



**Ghani Global Group**

Faith

Experience

Innovation

Growth

**3rd Quarter**

March 31, 2024

**Ghani Chemical Industries Limited**

Manufacturers of Medical / Industrial Gases & Chemicals



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Masroor Ahmad Khan  
(Chairman)  
Hafiz Farooq Ahmad  
(Chief Executive Officer)  
Atique Ahmad Khan  
Rabia Atique  
Muhammad Yahya  
Hafiz Imran Lateef  
Shiekh Muhammad Saleem Ahsan

## MANAGEMENT TEAM

M. Ashraf Bawany  
(President)  
Asim Mahmud  
(Director Finance / CFO)  
Farzand Ali  
(GM Corporate / Company Secretary)  
Syed Sibtul Hassan Gilani  
(GM Procurement)  
Bilal Butt  
(GM Sales & Marketing)  
Abid Ameen  
(Head of Plants)

## EXTERNAL AUDITORS

ShineWing Hameed Chaudhri & Co.  
Chartered Accountants

## SHARIAH ADVISOR (SUKUK)

Al Halal Shariah Advisors (Private) Limited

## CREDIT RATING

Long term rating A  
Short term rating A1  
(by The Pakistan Credit Rating Agency Limited)

## LEGAL ADVISOR

Asif Mahmood Khan, Advocate  
DSK Law Firm, Lahore.

## SHARE REGISTRAR

Corplink (Private) Limited  
Wings Arcade, 1-K Commercial,  
Model Town, Lahore-Pakistan.  
Tell: 042-35916714

## BOARD COMMITTEES

### Audit & Risk Management Committee

Shiekh Muhammad Saleem Ahsan  
(Chairman)  
Masroor Ahmad Khan  
Rabia Atique

### HR&R and Compensation Committee

Hafiz Imran Lateef  
(Chairman)  
Rabia Atique  
Hafiz Farooq Ahmad  
Muhammad Yahya

## BANKERS

Albaraka Bank Pakistan Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Bank Islami (Pakistan) Limited  
Dubai Islamic Bank Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metro Bank Limited  
JS Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
The Bank of Punjab  
The Bank of Khyber

## REGISTERED/CORPORATE OFFICE

10-N, Model Town Ext, Lahore.  
UAN: 111 GHANI 1 (442-641)  
Fax: (092) 042-35160393  
E-mail: info.gases@ghaniglobal.com  
Website: www.ghaniglobal.com

## REGIONAL MARKETING OFFICE

C-7/A, Block F, Gulshan-e-Jamal  
Rashid Minhas Road, Karachi.

Ph: 021-34572150

## MANUFACTURING PLANTS

- Phool Nagar, Tehsil Pattoki,  
Distt. Kasur, Punjab.  
- Eastern Industrial Zone, Port Qasim,  
Karachi, Sindh.  
- Hattar Special Economic Zone,  
Distt. Haripur, KPK.

# DIRECTORS' REVIEW

## DEAR SHAREHOLDERS,

Assalam-o-Alaikum Wa RehmatUllah Wa BarakatoH

The directors of your Company (Ghani Chemical Industries Limited) are pleased to present the unaudited condensed interim financial statements of the Company for the nine months ended March 31, 2024, in compliance with the requirements of Companies Act, 2017.

## FINANCIAL PERFORMANCE

By the grace of Almighty Allah despite all adverse economic factors during the period under review, your Company improved the sales / turnover and profitability as compared to the same period of last year. For the period ended March 2024, your company closed the sales at amounting to Rs. 4,301 million mark as compared to last period end sales of Rs. 3,706 million showing the 16% increase in sale. Gross profit increased to Rs. 1,167 million from Rs. 1,156 million as compared to same period in last year. Distribution cost and administrative cost incurred during period is Rs. 114 million and Rs. 169 million whereas for the comparative period it was Rs. 151 million and Rs.165 million, respectively. Profit from operations is increased from 34% in corresponding period to 32%.

