakistan on November 19, 2007 as a company limited by shares under the Companies Ordinance, 1984 and was converted into a public company on February 12, 2008. GGL was listed on Pakistan Stock Exchange on January 05, 2010; GGL's name has been changed to Ghani Global Holdings Limited (the Company) under the provisions of section 13 of the Companies Act, 2017 on August 28, 2019. 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 Companies.

During the preceding financial year, under a Scheme of Compromises, Arrangement and Reconstruction as sanctioned by the Lahore High Court, Lahore on February 06, 2019, the Company transferred its manufacturing undertaking to Ghani Chemical Industries Ltd. (Subsidiary Company) on July 08, 2019.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention, except where otherwise specifically stated.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees, which is the Company’s functional currency. All financial information has been rounded off to the nearest thousand of Rupees unless otherwise stated.

2.4 Critical accounting estimates, assumptions and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

The areas where various assumptions and estimates are significant to the Company’s financial statements or where judgment was exercised in application of accounting policies are as

- Provision for impairment of inventories.
- Allowance for expected credit loss.
- Impairment loss of non-financial assets other than inventories.
- Estimation of provisions.
- Estimation of contingent liabilities.
- Current income tax expense and provision for current tax.

The revisions to accounting estimates, if any, are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. CHANGES IN ACCOUNTING STANDARDS AND INTERPRETATIONS

3.1 Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for accounting periods beginning on or after July 01, 2020. However, these do not have any significant impact on the Company's unconsolidated financial statements.

3.2 Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

There are certain amendments and interpretations that are mandatory for accounting periods beginning on or after July 01, 2020 but are considered not to be relevant for the Company's unconsolidated financial statements and hence have not been detailed here.

3.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The new standards, certain amendments and interpretations that are mandatory for accounting periods beginning on or after July 01, 2021 are considered not to be relevant for the Company's unconsolidated financial statements and hence have not been detailed here.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these unconsolidated financial statements are the same as those applied in the preparation of the unconsolidated financial statements of the Company for the year ended June 30, 2020.

4.1 Intangible assets

Goodwill

Goodwill represents the difference between 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.

4.2 Investments in subsidiaries

Investments in subsidiaries are measured at cost. As per the requirements of IAS 27 (Separate Financial Statements) 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 recognised as an expense in the unconsolidated statement of profit or loss. Where impairment losses subsequently reverse, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the unconsolidated statement of profit or loss.

Profit or loss of the subsidiaries is carried forward in respective financial statements and not dealt within the unconsolidated financial statements except to the extent of dividend declared by the subsidiary, which is recognised in other income. Gain and loss 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.

4.3 Stock-in-trade

Finished goods purchased inventory is stated at the lower of cost and net realisable value.

4.4 Trade debts

Trade debts are stated initially at fair value and subsequently measured at amortised cost. Allowance 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. Bad debts are written-off when considered irrecoverable.

4.5 Loans, advances and other receivables

These are initially recognised at cost, which is the fair value of consideration given. The Company assesses at each reporting 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 amount. Where carrying value exceeds recoverable amount, assets are written down to the recoverable amount and the difference is charged to unconsolidated statement of profit or loss.

4.6 Cash and cash equivalents

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

4.7 Trade and other payables

Trade and other payables are initially measured at cost, which is the fair value of the consideration to be paid in future for goods and services, whether or not billed to the Company.

4.8 Taxation

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any. The charge for current year includes adjustments where necessary relating to prior years which arise from assessments framed / finalised during the year.

4.9 Financial instruments

Financial assets and financial liabilities are recognised in the unconsolidated statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognised at the time when the Company looses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognised at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the unconsolidated statement of profit or loss.

(a) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

i) amortised cost where the effective interest rate method is applied;

ii) fair value through profit or loss; and

iii) fair value through other comprehensive income.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in unconsolidated statement of profit or loss or unconsolidated other comprehensive income (OCI).

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Further, financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

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 unconsolidated statement of profit or loss.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

Impairment of financial assets

The Company assesses on a historical as well as forward-looking basis, the expected credit loss (ECL) as associated with its trade debts. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts

- Bank balances

Simplified approach for trade debts

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL 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.

Recognition of loss allowance

The Company recognises an impairment gain or loss in the unconsolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Write-off

The Company writes-off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written-off will result in impairment gains.

(b) Financial Liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

i) fair value through profit or loss; and

ii) other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in 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.

Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortised cost, using the effective interest rate method. Gains and losses are recognised in the unconsolidated statement of profit or loss for the year, when the liabilities are derecognised as well as through effective interest rate amortisation process.

Derecognition of financial liabilities

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or expired.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the unconsolidated statement of financial position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

4.10 Impairment of non-financial assets

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the unconsolidated statement of profit or loss.

4.11 Revenue recognition

Revenue is recognised when performance obligations are satisfied by transferring control of a promised service to a customer at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies. The details are as follows:

- dividend income is recognised when the Company's right to receive dividend is established, i.e. on the date of book closure of the investee company declaring the dividend;
- gains and losses arising on disposal of investments are included in income in the year in which these are disposed-off;
- return on bank deposits is recognised on time proportion using the effective rate of return;
- commission income on corporate guarantees is recognised on accrual basis as per agreement terms; and
- miscellaneous income is recognised on receipt basis.

4.12 Foreign currency transactions

Foreign currency transactions are recorded in Pak Rupees using the exchange rates prevailing at the date of transactions. Monetary assets and liabilities in foreign currencies are translated in Pak Rupees at the rates of exchange prevailing at the reporting date. Exchange gains and losses are taken to unconsolidated statement of profit or loss.

4.13 Earnings per share

The Company presents basic 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.

4.14 Related party transactions

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

4.15 Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, prices and conditions, and can take place many years in future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustment to the amount of previously recognised provision is recognised in the unconsolidated statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

4.16 Contingent liabilities

A contingent liability is disclosed when the Company

- 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 Company; or

- 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 obligation cannot be measured with sufficient reliability.

4.17 Dividend and appropriation to reserves

Dividend distribution to the Company's shareholders and appropriation to reserves are recognised in the period in which these are approved.

5. INTANGIBLE ASSETS

	Note	2021	2020
		Rupees in thousand	
Goodwill	**5.1**	**70**	70

5.1 Goodwill represents the difference between the cost of acquisition (fair value of the consideration paid) and the fair value of net identifiable assets acquired at the time of merger of Ghani Southern Gases (Pvt.) Ltd. with the Company.

6. LONG TERM INVESTMENTS - At Cost

	Note	2021	2020
		Rupees in thousand	
Subsidiary Companies			
Quoted			
Ghani Global Glass Ltd. (GGGL)			
120,235,680 (2020: 50,098,200) ordinary shares of Rs.10 each	6.1	**1,423,690**	722,316
Shareholding held: 50.10% (2020: 50.10%)			
- Market value Rs.3,253.577 million (2020: Rs.599.174 million)			
- Value of investments based on net assets shown in the un-audited financial statements for the year ended June 30, 2021 Rs.1,064.085 million (2020: Rs.296.080 million)			
Unquoted			
Ghani Chemical Industries Ltd. (GCIL)			
114,300,000 (2020: 114,300,000) ordinary shares of Rs.10 each	6.2	**2,056,951**	2,056,951
Shareholding held: 74.45% (2020: 99.39%)			
- Value of investments based on net assets shown in the audited financial statements for the year ended June 30, 2021 Rs.2,168.271 million (2020: Rs.2,085.975 million)			
Kilowatt Labs Technologies Ltd. (KLTL)			
49,996 ordinary shares of Rs.10 each	6.3	**500**	0
Shareholding held: 99.99%			
- Value of investments based on net assets shown in the audited financial statements for the year ended June 30, 2021 Rs.0.401 million			
		3,481,141	2,779,267

6.1(a) GGGL 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 (Pvt.) Ltd. Its status was changed to public unlisted company, consequently its name was changed to Ghani Tableware Ltd. as on July 24, 2008. Name of Ghani Tableware Ltd. was further changed to Ghani Global Glass Ltd. on January 14, 2009. GGGL became listed on Pakistan Stock Exchange on December 12, 2014 upon merger of Libas Textiles Ltd. with and into GGGL. GGGL is principally engaged in manufacturing and sale of glass tubes, glass-ware, vials, ampules and chemicals. GGGL commenced its commercial operations with effect from April 01, 2016. GGGL's registered office is situated at 10-N, Model Town Extension, Lahore and its manufacturing units are situated on 52-K.M. Lahore Multan Road, Phool Nagar, District Kasur.

6.1(b) The Company's shareholders in the extraordinary general meeting held on September 05, 2020 have accorded their approval under section 199 of the Companies Act, 2017 for aggregate investments upto Rs.950 million in GGGL out of which Rs.700 million will be invested in the form of equity investment in any further increase in share capital of GGGL and upto Rs.250 million in the form of equity investment through market purchase of shares.

6.1(c) The Company has issued guarantees to the banks of GGGL in the shape of pledge of 50,098,200 ordinary shares of GGGL held by the Company for a maximum period of three years.

6.2 GCIL was incorporated in Pakistan as a private limited company on November 23, 2015 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and was converted into a public limited company on April 20, 2017. GCIL is principally engaged in manufacturing, sale and trading of medical & industrial gases and chemicals. The registered office and head office of GCIL are situated at 10-N, Model Town Extension, Lahore whereas production facilities are situated at Phool Nagar, District Kasur and Industrial Zone, Port Qasim, Karachi. GCIL's liaison office is situated in Tarnol, District Rawalpindi.

As per the Scheme of Compromises, Arrangement and Reconstruction, as sanctioned by the Lahore High Court, Lahore on February 06, 2019, the Holding Company had transferred its manufacturing undertaking to GCIL on July 08, 2019 after the effective date.

6.3 KLTL was incorporated in Pakistan as a company limited by shares on March 22, 2021 under the Companies Act, 2017. The principal activity of KLTL will be to manufacture, produce, acquire, convert, distribute, buy, sell, import, export or otherwise deal in all types of super capacitors, long term energy solutions for electric vehicles, Solar and UPS Battery solutions.

7. STOCK-IN-TRADE

	Note	2021	2020
		Rupees in thousand	
Finished goods - batteries, transformers & UPS		**98,115**	0

8. TRADE DEBTS

These are unsecured and considered good. No amount was past due at the reporting date.

9. LOANS, ADVANCES AND OTHER RECEIVABLES

Unsecured, considered good

Advances to suppliers		**863**	0
Due from related parties:			
Ghani Chemical Industries Ltd.		**0**	1,230
Ghani Global Glass Ltd.		**0**	90
Letters of credit margins		**7,221**	0
		8,084	1,320

10. BANK BALANCES

Cash at banks on:			
- current accounts		**1,808**	2,048
- saving accounts	**10.1**	**149,855**	0
		151,663	2,048

10.1 These carry profit at the rates ranging from 3.75% to 7.25% per annum.

11. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2021	2020		2021	2020
---- Number ----			--- Rupees in thousand ---	
224,138,555	122,956,711	Ordinary shares of Rs.10 each fully paid in cash (note 11.1)	**2,241,386**	1,229,567
13,000	13,000	Ordinary shares of Rs.10 each issued for consideration other than cash under the Scheme of Arrangement for Amalgamation (note 11.2)	**130**	130
14,424,253	14,424,253	Ordinary shares of Rs. 10 each issued for consideration other than cash under the Scheme of Compromises, Arrangement and Reconstruction (note 11.3)	**144,243**	144,243
41,360,627	15,911,860	Ordinary shares of Rs. 10 each issued as fully paid bonus shares (note 11.4)	**413,606**	159,119
279,936,435	153,305,824		**2,799,365**	1,533,059

11.1 The Company, during the year, made a right issue of shares which was approved by the Board of Directors in its meeting held on October 27, 2020 at the rate of Rs.10 per share in the ratio of 66 right shares for every 100 ordinary shares held. The total size of the issue is Rs.1,011,818 thousand and the shares have been issued during the year. The new shares rank pari passu with the existing shares of the Company in all aspects.

11.2 These shares were issued during the process of amalgamation of Ghani Southern Gases (Pvt.) Ltd. with and into the Company as on May 15, 2012.

11.3 These shares were issued, during the preceding financial year, to the sponsor shareholders of Ghani Global Glass Ltd. under the Scheme of Compromises, Arrangement and Reconstruction amongst the shareholders of Ghani Gases Ltd., Ghani Global Glass Ltd. and Ghani Chemical Industries Ltd.

11.4 The Board of Directors of the Company in its meeting held on December 26, 2020 has approved issuance of 10% bonus shares by capitalizing Rs.254,487 thousand out of share premium account. Shares have been allotted during the year.

12. SHARE PREMIUM

12.1 This includes balance amount of share premium received by the Company on 2,500,000 ordinary shares at the rate of Rs.5 per share, share premium on 7,000,000 ordinary shares issued at Rs.2.50 each, share premium on 43,019,834 ordinary shares at the rate of Rs.10 each and share premium of Rs.128.073 million on issue of 14,424,253 shares to the sponsors of Ghani Global Glass Ltd. under the Scheme.

12.2 Share premium may be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017. During the year, the Company has utilised share premium amounting to Rs.254.488 million against issuance of 10% bonus shares whereas share premium amounting to Rs.66.134 million was utilised during the financial year ended June 30, 2019 as per the provisions of section 81 of the Companies Act, 2017.

13. TRADE AND OTHER PAYABLES

	2021	2020
	Rupees in thousand	
Trade creditors	**2,559**	30
Accrued liabilities	**2,051**	1,070
Due to related parties:		
Ghani Chemical Industries Ltd.	**0**	626
Ghani Global Glass Ltd.	**0**	100
Withholding tax payable	**54**	0
Advances from customers - contract liabilities	**4,027**	0
	8,691	1,826

14. TAXATION

Provision for the current year represents tax payable under section 148 (Minimum tax on imports) of the Income Tax Ordinance, 2001.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

The Company has provided corporate guarantees aggregating Rs.1,194,900 thousand (2020: Rs.744,900 thousand) to banks against finance facilities availed by its Subsidiary Companies.

15.2 Commitments

Commitments against irrevocable letters of credit for import of finished good stocks outstanding as at June 30, 2021 were for Rs. 32.927 million (2020: Rs. Nil).

16. ADMINISTRATION EXPENSES

	2021	2020
Printing and stationary	**725**	191
Fees and subscription	**22,721**	750
Entertainment	**37**	0
Travelling and conveyance	**22**	0
Postage	**337**	0
Advertisement	**1,363**	0
Repair and maintenance	**9**	0
Underwriting commission	**7,449**	0
Others	**473**	109
	33,136	1,050

17. OTHER EXPENSES

	2021	2020
	Rupees in thousand	
Legal and professional	**2,003**	190
Auditors' remuneration:		
- statutory audit	**600**	600
- half yearly review and other certifications	**225**	155
- fee for consolidated financial statements	**150**	150
	975	905
Others	**139**	0
	3,117	1,095

18. OTHER INCOME

	2021	2020
Profit on bank saving accounts	**5,025**	0
Commission on corporate guarantees	**5,582**	2,790
	10,607	2,790

19. (LOSS) / EARNINGS PER SHARE

There is no dilutive effect on (loss) / earnings per share of the Company, which is based on:

	2021	2020
(Loss) / profit after taxation attributable to ordinary shareholders	**(31,745)**	645
	(Number of shares)	
		Restated
Weighted average number of ordinary shares in issue during the year	**234,758,741**	200,677,324
	---------- Rupee ----------	
(Loss) / earnings per share - basic	**(0.140)**	0.003

20. RELATED PARTIES

Related parties comprise of Subsidiary and Associated Companies, directors of the Company, Companies in which directors also hold directorships and key management personnel. 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 unconsolidated financial statements, are detailed in note 20.2.

20.1 Name of Subsidiary Companies

Ghani Global Glass Ltd. - 50.10% shares held by the Company.

Ghani Chemical Industries Ltd. - 74.45% shares held by the Company.

Kilowatt Labs Technologies Ltd. - 99.99% shares held by the Company.

20.2 Transactions with Subsidiary Companies

	2021	2020
	Rupees in thousand	
Investments made	**701,874**	0
Guarantees' commission	**5,582**	2,790
Funds received	**0**	2,050
Sales	**0**	1,069,110
Purchases	**0**	1,079,160

20.3 Transactions with related parties are carried out on commercial terms and conditions.

21. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial instruments by category

Financial assets

At amortised cost

	2021	2020
Trade debts	**8,158**	0
Advances	**0**	1,320
Bank balances	**151,663**	2,048
	159,821	3,368

Financial liabilities
At amortised cost

	2021	2020
Trade and other payables	**4,610**	1,826
Unclaimed dividend	**844**	844
	5,454	2,670

Financial Risk Factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried-out by the Company's finance department under policies approved by the board of directors. The Company's finance department evaluates financial risks based on principles for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk and investment of excess liquidity, provided by the board of directors.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency risk, interest rate risk and price risk.

Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company is exposed to currency risk on import of finished goods stock mainly denominated in U.S. $. The Company is not exposed to foreign currency risk as at June 30, 2021 and June 30, 2020 as it has no foreign currency financial instrument at the respective reporting dates.

Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market profit rates. At the reporting date, the profit rate profile of the Company's profit bearing financial instruments is as follows:

	2021	**2021**	2020
	Effective rates	**Carrying amount**	
Fixed rate instruments	**per annum**	**Rupees in thousand**	
Cash at banks on saving accounts	**3.75% to 7.25%**	**149,855**	0

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.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual financial instruments or its issuer or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any significant price risk.

Credit risk exposure and concentration of credit risk

Credit risk represents the risk of a loss if the counter party fails to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the credit worthiness of counterparties.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk primarily arises from trade debts and balances with banks. To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other relevant factors. Where considered necessary, advance payments are obtained from certain parties. Credit risk on bank balances is limited as the counter parties are banks with reasonably high credit ratings.

Exposure to credit risk

The maximum exposure to credit risk as at June 30, 2021 along with comparative is tabulated below:

	2021	2020
	Rupees in thousand	
Trade debts	**8,158**	0
Bank balances	**151,663**	2,048
	159,821	2,048

Credit risk is concentrated in trade debts and balances with banks.

Trade debts are mainly due from local customers against sale of batteries, transformers and UPS. Sales to the Company's customers are made on specific terms and conditions. Customers' credit risk is managed by the Company's established policy, procedures and controls relating to customers' credit risk management. Credit limits have been established for all customers based on internal rating criteria. Credit quality of the customers is also assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

Trade debts of the Company are not exposed to significant credit risk as the Company trades with credit worthy customers.

Credit risk on bank balances is limited as the counter parties are banks with reasonably high credit ratings. Credit quality of the Company's bank balances can be assessed with reference to external credit ratings as follows:

Bank name	Rating Agency	Short term	Long term	2021	2020
				Rupees in thousand	
Faysal Bank Ltd.	PACRA	A1+	AA	**1,808**	2,048
Askari Bank Ltd.	PACRA	A1+	AA+	**11**	0
Al-Baraka Bank (Pakistan) Ltd.	PACRA	A1	A	**63,892**	0
Bank Alfalah Ltd.	PACRA	A1+	AA+	**1**	0
Habib Metropolitan Bank Ltd.	PACRA	A1+	AA+	**82,726**	0
The Bank of Punjab	PACRA	A1+	AA+	**3,225**	0
				151,663	2,048

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure, as far as possible, to always have sufficient liquidity to meet its liabilities when due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of adequate credit facilities. The Company's treasury department aims at maintaining flexibility in funding by keeping committed credit lines available.

Financial liabilities in accordance with their contractual maturities are presented below:

Particulars	Carrying amount	Contractual cash flows	Less than 1 year
	-------------- Rupees in thousand --------------		
Year ended June 30, 2021			
Trade and other payables	**4,610**	**4,610**	**4,610**
Unclaimed dividend	**844**	**844**	**844**
	5,454	**5,454**	**5,454**
Year ended June 30, 2020			
Trade and other payables	1,826	1,826	1,826
Unclaimed dividend	844	844	844
	2,670	2,670	2,670

22. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

No remuneration was paid to chief executive, directors and executives during the current and preceding financial years. Further, no meeting fee was paid to directors for attending the board meetings.

23. NUMBER OF EMPLOYEES

The Company has no permanent employee as at June 30, 2021 and June 30, 2020.

24. IMPACT OF COVID-19

During March, 2020, Pakistan has enacted protection measures against COVID - 19 with a significant impact on daily life and supply chain. The evolution of COVID - 19 as well as its impact on Pakistan economy is very severe. The management has monitored the situation to ensure safety of its employees by introducing fool proof anti COVID - 19 measures and smooth operation of its business.

During the pervious year, the Government of the Punjab announced a temporary lock down as a measure to reduce the spread of the COVID-19. After implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees, the Company continued with its operations. The management has taken all necessary steps to ensure smooth and adequate continuation of its business in order to maintain business performance despite slowed down economic activity. Management has assessed the accounting implications of these developments on these financial statements, including but not limited to the following areas:

- the net realisable value of inventory under IAS 2, ‘Inventories’;
- provisions and contingent liabilities under IAS 37 ; and
- going concern assumption used for the preparation of these financial statements.

According to management’s assessment, there is no significant accounting impact of the effects of COVID-19 on these financial statements.

25. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison; however, no significant re-classifications / re-statements have been made to these unconsolidated financial statements.

26. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were approved and authorised for issue in Board of Directors meeting held on .

Atique Ahmad Khan	**Hafiz Farooq Ahmad**	**Asim Mahmud**
Chief Executive Officer	**Director**	**Chief Financial Officer**

ANNUAL AUDITED
CONSOLIDATED FINANCIAL STATEMENTS

ShineWing PAKISTAN

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GHANI GLOBAL HOLDINGS LIMITED

Report on the Audit of the Consolidated Financial Statements

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, 2021, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, 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, 2021, and of 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 *Auditors' 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 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 judgement, were of most significance in our audit of the consolidated financial statements of the current year. 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:

S.No.	Key audit matters	How the matter was addressed in our audit
1.	**Goodwill and impairment assessment** Refer to note 8 to the Group's consolidated financial statements. Ghani Global Group has recognised goodwill of Rs. 348.694 million pertaining to investments in Ghani Chemical Industries Ltd and Ghani Global Glass Ltd. This has the risk that carrying values of goodwill may be impaired. The management has concluded that there is no impairment in respect of the goodwill. This conclusion was based on a value in use model that required significant management judgement with respect to the discount rate and the underlying cash flows, in particular future revenue growth.	Our audit procedures, amongst others, included the following: - Evaluated the assumptions and methodologies used by the Group, in particular those relating to the forecasted revenue growth and profit margins for both the business lines of the subsidiary companies. - Focused on the adequacy of the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of goodwill.

2.	**Capital expenditure on establishment of new manufacturing units** The Group has incurred significant amount of capital expenditure on establishment of new manufacturing facilities as disclosed in note 6 to the accompanying consolidated financial statements. As at the reporting date, the new manufacturing facilities were under construction. We have identified this as a key audit matter since these represent significant transactions for the year and we needed to ascertain whether the amounts recorded vide capitalisation of costs, including borrowing costs, matched with the capitalisation criteria as per accounting policy of the Group according to the applicable financial reporting standards.	Procedures performed by us and auditors of the subsidiary company, amongst others, included the following: - Reviewed the accounting policy of the Group for capitalising the costs including the borrowing costs. - Obtained an understanding of the Group's process with respect to the incurring and recording of capital expenditure; - Obtained an understanding of design and operating effectiveness of internal controls relevant to such process; - Reviewed the break-up of cost element of capitalisation recorded in books of account and evaluated the suitability of recording. - Reviewed the selected contracts and under-lying supporting documents of various elements of the capitalised cost; - Assessed the adequacy of financial statements disclosure in accordance with the applicable financial reporting framework.

Information Other than the Consolidated Financial Statements and Auditors' 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 auditors' 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 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 the Companies Act, 2017 (XIX of 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.

Auditors' 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 auditors' 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 auditors' 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 upto the date of our auditors' 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 year and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matter

The consolidated financial statements of the Group for the year ended June 30, 2020 were audited by another firm of auditors who expressed a modified opinion on those consolidated financial statements dated October 02, 2020.

The engagement partner on the audit resulting in this independent auditors' report is Nafees ud din.

ShineWing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.,
SWHC CHARTERED ACCOUNTANTS

LAHORE; 09 SEP 2021

GHANI GLOBAL HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

	Note	2021	2020
ASSETS		**Rupees in thousand**	
Non-current assets			
Property, plant and equipment	6	**5,885,799**	5,432,520
Right of use assets	7	**26,502**	24,561
Intangible assets	8	**354,370**	357,331
Long term deposits	9	**72,214**	68,940
		6,338,885	5,883,352
Current assets			
Stores, spares and loose tools	10	**376,959**	206,270
Stock-in-trade	11	**590,830**	331,727
Trade debts	12	**972,258**	736,995
Loans and advances	13	**177,844**	115,571
Deposits, prepayments and other receivables	14	**189,539**	84,745
Tax refunds due from the Government		**171,940**	141,873
Advance income tax	15	**559,155**	466,799
Cash and bank balances	16	**382,273**	152,182
		3,420,798	2,236,162
Total assets		**9,759,683**	8,119,514
Equity and liabilities			
Share capital and reserves			
Authorised capital			
300,000,000 (2020: 200,000,000) ordinary shares of Rs.10 each		**3,000,000**	2,000,000
Issued, subscribed and paid up share capital	17	**2,799,365**	1,533,059
Share premium	18	**267,649**	522,137
Loans from directors	19	**147,770**	1,044,141
Unappropriated profit		**950,313**	400,903
Equity attributable to the equity holders of the Holding Company		**4,165,097**	3,500,240
Non-controlling interest		**1,627,232**	300,366
Total equity		**5,792,329**	3,800,606
Non-current liabilities			
Long term finances	20	**883,704**	845,784
Redeemable capital - Sukuk	21	**379,167**	595,834
Long term security deposits	22	**52,422**	42,972
Lease liabilities	23	**5,261**	2,741
Deferred liabilities	24	**333,575**	223,262
		1,654,129	1,710,593
Current liabilities			
Trade and other payables	25	**517,061**	480,117
Unclaimed dividend		**844**	844
Accrued profit	26	**47,857**	93,611
Short term borrowings	27	**958,009**	1,786,151
Current portion of non-current liabilities	28	**618,487**	214,642
Taxation		**170,967**	32,950
		2,313,225	2,608,315
Total liabilities		**3,967,354**	4,318,908
Contingencies and commitments	29		
Total equity and liabilities		**9,759,683**	8,119,514

The annexed notes form an integral part of these consolidated financial statements.

Atique Ahmad Khan	Hafiz Farooq Ahmad	Asim Mahmud
Chief Executive Officer	Director	Chief Financial Officer

GHANI CHEMICAL INDUSTRIES LIMITED
CONSOLIDATEDSTATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		Rupees in thousand	
Sales	30	**5,955,603**	3,807,844
Less: sales tax	30	**(761,141)**	(495,427)
Sales - net		**5,194,462**	3,312,417
Cost of sales	31	**(3,112,522)**	(2,531,430)
Gross profit		**2,081,940**	780,987
Distribution cost	32	**(337,379)**	(288,015)
Administrative expenses	33	**(301,985)**	(199,015)
Other expenses	34	**(99,594)**	(46,700)
Other income	35	**61,900**	26,782
		(677,058)	(506,948)
Profit from operations		**1,404,882**	274,039
Finance cost	36	**(307,219)**	(456,647)
Profit / (loss) before taxation		**1,097,663**	(182,608)
Taxation	37	**(305,237)**	62,856
Profit / (loss) after taxation		**792,426**	(119,752)
Other comprehensive income		**0**	0
Total comprehensive income / (loss)		**792,426**	(119,752)
Attributable to:			
- Equity holders of the Holding Company		**549,410**	(138,969)
- Non-controlling interest		**243,016**	19,217
		792,426	(119,752)
		------- Rupees -------	
			Restated
Combined earnings / (loss) per share	38	**2.34**	(0.69)

The annexed notes form an integral part of these consolidated financial statements.

Atique Ahmad Khan	Hafiz Farooq Ahmad	Asim Mahmud
Chief Executive Officer	Director	Chief Financial Officer

GHANI GLOBAL HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	Share capital	Capital reserve - Share premium	Loans from directors	Revenue reserve - unappr-opriated profit	Attributable to the equity holders of the Holding Company	Non - Controlling Interests	Total
	------------------------------ Rupees in thousand ------------------------------						
Balance as at June 30, 2019	1,533,059	522,137	1,013,351	539,872	3,608,419	281,149	3,889,568
Transaction with owners:							0
Changes in directors' loans - net	0	0	30,790	0	30,790	0	30,790
Income attributable to non-controlling interest	0	0	0	(19,217)	(19,217)	19,217	0
Total comprehensive loss for the year ended June 30, 2020	0	0	0	(119,752)	(119,752)	0	(119,752)
Balance as at June 30, 2020	1,533,059	522,137	1,044,141	400,903	3,500,240	300,366	3,800,606
Transactions with owners:							
Changes in directors' loans - net	0	0	(896,371)	0	(896,371)	0	(896,371)
Bonus shares issued	254,488	(254,488)	0	0	0	0	0
Proceeds from right shares issue	1,011,818	0	0	0	1,011,818	0	1,011,818
Non controlling interest in right issues made by Subsidiary Companies	0	0	0	0	0	1,083,850	1,083,850
Income attributable to non-controlling interest	0	0	0	(243,016)	(243,016)	243,016	0
Total comprehensive income for the year ended June 30, 2021	0	0	0	792,426	792,426	0	792,426
Balance as at June 30, 2021	2,799,365	267,649	147,770	950,313	4,165,097	1,627,232	5,792,329

The annexed notes form an integral part of these consolidated financial statements.

Atique Ahmad Khan	**Hafiz Farooq Ahmad**	**Asim Mahmud**
Chief Executive Officer	**Director**	**Chief Financial Officer**

GHANI GLOBAL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	**(Rupees in thousand)**	
Profit / (loss) for the year - before taxation	**1,097,663**	(182,608)
Adjustments for non-cash charges and other items:		
Finance cost	**307,219**	456,647
Depreciation	**219,497**	198,922
Amortisation of right-of-use assets	**665**	598
Amortisation of intangible assets	**2,961**	2,962
Gain on disposal of operating fixed assets	**(24,369)**	(8,353)
Exchange fluctuation loss - net	**515**	1,439
Gas Infrastructure Development Cess - amortised	**(3,540)**	22,638
Credit balances written back	**0**	(14,683)
Debit balances written off	**1,505**	10,398
Allowance for expected credit loss - net	**12,654**	9,812
Amortisation of deferred income	**(5,708)**	(5)
Profit before working capital changes	**1,609,062**	497,767
Effect on cash flows due to working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	**(170,689)**	(2,476)
Stock-in-trade	**(259,103)**	(23,836)
Trade debts	**(235,263)**	44,231
Loan and advances	**(62,273)**	141,059
Deposits, prepayments and other receivables	**(104,794)**	(14,802)
Tax refunds due from the Government	**(30,067)**	244,995
Increase in current liabilities:		
Trade and other payables	**25,617**	142,811
	(836,572)	531,982
Cash generated from operations	**772,490**	1,029,749
Income tax paid - net	**(148,178)**	(165,618)
Net cash generated from operating activities	**624,312**	864,131
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	**(684,934)**	(654,009)
Proceeds from sale of operating fixed assets	**36,527**	14,519
Long term deposits	**(3,274)**	(1,446)
Net cash used in investing activities	**(651,681)**	(640,936)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of right shares	**2,095,668**	0
Loans from directors - net	**(896,371)**	30,790
Long term finances	**281,187**	219,671
Redeemable capital - Sukuk (redeemed)	**(54,166)**	(162,500)
Lease finances	**2,807**	2,741
Long term security deposits - net	**9,450**	8,521
Short term borrowings	**(828,142)**	102,680
Finance cost paid	**(352,973)**	(443,233)
Net cash generated from / (used in) financing activities	**257,460**	(241,330)
Net increase / (decrease) in cash and cash equivalents	**230,091**	(18,135)
Cash and cash equivalents at beginning of the year	**152,182**	170,317
Cash and cash equivalents at end of the year	**382,273**	152,182

The annexed notes form an integral part of these consolidated financial statements.