Finance cost for the period incurred on the long term finance and working capital lines increased to Rs. 297 million from Rs. 285 million. Alhamdulillah Company earned profit amounting to Rs. 666 million as compared to the comparative period which was Rs. 426 million. As a result Earnings per share improved to Rs. 1.34 whereas during comparative period Company's Earnings per share was Rs. 0.89.

A comparison of the key financial results of your Company for the period ended March 31, 2024 with the same period of last year is as under:

Particulars	31-Mar-24	31-Mar-23
	(Rupees in'000)	(Rupees in'000)
Sales	4,300,660	3,706,324
Sales - net	3,645,771	3,148,932
Gross profit	1,167,419	1,156,688
Distribution cost	(114,069)	(151,258)
Administrative expenses	(169,957)	(165,833)
Profit from operations	1,243,730	1,019,041
Finance cost	(297,695)	(285,792)
Profit after taxation	665,863	425,534
Earnings per share	1.34	0.89

To enter into other gases segments, your Company has acquired 100% shareholding of its associated company named Ghani Gases (Private) Limited after approval by the shareholders of the Company in their Extraordinary General Meeting held on March 02, 2024. In addition to above to enter into power generation business, your Company has formed a wholly owned subsidiary in the name of Ghani Power (Private) Limited.

## FUTURE PROSPECTS

Your Company has been taking bold steps for new developments in healthcare both in public and private sector across the country with increased emphasis on a healthier and generally better quality of life. In addition to oxygen, nitrous oxide, and other industrial gases like Liquid Nitrogen being prepared for use in pharmaceutical-based products as well as in food and beverage industry.

To meet the additional requirements of medical and industrial gases in Southern Region of the country, your Company has decided to relocate one of the 110TPD ASU plant installed at Phool Nagar (out of two) at some suitable location.

Your Company is actively in process to setup Pakistan's largest and the company's 5<sup>th</sup> 275TPD ASU plant for manufacturing of medical and industrial gases at Hattar, KPK, Special Economic Zone. In addition to above, your Company is setting up import substitute calcium carbide manufacturing project at Hattar Special Economic Zone. Hopefully this project will save millions of foreign exchange and shall also contribute in improving foreign exchange reserves for the country. Both the projects are expected to be accomplished shortly.

## **ACKNOWLEDGEMENTS**

Indeed, all growth in the business of the Company was not possible without the Will and Blessings of ALMIGHTY ALLAH. The Board of Directors wish to express their gratitude to valued shareholders, banks/financial Institutions, and suppliers for their continuous support, cooperation and patronage. We also wish to place on record the dedication, hard work and diligence of executives, staff and workers of the company.

**For and behalf of Board of Directors**



**HAFIZ FAROOQ AHMAD**  
(Chief Executive Officer)



**ATIQUE AHMAD KHAN**  
(Director)

**Lahore:**  
April 29, 2024

## مستقبل کے امکانات

آپ کی کمپنی صحت مند اور عام طور پر بہتر معیار زندگی پر بڑھتے ہوئے زور کے ساتھ ملک بھر میں سرکاری اور نجی دونوں شعبوں میں صحت کی دیکھ بھال میں نئی پیش رفت کے لیے جرات مندانہ اقدامات کر رہی ہے۔ آکسیجن کے علاوہ، نائٹرس آکسائیڈ، اور دیگر صنعتی گیسوں جیسے مائع نائٹروجن کو دو اساسی پرہنی مصنوعات کے ساتھ ساتھ کھانے اور مشروبات کی صنعت میں استعمال کے لیے تیار کیا جا رہا ہے۔

ملک کے جنوبی علاقے میں طبی اور صنعتی گیسوں کی اضافی ضروریات کو پورا کرنے کے لیے، آپ کی کمپنی نے پھول نگر (دو میں سے) میں نصب 110 TPD ASU پلانٹ میں سے ایک کو کسی مناسب جگہ پر منتقل کرنے کا فیصلہ کیا ہے۔