Atique Ahmad Khan	**Hafiz Farooq Ahmad**	**Asim Mahmud**
Chief Executive Officer	**Director**	**Chief Financial Officer**

1. THE GROUP AND ITS OPERATIONS

1.1 Ghani Global Holdings Limited (GGHL - the Holding Company)

Legal status and operations

Ghani Gases (Private) Ltd. (GGL) was incorporated in Pakistan on November 19, 2007 as a company limited by shares under the Companies Ordinance, 1984 and was converted into a public company on February 12, 2008. GGL was listed on Pakistan Stock Exchange on January 05, 2010; GGL's name has been changed to Ghani Global Holdings Ltd. under the provisions of section 13 of the Companies Act, 2017 on August 28, 2019. The registered office of GGHL is situated at 10-N Model Town Extension, Lahore. The principal activity of the Holding Company, subsequent to the separation of manufacturing undertaking, is to manage investments in its Subsidiary and Associated Companies.

During the preceding financial year, under a Scheme of Compromises, Arrangement and Reconstruction as sanctioned by the Lahore High Court, Lahore on February 06, 2019, the Holding Company transferred its manufacturing undertaking to Ghani Chemical Industries Ltd. (Subsidiary Company) on July 08, 2019.

1.2 Subsidiary Companies

(a) Ghani Global Glass Ltd. (GGGL)

GGGL was incorporated in Pakistan as a private limited company on October 04, 2007 as Ghani Tableware (Private) Ltd. under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The status of GGGL was changed to public unlisted company and consequently, its name was changed to Ghani Tableware Ltd. on July 24, 2008. Name of GGGL was further changed to Ghani Global Glass Ltd. on January 14, 2009. GGGL was merged into Libas Textiles Ltd., a listed company and GGGL became listed on Pakistan Stock Exchange on December 12, 2014 upon merger. However, GGGL commenced its commercial operations with effect from April 01, 2016.

GGGL is principally engaged in manufacturing and sale of glass tubes, glass-ware, vials and ampules and chemicals. The registered office of GGGL is situated at 10-N, Model Town Extension, Lahore whereas manufacturing units are located at 52 -K.M. Lahore Multan Road, Phool Nagar, District Kasur.

GGGL is a subsidiary of GGHL, which holds 120,235,680 (2020: 50,098,200) ordinary shares of Rupees 10 each representing 50.10% (2020: 50.10%) of total shares issued as at the reporting date.

(b) Ghani Chemical Industries Ltd. (GCIL)

GCIL was incorporated in Pakistan as a private limited company on November 23, 2015 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and was converted into a public limited company on April 20, 2017. GCIL is principally engaged in manufacturing, sale and trading of medical & industrial gases and chemicals. The registered office and head office of GCIL are situated at 10-N, Model Town Extension, Lahore whereas production facilities are situated at Phool Nagar, District Kasur and Industrial Zone, Port Qasim, Karachi. GCIL’s liaison office is situated in Sangjani, District Rawalpindi.

GCIL is a Subsidiary of GGHL, which holds 114,300,000 ordinary shares of GCIL representing 74.45% (2020: 99.39%) of its paid-up capital as at June 30, 2021.

As per the Scheme of Compromises, Arrangement and Reconstruction (the Scheme), as sanctioned by the Lahore High Court, Lahore on February 06, 2019, the Holding Company had transferred its manufacturing undertaking to GCIL on July 08, 2019 after the effective date.

(c) Kilowatt Labs Technologies Ltd. (KLTL)

KLTL was incorporated on March 22, 2021 as a public limited company under the Companies Act, 2017. The principal activity of KLTL is to manufacture, produce, acquire, convert, distribute, buy, sell, import, export or otherwise deal in all types of super capacitors, long term energy solutions for electric vehicles, Solar and UPS Battery solutions. KLTL is in setup phase and has yet to commence commercial operations.

The management has signed a strategic Memorandum of Understanding with M/s Kilowatt Labs Inc. New York, USA for setting up a manufacturing facility and the sale of long-life super capacitor battery storage units for meeting the emerging demand of extended life and efficient energy storage solutions to be used for telecom, locomotives, industrial equipment, green technology energy harvesting, electric vehicles, solar & UPS solutions and micro grid etc., purposes in Pakistan and for exporting the same to other countries.

The management has further decided to sign a strategic Memorandum of Understanding with Service Fabrics Ltd. for joint investment in KLTL.

Presently, the joint venture agreement with M/s Kilowatt Labs Inc. New York, USA is in the process for setting up of the project. The management has made arrangements for import and sale of finished units in Pakistan from one of Kilowatt Labs Inc.'s manufacturing facilities in UAE.

KLTL is a wholly owned Subsidiary of GGHL, which holds 49,996 ordinary shares of KLTL as at June 30, 2021.

The registered office of KLTL is situated at 10-N Model Town Extension, Lahore.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistan Rupee, which is the Group's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest thousand unless otherwise stated.

2.4 Critical accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with the approved accounting and reporting standards requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are as follows:

- Useful lives, residual values and depreciation method of property, plant and equipment.
- Provision for impairment of inventories.
- Allowance for expected credit loss.
- Impairment loss of non-financial assets other than inventories.
- Estimation of provisions.
- Estimation of contingent liabilities.
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses).

The revisions to accounting estimates, if any, are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. PRINCIPLES OF CONSOLIDATION

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

These consolidated financial statements include the financial statements of the Holding Company, financial statements of GGGL, the consolidated financial statements of GCIL and the financial statements of KLTL as at and for the year ended June 30, 2021. The Holding Company's direct interest in Subsidiary Companies as at June 30, 2021 was as follows:

	2021	2020
	%	%
- GGGL	**50.10**	50.10
- GCIL	**74.45**	99.39
-KLTL	**99.99**	-

Non-controlling interest is calculated on the basis of their proportionate share in the net assets of the Subsidiary Companies.

Subsidiary is an entity over which the Holding Company 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 Holding Company controls another entity. The Holding Company also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Holding Company's voting rights relative to the size and dispersion of holdings of other shareholders give the Holding Company the power to govern the financial and operating policies, etc.

Subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

All significant inter-company transactions, balances, income and expenses on transactions between Group Companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated.

4. INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR INTERPRETATIONS TO EXISTING STANDARDS

The following amendments to existing standards have been published that are applicable to the Group's financial statements covering annual periods, beginning on or after the following dates:

a) Standards, amendments and interpretations to accounting and reporting standards that became effective during the year

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on July 01, 2020 but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these consolidated financial statements, except for the following:

- Amendments to IAS 1, 'Presentation of financial statements' and IAS 8, 'Accounting policies, changes in accounting estimates and errors' are 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 IFRSs. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose Group's financial statements in accordance with IFRSs.

- The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March, 2018, which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

	Effective date (reporting periods beginning on or after)
IAS 1 Presentation of financial statements (Amendments)	January 01, 2022 & January 01, 2023
IAS 8 Accounting policies, changes in accounting estimates and errors (Amendments)	January 01, 2023
IAS 12 Income taxes (Amendments)	January 01, 2023
IAS 16 - Property, plant and equipment (Amendments)	January 01, 2022
IAS 37 - Provisions, contingent liabilities and contingent assets (Amendments)	January 01, 2022
IFRS 4 - Insurance contracts (Amendments)	January 01, 2023

The management anticipates that adoption of the above standards and amendments in future periods will have no material impact on the Group's financial statements other than in presentation and disclosures.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

5.2 Property, plant and equipment

(a) GGGL

Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and identified impairment loss, if any, except freehold land which is stated at cost. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to the construction and erection period and directly attributable costs of bringing assets to working condition.

Depreciation

Depreciation is charged so as to write off the cost (other than land) using the reducing balance method, except for certain plant and machinery on which depreciation is charged on production hour basis and furnace on which depreciation is charged on straight line basis, at rates specified below from month of addition to month of disposal:

- Building	10%
- Plant and machinery	Machine hours & 5%
- Furnace	5% & 33.33%
- Furniture and fixtures	10%
- Office equipment	10%
- Computers	30%
- Vehicles	15%

The choice of depreciation method and estimates regarding residual value and depreciation rates of assets are reviewed at least at each reporting date and adjusted if impact on depreciation is significant.

Disposal

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amounts of the asset and is recognised in profit or loss account.

Impairment

GGGL assesses at each reporting date whether there is any indication that property, plant and equipment is impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying amounts exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognised in the profit or loss account. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognised, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount over its depreciation rate.

Subsequent cost

Maintenance and normal repairs are charged to income as and when incurred.

Capital work-in-progress

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

(b) GCIL

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 comprise of 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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to GCIL 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. Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalised, 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 derecognised 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 is represented by the difference between the sale proceeds and the carrying amount of the asset and is recognised as an income or expense.

Right of use assets and related liabilities

At the inception of a contract, GCIL assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The extension and termination options are incorporated in determination of lease term only when GCIL is reasonably certain to exercise these options.

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by GCIL.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, GCIL’s incremental borrowing rate. Generally, GCIL uses its incremental borrowing rate as the discount rate. At initial recognition, liabilities have been discounted using GCIL’s incremental borrowing rate of 8.85%. Lease payment includes fixed payments with annual increments. The lease liabilities are subsequently measured at amortised cost using the effective interest rate.

Right-of-use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right-of-use asset is reduced by impairment losses, if any.

Capital work-in-progress

Capital work-in-progress represents expenditure on item of property, plant and equipment, which are in the course of construction, erection or installation.

Capital work-in-progress and stores held for capital expenditure are stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. Transfers are made to respective property, plant and equipment category as and when assets are available for use.

5.3 Intangible assets

(a) The Holding Company

Goodwill

Goodwill represents the difference between 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.

(b) GCIL

Software

Software is stated at cost less accumulated amortisation and any identified impairment loss. An intangible asset is recognised 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 amortised using straight line method at the rate given in note 8 to these consolidated financial statements. Amortisation is charged to consolidated statement of profit or loss from the month in which the asset is available for use. Amortisation on additions is charged on pro-rata basis from the month in which asset is put to use, while for disposals, amortisation is charged upto the month of disposal.

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All expenditure 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 the carrying amount of the asset and is recognised as income or expense in statement of profit or loss immediately.

5.4 Stores, spares and loose tools

(a) GGGL

These are valued at lower of moving average cost and net realisable value; whilst the items considered obsolete are written off. Cost of items in transit comprises invoice value plus incidental charges paid thereon.

(b) GCIL

These are stated at lower of cost or net realisable 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.

5.5 Stock-in-trade

(a) The Holding Company

Finished goods purchased inventory is stated at the lower of cost and net realisable value.

(b) GGGL and GCIL

These are stated at the lower of cost and net realisable 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 comprise invoice values plus other charges incurred thereon.

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

5.6 Trade debts and other receivables

Trade and other receivables are stated initially at fair value and subsequently measured at amortised cost. Allowance 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.

5.7 Loans, advances, prepayments and trade deposits

These are initially recognised at cost, which is the fair value of consideration given. The Group assesses at each reporting 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 amount. Where carrying value exceeds recoverable amount, assets are written down to the recoverable amount and the difference is charged to consolidated statement of profit or loss.

5.8 Cash and cash equivalents

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

5.9 Trade and other payables

Trade and other payables are initially measured at cost, which is the fair value of the consideration to be paid in future for goods and services, whether or not billed to the Group.

5.10 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently measured at amortised cost using the effective interest rate method.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

5.11 Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument. All the financial assets are derecognised at the time when the Group looses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognised at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the consolidated statement of profit or loss.

a) **Financial assets**

Classification

The Group classifies its financial assets in the following measurement categories:

i) amortised cost where the effective interest rate method is applied;

ii) fair value through profit or loss; and

iii) fair value through other comprehensive income.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in the consolidated statement of profit or loss or other comprehensive income (OCI).

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Further, financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group 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 consolidated statement of profit or loss.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Impairment of financial assets

The Group assesses on a historical as well as forward-looking basis, the expected credit loss (ECL) as associated with its trade debts. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts

- Bank balances

Simplified approach for trade debts

The Group recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL 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.

Recognition of loss allowance

The Group recognises an impairment gain or loss in the consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Write-off

The Group writes-off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Group may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written-off result in impairment gains.

b) Financial Liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

i) fair value through profit or loss; and

ii) other financial liabilities.

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

i) 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 Group has not designated any financial liability upon recognition as being at fair value through profit or loss.

ii) **Other financial liabilities**

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortised cost, using the effective interest rate method. Gains and losses are recognised in statement of profit or loss for the year, when the liabilities are derecognised as well as through effective interest rate amortisation process.

Derecognition of financial liabilities

The Group derecognises financial liabilities when and only when the Group's obligations are discharged, cancelled or expired.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

5.12 Impairment of non-financial assets other than inventories

The assets that are subject to depreciation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the consolidated statement of profit or loss.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised. The Group recognises the reversal immediately in the consolidated statement of profit or loss.

5.13 Revenue recognition

(a) The Holding Company

Revenue is recognised when performance obligations are satisfied by transferring control of a promised service to a customer at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies. The details are as follows:

- dividend income is recognised when the Holding Company's right to receive dividend is established, i.e. on the date of book closure of the investee company declaring the dividend;
- gains and losses arising on disposal of investments are included in income in the year in which these are disposed-off;
- return on bank deposits is recognised on time proportion using the effective rate of return;
- commission income on corporate guarantees is recognised on accrual basis as per agreement terms; and
- miscellaneous income is recognised on receipt basis.

(b) GGGL

Revenue is recognised when performance obligation is satisfied by applying following five steps of revenue recognition:

- Identify the contract with a customer

- Identify the performance obligation in the contract

- Determine the transaction price of the contract

- Allocate the transaction price to each of the separate performance obligations in the contract

- Recognise the revenue when (or as) the entity satisfies a performance obligation

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

- Revenue from local 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 to a customer. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies.

- Revenue from export sales is recognised when the invoice is raised and the transfer of control of goods, which coincides either with the date of bill of lading or upon delivery to customer or its representative, as per terms of arrangement.

(c) GCIL

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

- Revenue from sale of goods or rendering of services is recognised when performance obligations are satisfied by transferring control (i.e. at the time when deliveries are made or services are rendered) of a promised good or service to a customer, and control either transfers over time or at a point in time. Revenue from sale of goods and rendering of services is measured net of sales tax, returns and trade discounts.

- Dividend income is recognised when the GCIL's right to receive dividend is established, i.e. on the date of books closure of the investee company declaring the dividend.

- Gains and losses arising on disposal of investments are included in income in the year in which these are disposed-off.

- Return on bank deposits is recognised on time proportion using the effective rate of return.

Contract assets

Contract assets arise when GCIL performs its performance obligations by transferring goods and services to a customer before the customer pays its consideration or before payment is due.

Contract liabilities

Contract liability is the obligation of GCIL to transfer goods and services to a customer for which GCIL has received consideration from the customer. If a customer pays consideration before GCIL transfers goods and services, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when GCIL performs its performance obligations under the contract.

5.14 Foreign currency transactions

Foreign currency transactions are recorded in Pak Rupees using the exchange rates prevailing at the date of transactions. Monetary assets and liabilities in foreign currencies are translated in Pak Rupees at the rates of exchange prevailing at the reporting date. Exchange gains and losses are taken to the consolidated statement of profit or loss.

5.15 Taxation

Taxation comprises of current tax 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 in other comprehensive income or directly in equity, if any, in which case the tax amounts are recognised directly in consolidated other comprehensive income or equity.

(a) Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any. The charge for current year also includes adjustments where necessary, relating to prior years which arise from assessments framed / finalised during the year.

(b) Deferred

Deferred tax is recognised using the statement of financial position liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the consolidated financial statements. Deferred tax liability is recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised. Deferred tax is charged or credited to the consolidated statement of profit or loss.

Deferred tax asset and liability is measured at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

5.16 Earnings per share

The Group presents basic 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 Holding Company by the weighted average number of ordinary shares outstanding during the year.

5.17 Related party transactions

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

5.18 Provisions

Provisions are recognised when the Group has a present obligation, legal or constructive, as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, prices and conditions, and can take place many years in future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustment to the amount of previously recognised provision is recognised in the consolidated statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

5.19 Contingent liabilities

A contingent liability is 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

- 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 obligation cannot be measured with sufficient reliability.

5.20 Employees' benefits

Defined contribution plan

The Group operates funded employees' provident fund schemes for its permanent eligible employees. Equal monthly contributions at the rate of 8.33% of gross pay are made both by the Group and employees to the funds.

Compensated absences

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

5.21 Segment reporting

(a) GGGL

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (the Chief Executive Officer of GGGL). Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets.

(b) GCIL

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of GCIL that makes strategic decisions.

Segment assets and liabilities include items directly attributable to segment as well as those that can be allocated on a reasonable basis. Segment assets consist primarily of property, plant & equipment, stores, spares & loose tools and stock-in-trade. Segment liabilities comprise of long term finances, lease liabilities, short term borrowings and trade & other payables.

On the basis of its internal reporting structure, GCIL has two reportable segments i.e. Industrial & Medical Gases and Industrial Chemicals.

5.22 Balances from contract with customers

(a) GGGL

Contract assets

A contract asset is the right to receive in exchange for goods transferred to the customer against which no invoice has been raised.

Trade receivables

Trade receivables represent GGGL's right to an amount of consideration that is unconditional. Trade receivables are carried at original invoice amount less expected credit loss based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which GGGL has received consideration from the customer. A contract liability is recognised at earlier of when the payment is made or the payment is due if a customer pays consideration before GGGL transfers goods or services to the customer.

Right of return assets

Right of return assets represent GGGL’s right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. GGGL updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Right of return assets represent GGGL's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. GGGL updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount GGGL ultimately expects it will have to return to the customer. GGGL updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

5.23 Government grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in noncurrent liabilities as deferred income and are credited to consolidated profit or loss on a straight-line basis over the expected lives of the related assets.

5.24 Dividend and appropriation to reserves

Dividend distribution to shareholders and appropriation to reserves are recognised in the period in which these are approved.

6. PROPERTY, PLANT AND EQUIPMENT

	Note	**2021**	2020
		Rupees in thousand	
Operating fixed assets	**6.1**	**5,351,968**	5,357,365
Capital work-in-progress	**6.8**	**523,775**	75,155
Advance against purchase of vehicles		**10,056**	0
		5,885,799	5,432,520

6.1 Operating fixed assets - tangible

	Freehold land	Leasehold land	Buildings	Plant and machinery	Furnace	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
	-----------	-----------	-----------	-----------	-Rupees in thousand-	-----------	-----------	-----------	-----------	-----------
As at June 30, 2019										
Cost	228,367	26,465	438,449	4,470,708	383,573	41,279	8,152	12,604	140,746	5,750,343
Accumulated depreciation	0	3,924	179,394	581,524	120,937	17,380	2,364	9,180	50,713	965,416
Book value	228,367	22,541	259,055	3,889,184	262,636	23,899	5,788	3,424	90,033	4,784,927
Year ended June 30, 2020										
Additions	31,000	0	7,263	736,404	18,629	3,562	2,498	661	50	800,067
Reclassified under IFRS 16										
- cost	0	26,465	0	0	0	0	0	0	0	26,465
- accumulated depreciation	0	(3,924)	0	0	0	0	0	0	0	(3,924)
	0	22,541	0	0	0	0	0	0	0	22,541
Transfers / adjustments	(118,770)	118,770	0	0	0	0	0	0	0	0
Disposals:										
- cost	0	0	0	3,061	0	0	0	0	7,747	10,808
- accumulated depreciation	0	0	0	(203)	0	0	0	0	(4,439)	(4,642)
	0	0	0	2,858	0	0	0	0	3,308	6,166
Depreciation charge for the year	0	0	26,399	127,587	23,550	2,625	767	1,128	16,866	198,922
Book value	140,597	118,770	239,919	4,495,143	257,715	24,836	7,519	2,957	69,909	5,357,365
Year ended June 30, 2021										
Additions	500	15,000	10,873	153,021	17,564	2,522	1,005	1,572	24,201	226,258
Disposals:										
- cost	0	0	0	10,138	0	0	0	0	5,137	15,275
- accumulated depreciation	0	0	0	(476)	0	0	0	0	(2,641)	(3,117)
	0	0	0	9,662	0	0	0	0	2,496	12,158
Depreciation charge for the year	0	47	24,775	151,616	23,849	2,608	773	1,109	14,720	219,497
Book value	141,097	133,723	226,017	4,486,886	251,430	24,750	7,751	3,420	76,894	5,351,968
As at June 30, 2020										
Cost	140,597	118,770	445,712	5,204,051	402,202	44,841	10,650	13,265	133,049	6,513,137
Accumulated depreciation	0	0	205,793	708,908	144,487	20,005	3,131	10,308	63,140	1,155,772
Book value	140,597	118,770	239,919	4,495,143	257,715	24,836	7,519	2,957	69,909	5,357,365
As at June 30, 2021										
Cost	141,097	133,770	456,585	5,346,934	419,766	47,363	11,655	14,837	152,113	6,724,120
Accumulated depreciation	0	47	230,568	860,048	168,336	22,613	3,904	11,417	75,219	1,372,152
Book value	141,097	133,723	226,017	4,486,886	251,430	24,750	7,751	3,420	76,894	5,351,968
Depreciation rate (% - per annum)		50-100 years	10%	5% & 240,000 Machine hours	5% & 33.33%	10%	10%	30%	15% - 20%	

6.2 **Particulars of operating fixed assets of GCIL disposed-off during the year having book value of Rs. 500,000 or more were as follows:**

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain	Particulars of Purchaser
	-Rupees in thousand-					Sold through negotiation to:
Plant & machinery:						
XL-55 Liquid portable cylinders	1,038	0	1,038	6,300	5,262	National Disaster Management Authority, Islamabad.
Compressed gas cylinders	600	(96)	504	615	111	TNB Repair and Maintenance, Defence Road, Jillani Bridge, Lahore.
Oxygen cylinder for COVID 19	528	0	528	620	92	Unique Traders, Iqbal Town, Lahore.
XL-65 Liquid portable cylinders	972	(53)	919	3,927	3,008	Suleman Gases, Pindi and CMH, Abbottabad.
Oxygen cylinder for COVID 19	2,330	(24)	2,306	5,266	2,960	Directorate of Health Services, KPK.
Cryogenic storage tank	2,860	(169)	2,691	9,950	7,259	-do-
	8,328	(342)	7,986	26,678	18,692	
Vehicles:						
Honda Civic	2,757	(1,393)	1,364	3,200	1,836	Mr. Shafiq Awan.
Honda VTI	2,039	(1,064)	975	1,500	525	-do-
	4,796	(2,457)	2,339	4,700	2,361	

Particulars of operating fixed assets of GCIL disposed-off during the year having book value of less than Rs. 500,000 were as follows:

Plant & machinery	1,810	(134)	1,676	4,976	3,300	Sold to various parties.
Vehicles	341	(184)	157	173	16	-do-
Total 2021	15,275	(3,117)	12,158	36,527	24,369	

6.3 Particulars of immovable properties in the name of GGGL and GCIL:

Location	Usage of immovable property	Total Area	Covered Area In sq. ft.
(a) GGGL			
- Pattoki, District Kasur	Manufacturing facility (gases)	108 Kanals 10 Marlas	-
(b) GCIL			
- 52 - Km, Phool Nagar, District Kasur	Manufacturing facility (gases)	113 Kanals 8 marlas and 90 feet	67,031
- Mouza Parna, Phool Nagar, Tehsil Pattoki, District Kasur	Industrial land	83 Kanals and 9 Marlas	-
- Plot No. 07 to 24, B2, B3 & B4, Zone -B, Hattar	Industrial land	150 Kanals (18.75 Acres)	-
- Sarai Kharbuza, Tarnol, Islamabad	Industrial land	7 Kanals	-

6.4 Certain financing by the banks (as disclosed in note 20.1& 20.7) are secured against first and pari passu charge on certain Property, plant and equipment of GGGL .

6.5 As at June 30, 2021, GCIL plant and machinery include vacuum insulated evaporator tanks installed at various customers' sites for supply of gas products. These assets are secured against deposits as disclosed in note 22. Cost and book value of these vacuum insulated evaporator tanks were as follows:

	Note	**2021**	2020
		Rupees in thousand	
Cost		**162,395**	162,395
Book value		**127,912**	132,505

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

Cost of sales		**196,702**	173,778
Administrative expenses		**22,795**	25,144
		219,497	198,922

6.7 GCIL leasehold land rights located at Hattar under KPEZDMC is still under provisional allotment; therefore, at the reporting date, this has been carried as leasehold land.

6.8 **Capital work in progress -** at cost

Furnace - GGGL	**6.9**	**349,484**	31,242
Civil works - GCIL		**27,687**	27,687
Plant and machinery - GCIL	**6.10**	**146,604**	3,618
Advances to suppliers		**0**	12,608
		523,775	75,155

6.9 This represents capital expenditure incurred on construction of new furnace of GGGL, which has not yet been completed as at the reporting date.

6.10 **Plant and machinery (GCIL)**

Opening balance		**3,618**	22,116
Additions during the year	**6.11**	**269,139**	702,337
Capitalised during the year	**6.12**	**(126,153)**	(720,835)
Closing balance		**146,604**	3,618

6.11 These include expenditure aggregating Rs.142.985 million relating to installation of new plant (Gaseous Air Separation Unit).

6.12 This includes direct expenses relating to plant amounting Rs.Nil (2020: Rs.178.592 million) including borrowing costs amounting Rs.Nil (2020: Rs.6.390 million).

7. RIGHT OF USE ASSETS

	Note	2021	2020
		Rupees in thousand	
Opening balance		**29,083**	0
Reclassified from operating fixed assets under IFRS 16		**0**	26,465
Recognised during the year	6.1	**0**	2,618
Lease reassessment		**2,606**	0
		31,689	29,083
Amortisation			
Opening balance		**(4,522)**	0
Balance transferred from operating fixed assets	6.1	**0**	(3,924)
Amortised during the year	7.1	**(665)**	(598)
		(5,187)	(4,522)
Closing balance		**26,502**	24,561

7.1 Amortisation charge has been calculated by using straight line method over the lease term i.e. 50 years and allocated to administrative expenses. Right of use assets represent leasehold land, which is located at 53 - A, Industrial Zone, Port Qasim, Karachi with an area of 40 Kanals for which covered area is 17,045 sq. ft.

8. INTANGIBLE ASSETS

	Note	2021	2020
Goodwill :			
GGHL	8.1	**70**	70
Goodwill originated	8.2	**328,830**	328,830
Transfer upon acquisition of GGGL	8.3	**19,794**	19,794
Software			
GCIL	8.4	**5,676**	8,637
		354,370	357,331

8.1 Goodwill represents the difference between the cost of acquisition (fair value of the consideration paid) and the fair value of net identifiable assets acquired at the time of merger of Ghani Southern Gases (Pvt.) Ltd. with the Holding Company.

8.2 At each reporting date, an assessment is made as to whether there is any indication that goodwill may be impaired. These tests require the use of estimates to calculate recoverable amounts. The recoverable amounts of goodwill attributable to cash-generating units is determined based on value-in-use calculations. These calculations use financial budgets and plans covering five-year periods unless a longer period can be justified. Key assumptions used in the financial budgets and plans are revenue growth and margins. Cash flows beyond these periods are extrapolated using rates of growth and profitability. The management of the Holding Company has used applicable discount rates and these discount rates are pre-tax and reflect the specific risks relating to the relevant cash-generating unit.

8.3 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 Libaas Textile Limited with and into GGGL.

8.4 GCIL - Software

	Note	2021	2020
		Rupees in thousand	
Cost			
Balance at year-end		**14,808**	14,808
Amortisation			
Opening balance		**6,171**	3,209
Amortised during the year		**2,961**	2,962
		9,132	6,171
Carrying value at year-end		**5,676**	8,637

Amortisation has been charged at the rate of 20% of cost and has been allocated to administrative expenses.

9. LONG TERM DEPOSITS - Considered good

Security deposits against:

	Note	2021	2020
- Utility bills	**9.1**	**68,463**	65,195
- Rented premises		**3,012**	3,006
- Ijarah finance facilities		**586**	586
- Others		**153**	153
		72,214	68,940

9.1 These deposits are being held for an indefinite period with no fixed maturity date; therefore, have been carried at cost, as amortised cost is impractical to determine.

10. STORES, SPARES AND LOOSE TOOLS

	Note	2021	2020
		Rupees in thousand	
Stores	**10.1**	**60,929**	36,749
Spare parts		**315,081**	168,763
Loose tools		**949**	758
		376,959	206,270

10.1 Stores and spares include items worth of Rs. 33.630 million, which may result in fixed capital expenditure.

11. STOCK IN TRADE

	Note	2021	2020
Raw materials		**121,508**	79,367
Work in process		**5,165**	4,932
Finished goods	**11.1**	**442,104**	247,428
Materials in transit (GGGL)		**22,053**	0
		590,830	331,727

11.1 No inventory of the Holding Company and GCIL was in transit as at June 30, 2021; (2020: GCIL finished goods included in-transit inventory in the transportation vehicles valuing Rs.4.126 million).

12. TRADE DEBTS

	Note	2021	2020
Considered good:			
- Local debtors - unsecured		**976,906**	730,123
- Foreign debtors - secured		**1,971**	8,749
		978,877	738,872
Considered doubtful - GCIL		**26,960**	19,048
		1,005,837	757,920
Allowance for expected credit loss	**12.1**	**(33,579)**	(20,925)
		972,258	736,995

12.1 Allowance for expected credit loss

	2021	2020
Opening balance	**20,925**	11,113
Charge for the year	**14,513**	9,812
Written off during the year	**(1,859)**	0
Closing balance	**33,579**	20,925

12.2 Trade debts of GCIL aggregating Rs.318.660 million (2020: Rs.151.750 million) were either past due or overdue but not impaired as allowance for expected credit loss. These balances relate to various customers, primarily Government organisations, with whom there was no recent history of default. The ageing analysis of these trade debts is as follows:

	Note	**2021**	2020
		Rupees in thousand	
Up to 1 month		**171,364**	42,510
31 to 60 days		**34,891**	12,871
61 to 90 days		**31,102**	11,925
91 to 180 days		**22,346**	30,615
181 to 365 days		**26,447**	27,856
Above 365 days		**32,510**	25,973
		318,660	151,750

12.3 In case of GCIL, receivables from the government institutions aggregate Rs.318.660 million as at June 30, 2021 (2020:Rs.151.750 million)

13. LOAN AND ADVANCES - Unsecured, considered good

	Note	2021	2020
Advances to:			
- employees against expenses		**4,978**	3,834
- employees against salaries		**170**	6,299
- suppliers and contractors		**142,280**	97,234
- Collector of Customs		**3,883**	5,398
Advance against imports		**14,858**	3,811
Due from related parties	**13.1**	**1,480**	480
Letters of credit		**11,680**	0
		179,329	117,056
Allowance for impairment		**(1,485)**	(1,485)
		177,844	115,571

13.1 Maximum amounts due from the related parties at the end of any month during the year was Rs.333.700 million.

14.	DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	Note	2021	2020
			Rupees in thousand	
	Trade deposits		**86,619**	67,030
	Prepayments		**9,002**	2,375
	Bank guarantee margins		**10,771**	10,771
	Letters of credit margins		**83,036**	0
	Bank profit receivable		**111**	143
	Due from workers' (profit) participation fund		**0**	4,426
			189,539	84,745

15. ADVANCE INCOME TAX

Opening balance	**466,799**	558,364
Paid during the year	**231,759**	165,550
Refunds received during the year	**(83,581)**	(237,869)
	614,977	486,045
Adjusted against income tax payable	**(55,822)**	(19,246)
Closing balance	**559,155**	466,799

16. CASH AND BANK BALANCES

Cash-in-hand		**409**	549
Cash at banks on:			
- current accounts		**27,271**	60,695
- deposit accounts	**16.1**	**354,593**	90,938
		381,864	151,633
		382,273	152,182

16.1 These carry profit at the rates ranging from 2.75% to 7.25% (2020: 1.00% to 7.06%) per annum.

16.2 GGGL management has earmarked Rs.400 thousand (2020: Rs.400 thousand) from available bank balances in respect of security deposits received.

17. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2021	2020		2021	2020
---- Number ----			--- Rupees in thousand ---	
224,138,555	122,956,711	Ordinary shares of Rs.10 each fully paid in cash (note 17.1)	**2,241,386**	1,229,567
13,000	13,000	Ordinary shares of Rs.10 each issued for consideration other than cash under the Scheme of Arrangement for Amalgamation (note 17.2)	**130**	130
14,424,253	14,424,253	Ordinary shares of Rs. 10 each issued for consideration other than cash under the Scheme of Compromises, Arrangement and Reconstruction (note 17.3)	**144,243**	144,243
41,360,627	15,911,860	Ordinary shares of Rs. 10 each issued as fully paid bonus shares (note 17.4)	**413,606**	159,119
279,936,435	153,305,824		**2,799,365**	1,533,059

17.1 The Holding Company, during the year, made a right issue of shares which was approved by the Board of Directors in its meeting held on October 27, 2020 at the rate of Rs.10 per share in the ratio of 66 right shares for every 100 ordinary shares held. The total size of the issue is Rs.1,011,818 thousand and the shares have been issued during the year. The new shares rank pari passu with the existing shares of the Company in all aspects.

17.2 These shares were issued during the process of amalgamation of Ghani Southern Gases (Pvt.) Ltd. with and into the Holding Company as on May 15, 2012.

17.3 These shares were issued, during the preceding financial year, to the sponsor shareholders of Ghani Global Glass Ltd. under the Scheme of Compromises, Arrangement and Reconstruction amongst the shareholders of Ghani Gases Ltd., Ghani Global Glass Ltd. and Ghani Chemical Industries Ltd.

17.4 The Board of Directors of the Holding Company in its meeting held on December 26, 2020 has approved issuance of 10% bonus shares by capitalizing Rs.254,487 thousand out of share premium account. Shares have been allotted during the year.

18. SHARE PREMIUM

18.1 This includes balance amount of share premium received by the Holding Company on 2,500,000 ordinary shares at the rate of Rs.5 per share, share premium on 7,000,000 ordinary shares issued at Rs.2.50 each, share premium on 43,019,834 ordinary shares at the rate of Rs.10 each and share premium of Rs.128.073 million on issue of 14,424,253 shares to the sponsors of Ghani Global Glass Ltd. under the Scheme.

18.2 Share premium may be utilised by the Holding Company only for the purposes specified in section 81 of the Companies Act, 2017. During the year, the Holding Company has utilised share premium amounting to Rs.254.488 million against issuance of 10% bonus shares whereas share premium amounting to Rs.66.134 million was utilised during the financial year ended June 30, 2019 as per the provisions of section 81 of the Companies Act, 2017.

19. LOANS FROM SPONERS / DIRECTORS - Unsecured

	Note	2021	2020
		Rupees in thousand	
Opening balance		**1,044,141**	1,013,351
Loans received during the year		**146,905**	98,800
Loans repaid during the year		**(1,043,276)**	(68,010)
Closing balance		**147,770**	1,044,141

19.1 These loans have been obtained from the sponsors and directors to meet liquidity requirements of GGGL and GCIL. These loans are interest-free having no fixed tenor or repayment schedule; repayment is at the discretion of GGGL. In line with the Technical Release - 32 (Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan, these loans have been shown as part of equity.

20. LONG TERM FINANCES

	Note	2021	2020
From banking companies - secured			
GGGL			
Diminishing Musharakah - vehicles	**20.1**	**9,099**	11,409
Diminishing Musharakah - machinery	**20.2**	**134,400**	153,600
Diminishing Musharakah - machinery	**20.3**	**60,652**	60,630
Islamic refinance facility - salaries and wages	**20.4**	**51,759**	22,783
Syndicate financing - plant	**20.5**	**74,582**	149,164
Islamic Temporary Economic Refinance Facility (ITERF)	**20.7**	**202,715**	0
		533,207	397,586
GCIL			
Diminishing Musharakah	**20.8**	**5,662**	4,098
Diminishing Musharakah	**20.9**	**0**	6,727
Diminishing Musharakah	**20.10**	**36,174**	42,289
Diminishing Musharakah	**20.11**	**436,338**	436,338
Islamic Refinance Facility	**20.12**	**84,392**	22,916
Diminishing Musharakah (ITERF)	**20.13**	**115,647**	0
From Islamic Financial Institution - secured			
Diminishing Musharakah	**20.14**	**14,444**	34,723
Others			
From sponsoring directors - unsecured	**20.15**	**52,000**	52,000
		744,657	599,091
		1,277,864	996,677
Current portion grouped under current liabilities:			
GGGL		**(224,043)**	(111,011)
GCIL		**(170,117)**	(39,882)
		(394,160)	(150,893)
		883,704	845,784

GGGL

20.1 GGGL acquired certain vehicles under the diminishing musharakah facility having credit limit of Rs.16.988 million (2020: Rs.16.988 million) from banking company / financial institutions. The term of the agreement is 3 to 5 years. The balance is repayable in monthly / quarterly equal instalments in arrears. It carries profit rate of 6 months KIBOR plus 1.75% per annum (2020: 6 months KIBOR plus 1.75%) with 8% Floor and 18% Cap (2020: 8% Floor and 18% Cap). It is secured against 10% security deposit and post dated cheques / debit authority for entire tenor.

20.2 This represents diminishing musharakah facility having credit limit of Rs.192 million (2020: Rs. 192 million) availed from banking company for imported machinery. The term of the agreement is 3 years. The balance is repayable in quarterly instalments. It carries profit rate of 3 months KIBOR plus 1.95% per annum (2020: 3 months KIBOR plus 1.95% per annum) with 8% Floor and 18% Cap (2020: 8% Floor and 18% Cap). It is secured against exclusive charge over fixed assets (machinery) amounting to Rs. 240 million.

20.3 This represents diminishing musharakah facility having credit limit of Rs.70.630 million (2020: Rs.94.900 million) availed from banking company for imported machinery. The term of the agreement is 3 years. The balance is repayable in monthly instalments. It carries profit rate from 1 month KIBOR plus 1.5% to 3 month KIBOR plus 1.0% per annum (2020: 1 month KIBOR plus 1.5% per annum). It is secured against specific charge on machinery amounting to Rs.118.625 million with 25% net off value of Rs.94.900 million registered with SECP and cross corporate guarantee of the Holding Company.

20.4 Islamic refinance facility	**2021**	**2020**
	Rupees in thousand	
Total loan obtained	**71,546**	24,639
Less: deferred income - effect of subsidised mark-up	**(1,901)**	(1,856)
Less: repaid during the year	**(17,886)**	0
	51,759	22,783

20.5 GGGL has obtained diminishing musharakah facility having credit limit of Rs. 75.610 million (2020: Rs. 38 million) under islamic refinance scheme for the payment of salaries and wages to workers and employees of GGGL to dampen the effect of COVID-19 for a period of 2.5 years including 06 months grace period. The repayment will be made in 8 equal quarterly instalments after grace period and has started from January, 2021. It carries 3% concessional rate of profit (2020: 3%). The facility is secured against first pari passu charge for the facility stated in note 24.1.5 and personal guarantee of three sponsoring directors of GGGL.

20.6 This facility was obtained to establish a tubing glass manufacturing plant having credit limit of Rs. 600 million (2020: Rs.600 million), carrying profit rate of 3 months KIBOR plus 1.95% per annum (2020: 3 months KIBOR plus 1.95% per annum) repayable quarterly. It is secured against first pari passu charge on all present and future fixed assets of GGGL for Rs.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 years including grace period.

20.7 This represents loan obtained under ITERF scheme of State Bank of Pakistan facility amounting to Rs.470 million and carrying profit rate of 4.5%. This loan will be utilised to install a new furnace and related equipment for manufacturing of glass tubing and ampules and will be repaid quarterly in eight years including 2 years of grace period. This loan is secured against first pari passu charge on all present and future fixed assets of GGGL with 25% margin registered with SECP and collective personal guarantee of three sponsoring directors of GGGL.

GCIL

20.8 This represents Diminishing Musharakah facility having credit limit of Rs.10 million availed from a banking company for purchase of vehicles. The agreement tenor is 3 years and the balance is repayable in 36 instalments ending June, 2022. It carries profit at the rate of 3 months KIBOR + 1% (2020: 6 months KIBOR + 1%) and is secured against ownership of Musharakah assets in favour of the banking company.

20.9 The outstanding balance of this Diminishing Musharakah facility was fully paid by GCIL during the year. It was secured against Musharakah assets and carried profit at the rate of 6 months KIBOR + 1%.

20.10 This represents Diminishing Musharakah facilities having credit limit of Rs.7.858 million and Rs.46.325 million availed from a banking company to finance machinery & equipment. The facilities tenor is 3 years ending during July, 2021 and May, 2022 respectively. The facilities carry profit at the rate of 1 year KIBOR + 0.80% and 6 months KIBOR + 0.80% respectively. These facilities are secured against first pari passu charge of Rs.110 million over fixed assets, first specific charge of Rs.17.500 million over imported assets and equitable mortgage over land and buildings.

20.11 This represents Diminishing Musharakah facility having credit limit of Rs.450 million (2020: Rs.450 million) availed from a banking company to finance machinery and equipment; the facility tenor is 5 years including 1 year grace period. The balance is repayable in 16 equal quarterly instalments and carries profit at the rate of 3 months KIBOR + 1%. The facility is secured against pari passu charge with 25% margin aggregating Rs.600 million over all plant and machinery of GCIL. The banking company has allowed moratorium of one year under SBP BPRD circular no. 13/2020; accordingly, repayment will commence from October, 2021.

20.12 Islamic refinance facility

	2021	2020
	Rupees in thousand	
Opening balance	**22,916**	0
Facility obtained during the year	**86,038**	24,965
Payment made during the year	**(21,243)**	0
Deferred income	**(3,319)**	(2,049)
	84,392	22,916

This represents Diminishing Musharakah facility having credit limit of Rs.110 million (2020: Rs.48 million) obtained under Islamic Refinance Scheme for the payment of salaries and wages to workers and employees of GCIL to dampen the effect of Covid-19 for a period of 2.5 years including 06 months grace period. The repayment is to be made in 8 equal quarterly instalments after a grace period and commenced from January, 2021. It carries profit at the rate of 3%. The facility is secured against first pari passu charge of Rs.96 million over plant & machinery and personal guarantees of three sponsoring Directors of GCIL.

20.13 This represents Diminishing Musharakah facility having credit limit of Rs.500 million obtained under State Bank of Pakistan (SBP) ITERF Scheme to finance capital expenditure requirements related to procuring Gaseous Air Separation Unit (ASU); draw down has been allowed in multiple tranches. The facility tenor is 8 years including 2 years grace period; repayment will be made in quarterly instalments as per payment plan. It carries profit at SBP rate + 4% per annum.The facility is secured against exclusive charge over operating fixed assets (excluding land and buildings) of the new unit for Rs.625 million, first pari passu charge of Rs.625 million over all present and future fixed assets of GCIL, personal guarantees of sponsoring directors of GCIL and assignment of receivables.

20.14 These Islamic finance facilities carry profit at the rates ranging from 3 months KIBOR + 0.95% to 1.25% (2020: 6 months KIBOR + 1% to 1.25%). These Islamic finance facilities having credit limit of Rs.78.655 million (2020: Rs.63 million) are secured against ownership of Musharakah assets in favour of a financial institution. These finance facilities are repayable in monthly instalments ending March, 2022. These finance facilities are secured against ranking charge over plant & machinery, ownership of vehicles in the name of financial institution and personal guarantees of the Directors.

20.15 These loans have been provided by sponsoring Directors to meet capital expenditure requirements of GCIL and are repayable after 5 years at the discretion of the lenders. Profit rate on these loans is 1 month KIBOR and profit is payable on monthly basis.

21 REDEEMABLE CAPITAL - Sukuk

	2021	2020
	Rupees in thousand	
Long term certificates	**595,834**	650,000
Current portion grouped under current liabilities	**(216,667)**	(54,166)
	379,167	595,834

21.1 GCIL 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 Rs.1,300 million divided into 13,000 certificates of Rs.100,000 each for a period of 6 years under an agreement dated November 15, 2016 for swapping of financing facilities and to meet business requirements. These certificates are redeemable in 24 consecutive quarterly instalments commenced from February 03, 2017 and ending on February 03, 2024. Rentals are payable on quarterly basis along with redemption of certificates. These carry profit rate of 3 months KIBOR plus 1%. These certificates are secured against first pari passu charge over present and future fixed assets of GCIL to the extent of Rs.1,625 million. The banking company has allowed moratorium of one year; consequently, repayment of instalments for the months of May, 2020 to February, 2021 have been deferred for one year.

22. LONG TERM SECURITY DEPOSITS

These security deposits have been utilised for the purpose of the business in accordance with written agreements. These represent amounts received from the customers on installation of certain equipment and may be used in ordinary course of GCIL business under provisions of section 217 of the Companies Act, 2017.

23. LEASE LIABILITIES

	Note	2021	2020
		Rupees in thousand	
Lease liabilities		**5,548**	2,741
Less: current portion grouped under current liabilities		**287**	0
		5,261	2,741

23.1 Movement of lease liabilities

Balance at beginning of the year		**2,741**	0
Lease reassessment		**2,607**	0
Recognised during the year		**0**	2,618
Interest charge for the year		**473**	383
Payment made during the year		**(273)**	(260)
Balance at end of the year		**5,548**	2,741
Maturity analysis of undiscounted lease payments			
Payable upto one year		**287**	0
Payable between one to five years		**1,662**	2,741
Payable after five years		**28,910**	0
		30,859	2,741

23.2 Amortisation for the year on right of use assets has been calculated by straight line method over the lease term i.e. 50 years and allocated to administrative expenses. Right of use assets represent leasehold land, which is located at 53 - A, Industrial Zone, Bin Qasim, Karachi with an area of 40 kanals having covered area of 217,800 sq. ft.

24. DEFERRED LIABILITIES

	Note	2021	2020
Gas infrastructure development cess	24.1	**14,919**	14,699
Deferred income	24.2	**883**	2,188
Deferred taxation	24.5	**317,773**	206,375
		333,575	223,262

24.1 Gas Infrastructure Development Cess

	Note	2021	2020
		Rupees in thousand	
Balance at year-end		**22,638**	22,638
Discounting effect		**(3,540)**	0
Closing liability based on present value		**19,098**	22,638
Current portion grouped under current liabilities		**(4,179)**	(7,939)
		14,919	14,699

The Supreme Court of Pakistan (SCP), during the year, has decided the appeal against consumers upholding the vires of Gas Infrastructure Development Cess (GIDC) Act, 2015 through its judgment dated August 13, 2020. The review petition was filed against the judgment, wherein the SCP has provided some relief by increasing the time period for recovery of GIDC from 24 instalments to 48 instalments. The review application, however, has been dismissed.

GCIL has filed a constitutional petition before the Lahore High Court (LHC) challenging the imposition of GIDC amount of Rs.22.638 million. The order of the writ petition was not in favour of GCIL, which was challenged in ICA before the LHC.

GCIL had recorded provision for GIDC, which was grouped under trade and other payables in the preceding year financial statements. This amount has now been classified as non-current liability at its value, by discounting future estimated cash flows using risk free rate of return i.e. 8.60%. This has resulted in income of Rs.3.540 million, which has been grouped in other income.

24.2 Deferred income - Government grant

	Note	2021	2020
Balance at beginning of the year	**20.1**	**3,832**	0
Income recognised during the year		**5,953**	3,906
Amortised during the year		**(5,708)**	(74)
		4,077	3,832
Current portion grouped under current liabilities		**(3,194)**	(1,644)
		883	2,188

24.3 In case of GGGL, responding to COVID-19, State Bank of Pakistan (SBP) took various steps to support the economy and introduced a refinance scheme for payment of salaries and wages at subsidized rate of borrowing. GGGL has obtained the said borrowing from islamic window of banking company on June 15, 2020, at 3% concessional interest rate, which is repayable in 8 quarterly instalments commencing from January, 2021. In accordance with the terms of the grant, GGGL is prohibited to lay-off the employees for at least three months from the period of the grant.

24.4 In case of GCIL, in response to COVID-19, the SBP through Circular No. 6 of 2020, has introduced a temporary Refinance Scheme for payment of wages and salaries to the workers and employees of business concerns. The Refinance Scheme is being managed through Participating Financial Institutions (PFIs) and funded by SBP. Borrowers can obtain loans from PFIs and ease their cash flow constraints and thereby avoid layoffs. The benefit of a government loan at a below-market rate of interest has been treated as a government grant. The loan has been measured in accordance with IFRS 9 (Financial Instruments). The benefit of the below market rate of interest has been measured as the difference between the initial carrying value of loan determined in accordance with IFRS 9 and the proceeds received. The benefit has been accounted for and presented as deferred grant in accordance with IAS 20. The deferred grant has been amortised at average borrowing cost rate of GCIL, i.e. 8.60% per annum; an amount of Rs.2,990 thousand has been recognised in the current year consolidated statement of profit or loss in this regard.

24.5 Deferred taxation

	2021	2020
	Rupees in thousand	
GCIL		
This is composed of the following:		
Taxable temporary differences arising in respect of accelerated tax depreciation allowances	**706,746**	677,315
Deductible temporary differences arising in respect of:		
- unused tax losses	**(273,188)**	(411,960)
- allowance for expected credit loss	**(7,818)**	(5,955)
- alternate corporate tax / minimum tax recoverable against normal tax charge in future years	**(107,967)**	(53,025)
	(388,973)	(470,940)
	317,773	206,375
GGGL		
Taxable temporary differences arising in respect of accelerated tax depreciation allowances	**210,050**	192,540
Deductible temporary differences arising in respect of:		
Allowance for expected credit loss	**(1,842)**	(544)
Payable to workers' profit participation fund	**(1,140)**	0
Payable to workers' welfare fund	**(1,112)**	0
Unused tax losses	**(313,872)**	(330,298)
Tax credits over normal tax	**(24,790)**	0
Tax credits	**0**	(2,729)
	(342,756)	(333,571)
Deferred tax asset	**(132,706)**	(141,031)

24.6 Being prudent, GGGL has not recognised deferred tax asset of Rs.132.706 million (2020: Rs.141.031 million) due to unabsorbed tax depreciation as sufficient tax interests would not be available to set these off in the foreseeable future.

25. TRADE AND OTHER PAYABLES

	Note	2021	2020
		Rupees in thousand	
Trade creditors		**213,492**	222,486
Accrued liabilities		**165,040**	130,476
Due to related party		**7**	0
Contract liabilities - advances from customers		**55,532**	85,147
Advance against leasehold land at Hattar		**15,000**	0
Workers' (profit) participation fund	25.1	**40,859**	2,172
Workers' welfare fund	25.2	**23,619**	1,455
Payable to employees' provident fund		**3**	3,259
Bank overdraft		**0**	30,347
Withholding income tax		**3,509**	4,775
		517,061	480,117

25.1 Workers' (profit) participation fund

	2021	2020
Opening payable balance - GGGL	**2,173**	0
Opening receivable balance - GCIL	**(4,426)**	0
Paid during the year	**(17,149)**	0
Allocations for the year	**60,261**	2,172
Closing payable balance	**40,859**	2,172

25.2 Workers' welfare fund

	2021	2020
Opening balance	**1,455**	0
Charge for the year	**22,164**	1,455
Closing balance	**23,619**	1,455

26. ACCRUED PROFIT

	2021	2020
Long term finances	**21,978**	20,234
Redeemable capital - Sukuk	**8,053**	9,559
Short term borrowings	**17,826**	63,818
	47,857	93,611

27. SHORT TERM BORROWINGS

	Note	2021	2020
		Rupees in thousand	
From banking companies - secured - GGGL	27.1	120,992	509,774
Loan from directors	27.2	0	11,400
From banking companies - secured - GCIL	27.3	834,800	1,264,977
Bank overdraft - unsecured	27.4	2,217	0
		958,009	1,786,151

GGGL

27.1 These finances are obtained under profit arrangements and are secured against first pari passu hypothecation charge / ranking charge on the present and future current assets of GGGL; ranking charge on present and future fixed assets of GGGL, corporate guarantee of the Holding Company and personal guarantees of sponsoring directors of GGGL. The rates of profit range from relevant KIBOR plus 1.25% to 2.25% (2020: relevant KIBOR plus 1% to 2.25%). These facilities shall expire on various dates by January 31, 2022 and are renewable. Total funded credit facilities from banks (other than loan from director) as at June 30, 2021 was Rs.654 million (2020: Rs.600 million).

27.2 This represents the Islamic finance facility under Istisna arrangement obtained from Director of GGGL to meet the working capital requirements. The average return on facility amounted to 7.46% (2020: 7.46%) per annum. This loan has been repaid during the year.

GCIL

27.3 The finances have been obtained under profit arrangements and are secured against joint pari passu hypothecation charge on present and future current assets, personal guarantees of sponsoring directors of GCIL and corporate guarantees of the Holding Company. These form part of total credit funded facilities of Rs.1,535 million (2020: Rs.1,305 million). The rates of profit range from 7.70% to 14.91% (2020: relevant KIBOR plus 0.85% to 2.25%) per annum.These facilities are expiring on various dates by January 31, 2022.

27.4 This temporary bank overdraft has arisen due to issuance of cheques for amounts in excess of balance in a bank account.

28. CURRENT PORTION OF NON-CURRENT LIABILITIES

	Note	2021	2020
Long term finances	20	394,160	150,893
Redeemable capital - Sukuk	21	216,667	54,166
Lease liabilities	23	287	0
Gas Infrastructure Development Cess	24.1	4,179	7,939
Deferred income	24.2	3,194	1,644
		618,487	214,642

29. CONTINGENCIES AND COMMITMENTS

The Holding Company

Contingencies

29.1 The Holding Company has provided corporate guarantees aggregating Rs.1,194,900 thousand (2020: Rs.744,900 thousand) to banks against finance facilities availed by its Subsidiary Companies.

Commitments

29.2 Commitments against irrevocable letters of credit for import of finished good stocks outstanding as at June 30, 2021 were for Rs. 32.927 million (2020: Rs. Nil).

GGGL

Contingencies

29.3 Guarantees issued by banks on behalf of GGGL in the ordinary course of business amounted Rs.56.410 million (June 2020: Rs.56.410 million) in favour of Sui Northern Gas Pipelines Ltd. against gas connection .

29.4 Guarantees issued by banks on behalf of GGGL in the ordinary course of business amounted Rs.14.304 million (2020: Rs.Nil) in favour of Lahore Electric Supply Company (LESCO) against extension of electricity load .

29.5 GGGL has filed an appeal under section 161(1) of the Income Tax Ordinance, 2001 (the Ordinance) before the Commissioner FBR, Lahore against order passed by Deputy Commissioner Inland Revenue (the DCIR) challenging the accusation that GGGL has failed to provide documentary evidence of deduction and payment of tax while making payment of different expenses and advances. The case has been remanded back to DCIR and the management is hopeful, as per advice of the legal counsel, that the case would be decided in favour of GGGL.

29.6 GGGL has filed a petition under section 33 of EOBI Act, 1976 before the Adjudicating Authority EOBI, Lahore to contest self assessed and illegal demands amounting to Rs.7.008 million issued by Regional Office, EOBI . The case is at argument stage and the management is hopeful, as per advice of the legal counsel, that the case would be decided in favour of GGGL.

29.7 Finance facilities obtained from various banks are secured against first pari passu charge on all present and future assets amounting to Rs.4.859 billion, corporate guarantee of the Holding Company and collective personal guarantees of the sponsoring directors of GGGL.

29.8 Cross corporate guarantee has been given by the Holding Company on behalf of GGGL for long term and short term finance facilities.

Commitments

29.9 Commitments in respect of letters of credit for machinery, raw materials, stores and spares outstanding as at the reporting date aggregated Rs.314.149 million (2020: Rs. 40.770 million).

29.10 Commitments for capital expenditure related to building amounted to Rs.25 million (2020: Rs.5 million).

GCIL

29.11 GCIL has filed two separate constitutional petitions on February 15, 2009 before the Lahore High Court (the LHC), Lahore on the ground that GCIL was not required to pay any advance tax on electricity bills due to huge carried forward tax losses and available refunds. The LHC has granted stay orders upon furnishing bank guarantees in favour of LESCO amounting Rs.3.140 million. The outcome of the cases is pending and the management is hopeful that matter shall be decided in favour of GCIL.

29.12 During the preceding year,GCIL has filed a writ petition before the Sindh High Court, Karachi against Federation of Pakistan owing to dispute between K-Electric regarding origination bill including amount of Rs.35.858 million in lieu of Industrial Support Package (ISPA). As per order of the Sindh High Court dated May 05, 2020; GCIL has submitted post-dated cheques of the involved amount to the Court for further proceeding of the matter. The management is of the view that the case will be decided in favour of GCIL.

29.13 GCIL has filed petition under section 133 of the Income Tax Ordinance, 2001 (the Ordinance) before the LHC against the order of the Commissioner Inland Revenue, Zone III, challenging order passed by the Appellate Tribunal Inland Revenue, Lahore Bench in connection with the assessment for the tax year 2014 on July 20, 2018. The appeal has been filed against order of the Appellate Tribunal on account of wrong treatment in respect of import of calcium carbide and loans from directors. This case is being pursued by the management.

29.14 The Additional Commissioner (Audit) Inland Revenue in connection with the assessment under section 122 of the Ordinance for the tax year 2018 vide order dated July 17, 2020 in connection with Show Cause Notice of March 03, 2020 adjusted advance income tax by disallowing tax credit of Rs.23.515 million under section 65-B and treating import of calcium carbide under final tax regime by Rs.22.972 million. GCIL filed an appeal before the appellate authority. During the year, the appeal filed by GCIL has been accepted and order passed on this point has been annulled.

29.15 The Additional Commissioner (Audit) Inland Revenue in connection with the assessment under section 122 of the Ordinance for the tax year 2017 vide order dated July 15, 2020 in connection with Show Cause Notice of April 15, 2020 adjusted advance income tax by disallowing tax credit of Rs.31.859 million under section 65-B and treating import of calcium carbide under final tax regime by Rs.19.716 million and resultantly generated demand of Rs.44.696 million. GCIL filed an appeal before the appellate authority. During the year, the appeal filed by GCIL has been accepted and order passed on this point has been annulled.

29.16 The Additional Commissioner (Audit) Inland Revenue in connection with the assessment under section 122 of the Ordinance for the tax year 2016 vide order dated July 15, 2020 in connection with Show Cause Notice of April 15, 2020 adjusted advance income tax by disallowing tax credit of Rs.63.039 million under section 65-B and treating import of calcium carbide under final tax regime by Rs.21.586 million and resultantly generated demand of Rs.55.495 million. GCIL filed an appeal before the appellate authority. During the year, the appeal filed by GCIL has been accepted and order passed on this point has been annulled.

29.17 The Additional Commissioner (Audit) Inland Revenue in connection with the assessment under section 122 of the Ordinance for the tax year 2015 vide order dated July 15, 2020 in connection with Show Cause Notice of April 15, 2020 adjusted advance income tax by disallowing tax credit of Rs.12.522 million under section 65-B and treating import of calcium carbide under final tax regime by Rs.24.770 million and resultantly generated demand of Rs.52.692 million. GCIL filed an appeal before the appellate authority. During the year, the appeal filed by GCIL has been accepted and order passed on this point has been annulled.

29.18 The Department has filed references before the Lahore High Court against the orders passed by the Appellate Tribunal in favour of GCIL for the tax years 2011 and 2014.The references are pending adjudication.

29.19 The un-availed funded and unfunded credit facilities from banks (other than loans from directors) as of the reporting date were for Rs.540.846 million (2020: Rs.194.313 million). These limits include credit lines that are interchangeable and may be utilised for either funded facilities or unfunded facilities.

29.20 Bank guarantees aggregating Rs.37.671 million (2020: Rs.38.782 million) have been provided to various customers / institutions against supplies of products.

Commitments

29.21 Commitments in respect of letters of credit amounted to Rs.159.354 million (2020: Rs.140.710 million).

29.22 Commitments for construction of buildings at the reporting date amounted to Rs.22 million (2020: Rs. 25 million).

KLTL

29.23 There was no known contingent liability as at June 30, 2021.

29.24 No commitments were outstanding as at June 30, 2021.

30. SALES - Net

	2021	2020
	Rupees in thousand	
Gross sales - local		
Supplies	**5,848,684**	3,682,887
Services	**25,724**	33,119
	5,874,408	3,716,006
Export	**81,195**	91,838
	5,955,603	3,807,844
Sales / service tax	**(749,929)**	(491,500)
Trade discounts	**(11,212)**	(3,927)
	(761,141)	(495,427)
	5,194,462	3,312,417

31. COST OF SALES

	Note	2021	2020
		Rupees in thousand	
Raw materials consumed	31.1	**255,528**	258,425
Freight inward		**2,554**	2,282
Salaries, wages and other benefits	31.2	**242,540**	205,985
Fuel and power		**1,508,877**	1,151,082
Utilities		**4,467**	3,493
Packing materials consumed		**76,262**	57,805
Consumable stores and spares		**202,346**	89,624
Legal and professional		**171**	0
Rent, rates and taxes		**11,926**	426
Repair and maintenance		**26,281**	24,482
Communication		**1,134**	708
Travelling and vehicles' running		**7,656**	5,370
Insurance		**11,976**	7,992
Depreciation	6.6	**196,702**	173,778
Inadmissible sales tax (input), freight and other overheads		**83,810**	54,987
		2,632,230	2,036,439
Changes in working in process			
Opening		**4,932**	8,116
Closing		**(5,165)**	(4,932)
		(233)	3,184
		2,631,997	2,039,623
Cost of goods manufactured			
Changes in finishing goods			
Opening stock		**247,428**	257,062
Purchases		**577,086**	482,173
Closing stock		**(343,989)**	(247,428)
		480,525	491,807
		3,112,522	2,531,430

31.1 Raw materials consumed

Opening stock	**79,367**	42,714
Purchases	**297,669**	295,078
Available for use	**377,036**	337,792
Closing stock	**(121,508)**	(79,367)
Material consumed	**255,528**	258,425

31.2 These include Rs.7.455 million (2020: Rs.6.804 million) in respect of retirement benefits.

32. DISTRIBUTION COSTS

	Note	2021	2020
		Rupees in thousand	
Salaries, wages and other benefits	32.1	**73,338**	55,312
Freight outward		**12,014**	16,351
Transportation charges		**184,622**	171,162
Traveling, boarding, lodging and vehicles' running		**10,200**	8,792
Communication		**953**	1,109
Rent, rates and taxes		**10,136**	10,359
Loading and unloading		**2,076**	1,158
Postage and courier		**215**	211
Repair and maintenance		**3,841**	2,006
Office expenses		**7,669**	8,366
Commission against exports		**850**	1,116
Others		**31,465**	12,073
		337,379	288,015

32.1 These include Rs.4.341 million (2020: Rs.3.699 million) in respect of retirement benefits.

33. ADMINISTRATIVE EXPENSES

	Note	2021	2020
Salaries and other benefits	33.1	**115,829**	99,161
Communication		**2,293**	1,661
Electricity and other utilities		**4,541**	3,852
Postage , telegram and telephone		**337**	0
Rent, rates and taxes		**10,834**	10,998
Entertainment		**37**	0
Repair and maintenance		**4,224**	1,957
Traveling and conveyance		**893**	4,245
Vehicles' running and maintenance		**5,220**	3,085
Printing and stationery		**3,065**	2,095
Donations and charity	33.2	**9,201**	9,108
Fees and subscription	33.3	**68,086**	8,393
Advertisement		**2,195**	416
Insurance		**2,560**	2,657
Underwriting commission		**7,449**	0
Depreciation	6.6	**22,795**	25,144
Amortisation of right of use assets	7	**665**	598
Amortisation of intangible assets	8	**2,961**	2,962
Auditors' remuneration	33.4	**2,970**	2,447
Legal and professional (other than Auditors)		**15,330**	3,934
Office expenses		**574**	1,252
Others		**19,926**	15,050
		301,985	199,015

33.1 These include Rs.2.907 million (2020: Rs.7.029 million) in respect of retirement benefits.

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

33.3 This includes expenses incurred amounting to Rs.36.352 million (2020: Nil) against issuance of right shares by GGGL.

33.4 Auditors' remuneration:

	Note	2021	2020
		Rupees in thousand	
ShineWing Hameed Chaudhri & Co.			
- statutory audits		**1,300**	0
- half yearly reviews		**555**	0
- other certifications		**215**	0
		2,070	0
Crowe Hussain Chaudhury & Co.			
- statutory audit		**675**	0
- half yearly review		**175**	0
- other certifications		**50**	0
		900	0
Rizwan & Company.			
- statutory audits		**0**	1,892
- half yearly reviews		**0**	305
- audit of consolidated financial statements		**0**	200
- other certifications		**0**	50
		0	2,447
		2,970	2,447

34. OTHER EXPENSES

	Note	2021	2020
Allowance for expected credit loss	**12.1**	**14,513**	9,812
Debit balances written off		**1,505**	10,398
Gas Infrastructure Development Cess		**0**	22,638
Exchange fluctuation loss		**1,012**	142
Inadmissible sales tax		**0**	83
Workers' welfare fund	**25.2**	**22,164**	1,455
Workers' (profit) participation fund	**25.1**	**60,261**	2,172
Others		**139**	0
		99,594	46,700

35. OTHER INCOME

	Note	2021	2020
		Rupees in thousand	
Profit on bank deposits		**8,701**	2,541
Credit balances written back		**0**	14,683
Exchange fluctuation gain		**497**	0
Gas Infrastructure Development Cess - discounting effect	**24.1**	**3,540**	0
Amortisation of deferred income	**24.2**	**5,708**	5
Gain on disposal of operating fixed assets	**6.2**	**24,369**	8,353
Indenting commission	**35.1**	**17,337**	0
Discount received		**1,748**	0
Miscellaneous		**0**	1,200
		61,900	26,782

35.1 This represents commission received from Precision Parts UK Ltd., United Kingdom, against supply of Health Care Business equipment to a hospital in Pakistan..

36. FINANCE COST

	2021	2020
Finance cost on:		
- long term finances	**99,785**	77,465
- redeemable capital - Sukuk	**53,572**	95,673
- short term borrowings	**143,389**	277,220
- unwinding of loan	**2,717**	0
- lease liabilities	**473**	383
Bank charges and commission	**7,283**	5,906
	307,219	456,647

37. TAXATION

	Note	2021	2020
Current			
- for the year		**193,029**	32,950
- prior years		**810**	0
		193,839	32,950
Deferred	**24.5**	**111,398**	(95,806)
		305,237	(62,856)

GGGL

37.1 Assessment up to tax year 2020 is finalised (deemed assessment) and the available tax losses of GGGL are Rs.1,131.230 million (2020: Rs.1,139.232 million).

37.2 Current tax is charged on the basis of higher of minimum tax on turnover under section 113 and Alternate Corporate Tax (ACT) on accounting profit under section 113-C of Income Tax Ordinance 2001, whichever is higher. During the year, GGGL falls under ACT and provision on accounting profit has been made after taking into account applicable tax credits and rebates and unused tax losses.

GCIL

37.3 Returns filed by GCIL upto the tax year 2020 have been assessed under the self assessment scheme envisaged in section 120 of the Income Tax Ordinance, 2001 (the Ordinance).

37.4 No numeric tax rate reconciliation is presented in these consolidated financial statements as GCIL is mainly liable to pay tax due under sections 113-C of the Ordinance.

38. COMBINED EARNINGS / (LOSS) PER SHARE

There is no dilutive effect on earnings / (loss) per share of the Holding Company, which is based on:	**2021**	2020
	Rupees in thousand	
Profit / (loss) after taxation attributable to equity holders of the Holding Company	**549,410**	(138,969)
	(Number of shares)	
		Restated
Weighted average number of shares outstanding during the year	**234,758,741**	200,677,324
	---------- Rupees ----------	
Combined earnings / (loss) per share - basic	**2.34**	(0.69)

39. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

39.1 The Holding Company

No remuneration was paid to chief executive, directors and executives during the current and preceding financial years. Further, no meeting fee was paid to directors for attending the board meetings.

39.2 GGGL

	Chief Executive Officer		Non Executive Directors		Executives		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	-----Rs. in thousand-----							
Managerial remuneration	13,090	13,090	0	0	13,269	10,155	26,360	23,245
Allowances and perquisites	836	836	0	0	847	731	1,683	1,567
Meeting fee	0	0	230	0	0	0	230	0
Post employment benefits	1,161	1,161	0	0	1,176	903	2,337	2,064
	15,087	15,087	230	0	15,292	11,789	30,610	26,876
Number of persons	1	1	4	4	4	3	9	8

(a) An executive is defined as an employee, other than the chief executive and directors, whose basic salary exceeds Rs.1.200 million in a financial year.

(b) No remuneration other than meeting fee was paid to any director of GGGL.

(c) In addition to above, chief executive officer, directors, and certain executives have been provided with free use of GGGL maintained vehicles in accordance with their terms of employment.

39.3 GCIL

Description	2021			2020		
	Chief Executive	**Directors**	**Executives**	Chief Executive	Directors	Executives
	-------------------------Rupees in thousand-------------------------					
Managerial remuneration	**13,926**	**16,926**	**27,034**	13,092	15,912	19,380
Medical	**557**	**1,513**	**1,081**	835	1,015	1,237
Provident fund contribution	**1,160**	**1,410**	**2,252**	1,160	1,410	1,437
	15,643	**19,849**	**30,367**	15,087	18,337	22,054
No. of persons	**1**	**2**	**10**	1	2	7

(a) The chief executive and directors of GCIL have been provided with free use of GCIL maintained cars in accordance with their entitlement. Some of the executives have also been provided with GCIL maintained cars as per their terms of employment.

(b) No meeting fee was paid to the directors for attending Board meetings during the current and preceding years.

39.4 KLTL

No remuneration was paid to chief executive, directors and executives during the current period. Further, no meeting fee was paid to directors for attending the board meetings.

40. TRANSACTIONS WITH RELATED PARTIES

40.1 The Holding Company

Related parties comprise of Associated Companies, directors of the Holding Company, Companies in which directors also hold directorships and key management personnel. The Holding Company in the normal course of business carries out transactions with various related parties. The Holding Company has executed no significant transaction with any related parties during the current and preceding years.

40.2 GGGL

Related parties comprise of associated companies due to common directorship, directors of GGGL, key management personnel and staff retirement benefit funds. GGGL in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom GGGL has transacted) along with relationship and transactions with related parties, are as follows:

Relationship with related party	Nature of transaction	2021	2020
		Rupees in thousand	
Director	Rent charged	**4,392**	3,993
	Rent paid	**4,359**	3,660
Key management personnel			
Sponsors	Loan received	**0**	22,000
Sponsors	Loan repaid	**(633,890)**	(9,300)
Director	Loan repaid	**(11,400)**	0
Others			
Employees' Provident Fund Trust	Contribution	**15,330**	12,563

40.3 GCIL

Related parties comprise of Associated Companies, directors of GCIL, key management personnel and staff retirement benefit fund. GCIL in the normal course of business carries out transactions with various related parties. Details of related parties with whom GCIL has transacted along with relationship and transactions were as follows:

Relationship with related party	Nature of transaction	2021	2020
		Rupees in thousand	
Associated Company			
	Funds received	**0**	650
	Return on advance received	**749**	844
	Return on advance given	**5,160**	2,245
	Sales	**48,504**	39,428
	Sharing of expenses	**139,100**	21,698
	Loans / advances	**0**	1,167,273
	Loans / advances	**0**	(1,176,369)
Key management personnel			
Others directors			
	Equity		
	Loan received	**0**	76,800
	Loan paid - net	**(262,480)**	(58,710)
	Long term borrowings		
	Loan received-interest based	**0**	52,000
	Short term borrowings		
	Loan received	**0**	117,690
	Loan paid	**0**	(117,690)
Provident fund trust	Contribution paid	**24,826**	22,433

40.4 KLTL

Related parties comprise of Associated Companies, directors of KLTL, Companies in which directors also hold directorships and key management personnel. KLTL, during the current period, has carried out no significant transaction with any related party.

41. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial instruments by category Financial assets At amortised cost	2021	2020
	Rupees in thousand	
Long term deposits	**72,214**	68,940
Trade debts	**1,005,837**	757,920
Trade deposits and other receivables	**97,501**	77,944
Bank balances	**381,864**	151,633
	1,557,416	1,056,437
Financial liabilities **At amortised cost**		
Long term finances	**1,277,864**	996,677
Redeemable capital - Sukuk	**595,834**	650,000
Long term security deposits	**52,422**	42,972
Lease liabilities	**5,548**	2,741
Gas Infrastructure Development Cess	**19,098**	22,638
Trade and other payables	**378,535**	386,568
Accrued profit	**47,857**	93,611
Short term borrowings	**958,009**	1,786,151
	3,335,167	3,981,358

41.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried-out by the Group's finance departments under policies approved by the boards of directors. The Group's finance departments evaluate financial risks based on principles for overall risk management as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity, provided by the board of directors.

41.2 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency risk, interest rate risk and price risk.

(a) Currency risk

GGGL

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.

GGGL is exposed to following currency risk arising from various currency exposures, primarily with respect to the EURO and United States Dollar (USD):

	2021	2020
	U.S. $ in thousand Rupees	
Trade and other payables	**59,087**	8,062
Trade debts	**1,971**	8,748
Letters of credit outstanding	**314,149**	40,770
	375,207	57,580

	2021	2020
	Euro in thousand Rupees	
Trade and other payables	**0**	0
Trade debts	**0**	0
Letters of credit outstanding	**0**	0
	0	0

The following significant exchange rates were applied during the year:

	Average rate		**Reporting date rate**	
	2021	2020	**2021**	2020
Rupees per U.S.$	**158.09**	158.34	**157.54**	168.05
Rupees per Euro	**189.68**	175.17	**187.15**	186.61

Sensitivity analysis

At June 30, 2021, had Pakistan Rupee weakened / strengthened by 1% against the U.S.$ and Euro with all other variables held constant, the impact on profit after taxation for the year would have been lower / higher by Rs3.750 million (2020: Rs0.578 million).

GCIL

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. GCIL is exposed to currency risk on import of stores & spares and stock-in-trade mainly denominated in U.S. $. GCIL is not exposed to foreign currency risk as at June 30, 2021 and June 30, 2020 as it has no foreign currency financial instrument at the respective reporting dates.

(b) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market profit rates. At the reporting date, the profit rate profile of the Group's profit bearing financial instruments is as follows:

	2021	2020	2021	2020
	Effective rates per annum		Carrying amount	
Fixed rate instruments			Rupees in thousand	
Cash at banks on deposit accounts	2.75% to 7.25%	1% to 7.06%	354,593	90,938
Variable rate instruments				
Long term finances	SBP rate + 3% to 6 months KIBOR + 1.25%	SBP rate + 3% to 6 months KIBOR + 1.25%	1,277,864	996,677
Redeemable capital - Sukuk	3 months KIBOR + 1%	3 months KIBOR + 1%	595,834	650,000
Lease liabilities	8.85 to 14.63%	14.63%	5,548	2,741
Short term borrowings	relevant KIBOR + 7.70% to 14.91%	relevant KIBOR + 0.85% to 2.25%	955,792	1,774,751

Fair value sensitivity analysis for fixed rate instruments

The Group's 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

At June 30, 2021, if profit rate on variable rate financial liabilities had been 1% higher / lower with all other variables held constant, profit before taxation for the year would have been lower / higher by Rs.28.350 million (2020: loss would have been higher by Rs.34.242 million) mainly as a result of higher profit rates.

(c) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result 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 instruments or its issuer or factors affecting all similar financial instruments traded in the market. The Group is not exposed to any significant price risk.

41.3 Credit risk exposure and concentration of credit risk

GGGL

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure.

Credit risk of GGGL arises from deposits with banks, trade deposits, trade debts, long term deposits and other receivables. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

GGGL monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. Carrying values of financial assets exposed to credit risk and which are neither past due nor impaired are as under:

	2021	2020
	Rs. In thousand	
Long term deposits	**5,021**	5,020
Trade debts	**276,747**	254,544
Trade deposits and other receivables	**39,398**	40,812
Balances with banks	**166,488**	64,167
	487,654	364,543

The aging of trade receivables as at the reporting date date is as follows:

Not past due	**188,272**	219,079
Past due 1-90	**57,697**	15,920
Past due 91-180	**12,411**	5,005
181 - 365 days	**6,519**	7,776
More than 365 days	**18,466**	8,639
	283,365	256,419
Allowance for expected credit loss	**(6,618)**	(1,876)
	276,747	254,543

Concentration of credit risk

Customer credit risk is managed by each business unit subject to GGGL's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. GGGL identifies concentrations of credit risk by reference to type of counterparty. Maximum exposure to credit risk by type of counterparty is as follows:

	2021	2020
	Rs. In thousand	
Trade debts	**276,747**	254,544
Balances with banks	**166,488**	64,167

Out of the total financial assets, credit risk is concentrated in trade debts and balances with banks as they constitute 92% (2020: 87%) of the total financial assets. GGGL's exposure to credit risk in respect of trade debts is influenced mainly by the individual characteristics of each customer. GGGL establishes an allowance for expected credit loss that represents its estimate of incurred losses in respect of trade receivables. Age of trade debts at the reporting date was mentioned above.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. GGGL does not hold collateral as security.

The loss allowance for trade debts as at reporting date was determined by using provision matrix which is as follows:

	Expected credit loss rate	Exposure at default	Expected credit loss
Ageing Bucket	%	**Rs. In thousand**	
Current due	0.0493%	**188,272**	**93**
1 to 30 Days	0.2170%	**25,981**	**57**
31 to 60 Days	0.4610%	**25,510**	**118**
61 to 90 Days	1.0230%	**6,206**	**63**
91 to 180 Days	0.7310%	**12,411**	**90**
181 to 365 Days	1.9840%	**6,519**	**129**
365 to 730 days	14.5250%	**14,506**	**2,107**
Greater than 730 days	100.0000%	**3,960**	**3,961**
		283,365	**6,618**

GCIL

Credit risk represents the risk of a loss if the counter party fails to discharge its obligation and cause the other party to incur a financial loss. GCIL attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the credit worthiness of counterparties.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the GCILs performance to developments affecting a particular industry.

Credit risk primarily arises from trade debts and balances with banks. To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other relevant factors. Where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period of 30 days to reduce the credit risk. Credit risk on bank balances is limited as the counter parties are banks with reasonably high credit ratings.

In respect of other counter parties, due to GCIL long standing business relationship with them, management does not expect non-performance by these counter parties on their obligations to GCIL.

Exposure to credit risk

Out of the total financial assets of GCIL credit risk is concentrated in trade debts and balances with banks as they constitute 83% (2020: 83%) of the total financial assets. GCILs exposure to credit risk in respect of trade debts other than Government parties is influenced mainly by the individual characteristics of each customer. GCIL establishes an allowance for expected credit loss that represents its estimate of incurred losses in respect of trade debts except for Government parties.

Trade debts are mainly due from local customers against sale of medical & industrial gases and chemicals. Sales to GCIL customers are made on specific terms and conditions. Customers' credit risk is managed by each business unit subject to GCIL established policy, procedures and controls relating to customers' credit risk management. Credit limits have been established for all customers based on internal rating criteria. Credit quality of the customers is also assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

Trade debts of GCIL are not exposed to significant credit risk as GCIL trades with credit worthy customers. Trade debts except for Government parties aggregating Rs.395.653 million (2020: Rs.349.749 million) are past due of which Rs.26.960 million (2020: Rs.19.048 million) have been impaired. Required allowance as determined by management as per IFRS 9 - 'Financial instruments - recognition and measurement' has been made in these consolidated financial statements.

Credit risk on bank balances is limited as the counter parties are banks with reasonably high credit ratings.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach is to ensure, as far as possible, to always have sufficient liquidity to meet its liabilities when due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of adequate credit facilities. The Group's treasury departments aim at maintaining flexibility in funding by keeping committed credit lines available.

Financial liabilities in accordance with their contractual maturities are presented below:

Particulars	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years
	-------------- Rupees in thousand --------------			
Year ended June 30, 2021				
Long term finances	**1,277,864**	**1,390,088**	**434,001**	**956,087**
Redeemable capital - Sukuk	**595,834**	**668,120**	**258,247**	**409,873**
Long term security deposits	**52,422**	**52,422**	**0**	**52,422**
Lease liabilities	**5,548**	**30,859**	**287**	**1,662**
Gas Infrastructure Development Cess	**19,098**	**22,638**	**4,179**	**18,459**
Trade and other payables	**378,535**	**378,535**	**378,535**	**0**
Accrued profit	**47,857**	**47,857**	**47,857**	**0**
Short term borrowings	**958,009**	**963,919**	**963,919**	**0**
Unclaimed dividend	**844**	**844**	**844**	**0**
	3,336,011	**3,555,282**	**2,087,869**	**1,438,503**

Particulars	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years
	-------------- Rupees in thousand ---------------			
Year ended June 30, 2020				
Long term finances	**996,677**	**996,677**	**150,893**	**845,784**
Redeemable capital - Sukuk	**650,000**	**650,000**	**54,166**	**595,834**
Long term security deposits	**42,972**	**42,972**	**0**	**42,972**
Lease liabilities	**2,741**	**2,741**	**0**	**2,741**
Gas Infrastructure Development Cess	**22,638**	**22,638**	**0**	**22,638**
Trade and other payables	**386,568**	**386,568**	**386,568**	**0**
Accrued profit	**93,611**	**93,611**	**93,611**	**0**
Short term borrowings	**1,786,151**	**1,786,151**	**1,786,151**	**0**
Unclaimed dividend	**844**	**844**	**844**	**0**
	3,982,202	**3,982,202**	**2,472,233**	**1,509,969**

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

42. CAPITAL RISK MANAGEMENT

The Group's prime objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders, benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business.

The Group manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares. The Group also monitors capital using a gearing ratio, which is net debt comprising of mark-up bearing long term & short term finances and lease liabilities less cash & bank balances. Capital signifies equity as shown in the consolidated statement of financial position plus net debt. The gearing ratio as at June 30, 2021 and June 30, 2020 is as follows:

	2021	2020
	Rupees in thousand	
Total debt	**2,837,255**	3,435,569
Cash and bank balances	**(382,273)**	(152,182)
Net debt	**2,454,982**	3,283,387
Share capital	**2,799,365**	1,533,059
Share premium	**267,649**	522,137
Loans from directors	**147,770**	1,044,141
Unappropriated profit	**950,313**	400,903
Equity	**4,165,097**	3,500,240
Capital	**6,620,079**	6,783,627
Gearing ratio (Net debt / (Net debt + Equity))	**37.08%**	48.40%

43. SEGMENT REPORTING

43.1 GGGL

GGGL has following two strategic divisions which are its reportable segments. Following summary describes the operations of each reportable segments:

Glass tubes and glass ware

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

Chemicals

This segment covers revenue of ethylene ripener earned during the year.

43.2 Segment results are as follows:

	2021			2020		
	Glass tubes and Glass ware	Chemicals	Total	Glass tubes and Glass ware	Chemicals	Total
	-----Rs. in thousand-----					
Net sales	1,205,682	192,487	1,398,168	1,136,099	160,985	1,297,085
Cost of sales	(803,736)	(170,214)	(973,950)	(844,840)	(165,903)	(1,010,742)
Gross profit	401,945	22,273	424,218	291,260	(4,917)	286,342
Administrative expenses	(103,986)	(5,473)	(109,459)	(59,935)	(3,063)	(62,998)
Distributions expenses	(32,625)	(2,645)	(35,270)	(34,378)	(2,864)	(37,242)
	265,335	14,155	279,489	196,946	(10,844)	186,102
Unallocated expenses:						
Other operating expenses			(20,683)			(5,534)
Other income			7,692			1,658
			266,498			182,226
Finance cost			(110,444)			(141,749)
Profit before taxation			156,054			40,477
Taxation			(22,934)			0
Profit after taxation			133,120			40,477

The segment assets and liabilities as at reporting date are as follows:

	2021 Glass tubes and Glass ware	Chemicals	Total	2020 Glass tubes and Glass ware	Chemicals	Total
	---Rs. in thousand---					
Property, plant and equipment	1,778,185	8,956	1,787,141	1,484,815	9,416	1,494,231
Trade debts	211,651	65,097	276,747	219,361	35,183	254,544
Stock in trade	389,633	1,600	391,233	276,835	236	277,071
Stores, spares and loose tools	148,491	0	148,491	73,309	0	73,309
			2,603,613			2,099,155
Unallocated Assets			541,293			335,656
Total Assets			3,144,906			2,434,811
Advance from customers	4,908	876	5,784	9,003	321	9,324
Other segment liabilities	323,874	0	323,874	619,417	0	619,417
Unallocated Liabilities			544,766			433,704
Total Liabilities			873,310			1,062,444

All non-current assets of GGGL as at reporting date were located within Pakistan.

Disaggregation of revenue

Revenue is disaggregated by primary geographical market, major product lines and timing of revenue recognition.

	2021 Glass tubes and Glass ware	Chemicals	Total	2020 Glass tubes and Glass ware	Chemicals	Total
	---Rs. in thousand---					
Geographical						
Local	1,124,486	192,487	1,316,973	1,044,261	160,985	1,205,246
Foreign	81,195	0	81,195	91,838	0	91,838
			1,398,168			1,297,085

Timing of revenue - all revenue was recognized at Point in time

Contract balances	2021	2020
	Rs. in thousand	
Trade debts	276,747	254,544
Contract liabilities - Advance from customers	5,784	9,324

43.3 GCIL

GCIL has following two strategic divisions which are its reportable segments. Following summary describes the operations of each reportable segments:

a) Industrial Chemicals

This segment covers business of trading of chemicals.

b) 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 and 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.

43.4 Segment results are as follows:

	Year ended June 30, 2021			Year ended June 30, 2020		
	Industrial and Medical Gases	Industrial Chemicals	Total	Industrial and Medical Gases	Industrial Chemicals	Total
	---------- Rupees in thousand ----------					
Net sales	3,281,774	556,052	3,837,826	1,636,402	412,629	2,049,031
Cost of sales	(1,674,504)	(506,207)	(2,180,711)	(1,083,140)	(472,192)	(1,555,332)
Gross profit / (loss)	1,607,270	49,845	1,657,115	553,262	(59,563)	493,699
Distribution cost	(293,046)	(9,063)	(302,109)	(242,334)	(7,495)	(249,829)
Administrative expenses	(138,331)	(7,281)	(145,612)	(123,802)	(6,516)	(130,318)
	(431,377)	(16,344)	(447,721)	(366,136)	(14,011)	(380,147)
Segment profit / (loss)	1,175,893	33,501	1,209,394	187,126	(73,574)	113,552
Unallocated corporate expenses						
Other expenses			(89,475)			(45,195)
Other income			55,092			28,772
			1,175,011			97,129
Finance cost			(208,265)			(320,816)
Profit / (loss) before taxation			966,746			(223,687)
Taxation			(275,597)			62,856
Profit / (loss) after taxation			691,149			(160,831)

The segment assets and liabilities at the reporting date for the year-end were as follows:

	As at June 30, 2021			As at June 30, 2020		
	Industrial and Medical Gases	Industrial Chemicals	Total	Industrial and Medical Gases	Industrial Chemicals	Total
	---------------------------------- Rupees in thousand ----------------------------------					
Segment assets	4,727,014	78,320	4,805,334	4,123,554	77,705	4,201,259
Unallocated assets			1,184,826			1,174,178
Total assets			5,990,160			5,375,437
Segment liabilities	1,598,850	5,911	1,604,761	1,766,969	56,079	1,823,048
Unallocated liabilities			1,472,913			1,453,822
Total liabilities			3,077,674			3,276,870

43.5 All the non-current assets of GCIL at the reporting date were located within Pakistan. Depreciation expense mainly relates to industrial and medical gases segment.

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

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

44. Provident Fund Related Disclosures

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

45. PLANT CAPACITY AND ACTUAL PRODUCTION

45.1 GGGL

The production capacity and the actual packed production achieved during the year are as follows:

	Capacity of production	
	2021	**2020**
	Matric Tons	
Natural glass tubing clear and amber	**7,300**	7,300
	Actual production	
Natural glass tubing clear and amber	**4,907**	5,259

The efficiency of 67% (2020: 72%) in neutral glass tubing is under utilised primarily due to normal repair and maintenance, partly rebuild of furnace, introduction of new technology and shifting of product line.

45.2 GCIL

The following normal production capacity has been worked-out on the basis of daily triple shift basis:

	2021	2020
	---------- Cubic Meter ----------	
Industrial and medical gases		
Production at normal capacity - gross	**76,860,000**	66,185,000
Production at normal capacity - net of normal losses	**70,838,710**	61,000,000
Actual production - net of normal losses	**61,772,453**	44,075,660
Efficiency achieved	**87%**	72%

46. Under-utilisation

Under-utilisation of available capacity is due to unavoidable / abnormal shutdowns and repair and maintenance of plant & machinery.

	2021	2020
	(Number)	
47. NUMBER OF EMPLOYEES		
Total number of employees at the year-end	**580**	582
Average number of employees during the year	**578**	635

48. IMPACT OF COVID-19 (CORONA VIRUS)

During March, 2020, Pakistan has enacted protection measures against COVID - 19 with a significant impact on daily life and supply chain. The evolution of COVID - 19 as well as its impact on Pakistan economy is very severe. The management has monitored the situation to ensure safety of its employees by introducing fool proof anti COVID - 19 measures and smooth operation of its business.

During the pervious year, the Government of the Punjab announced a temporary lock down as a measure to reduce the spread of the COVID-19. . After implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees, the Group continued with its operations. The management has taken all necessary steps to ensure smooth and adequate continuation of its business in order to maintain business performance despite slowed down economic activity. Management has assessed the accounting implications of these developments on these consolidated financial statements, including but not limited to the following areas:

- expected credit losses under IFRS 9, ‘Financial instruments’;

- the impairment of tangible and intangible assets under IAS 36, ‘Impairment of non-financial assets’;

- the net realisable value of inventory under IAS 2, ‘Inventories’;

- deferred taxation in accordance with IAS 12, ‘Income taxes’

- provisions and contingent liabilities under IAS 37 ; and

- going concern assumption used for the preparation of these consolidated financial statements.

According to management’s assessment, there is no significant accounting impact of the effects of COVID-19 on these consolidated financial statements.

49. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison; however, except for restatement of loss per share, no significant re-classifications / re-statements have been made to these consolidated financial

50. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements have been authorised for issue on September 09, 2021 by the board of directors of the Holding Company.

Atique Ahmad Khan	**Hafiz Farooq Ahmad**	**Asim Mahmud**
Chief Executive Officer	**Director**	**Chief Financial Officer**

Ghani Global Group

GHANI GLOBAL HOLDINGS LIMITED

14th Annual General Meeting

FORM OF PROXY

I/We ______________________________

of ______________________________

being a member of GHANI GLOBAL HOLDINGS LIMITED ______________________________

______________________________ hereby appoint ______________________________

of ______________________________

failing him ______________________________

as my / our Proxy to attend act and vote for me/us on my/our behalf at 14th Annual General Meeting of the members of the Company to be held at Lahore on Saturday, October 23, 2021 at 11:00 AM and at any adjournment(s) thereof.

Signed this __________ day of October 2021.

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.

غنی گلوبل ہولڈنگز لمیٹیڈ

Ghani Global Group

پراکسی فارم برائے چودھواں سالانہ اجلاس عام

میں مسمّٰی/مسمّاۃ ____________________ ساکن ____________________

ضلع ____________________ بحیثیت ممبر غنی گلوبل ہولڈنگز لمیٹیڈ ، مسمّٰی/مسمّاۃ ____________________

ساکن ____________________ کو بطورِ مختار (پراکسی) مقرر کرتا ہوں تا کہ وہ میری جگہ اور میری طرف سے

کمپنی کے چودھواں سالانہ اجلاس عام جو بتاریخ ہفتہ 23 اکتوبر 2021 صبح 11 بجے کمپنی کے رجسٹرڈ آفس لاہور میں منعقد ہو رہا ہے اور اس کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

آج بروز __________ بتاریخ __________ اکتوبر 2021ء کو دستخط کیے گئے۔

دستخط ممبر

گواہان:

1. دستخط: ____________________
نام: ____________________
پتہ: ____________________
شناختی کارڈ/ پاسپورٹ نمبر: ____________________

2. دستخط: ____________________
نام: ____________________
پتہ: ____________________
شناختی کارڈ/ پاسپورٹ نمبر: ____________________

پانچ روپے مالیت کے رسیدی ٹکٹ پر دستخط

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

(*) مقرر کردہ پراکسی کی ناکامی پر

Ghani Global Group

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