آپ کی کمپنی حطار، KPK، خصوصی اقتصادی زون میں طبی اور صنعتی گیسوں کی تیاری کے لیے پاکستان کا سب سے بڑا اور کمپنی کا 5 واں ASU 275 TPD پلانٹ لگانے کے لیے سرگرم عمل ہے۔ مذکورہ بالا کے علاوہ، آپ کی کمپنی حطار اسپیشل اکنامک زون میں امپورٹ متبادل کمپلیمنٹ کاربائیڈ مینوفیکچرنگ پروجیکٹ قائم کر رہی ہے۔ امید ہے کہ اس منصوبے سے لاکھوں امریکی ڈالر کی بچت ہوگی اور ملک کے لیے زرمبادلہ کمانے کے دروازے بھی کھلیں گے۔ دونوں منصوبے جلد مکمل ہونے کی امید ہے۔

## اعتراف

درحقیقت کمپنی کے کاروبار میں تمام تر ترقی اللہ تعالیٰ کی مرضی اور برکت کے بغیر ممکن نہیں تھی۔ بورڈ آف ڈائریکٹرز قابل قدر شیئر ہولڈرز، بینکوں / مالیاتی اداروں، اور سپلائرز کے مسلسل تعاون، تعاون اور سرپرستی کے لیے ان کا شکریہ ادا کرنا چاہتا ہے۔ ہم کمپنی کے ایگزیکٹوز، عملے اور کارکنوں کی لگن، محنت اور تندہی کو بھی ریکارڈ پر رکھنا چاہتے ہیں۔

عتیق احمد خان  
(ڈائریکٹر)

حافظ فاروق احمد  
(چیف ایگزیکٹو آفیسر)

لاہور:

29 اپریل 2024

## ڈائریکٹرز رپورٹ

پیارے شیئر ہولڈرز

السلام وعلیکم ورحمۃ اللہ وبرکات

آپ کی کمپنی کے ڈائریکٹرز کو کمپنیز ایکٹ 2017 کے تقاضوں کی تعمیل میں 31 مارچ 2024 کو ختم ہونے والے نو ماہی کے لیے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی گوشواروں کو پیش کرنے پر خوشی ہے۔

### مالیاتی کارکردگی

اللہ تعالیٰ کے فضل و کرم سے زیر نظر سال کے دوران تمام منفی معاشی عوامل کے باوجود، آپ کی کمپنی نے گزشتہ سال کی اسی مدت کے مقابلے فروخت/کاروبار اور منافع میں بہتری لائی۔ مارچ 2024 کو ختم ہونے والی مدت کے لیے، آپ کی کمپنی نے 4,301 ملین روپے کی فروخت بند کر دی ہے جو کہ گزشتہ مدت کے اختتام پر 3,706 ملین روپے کی فروخت کے مقابلے میں فروخت میں 16 فیصد اضافہ ظاہر کرتی ہے۔

مجموعی منافع گزشتہ سال کی اسی مدت کے مقابلے میں 1,156 ملین روپے سے بڑھ کر 1,167 ملین روپے ہو گیا۔ اس مدت کے دوران تقسیم کی لاگت اور انتظامی لاگت روپے ملین اور 169 ملین روپے ہے جبکہ تقابلی مدت کے لئے یہ بالترتیب 151 ملین روپے اور 165 ملین روپے تھی۔ کمپنی کا آپریٹنگ منافع 34% (مارچ 2023: 32%) ہے۔

طویل مدتی فنانس اور ورکنگ کیپیٹل لائنوں پر خرچ ہونے والی مدت کے لیے مالیاتی لاگت 285 ملین روپے سے بڑھ کر 297 ملین روپے ہو گئی۔ الحمد للہ کمپنی نے تقابلی مدت کے مقابلے میں 666 ملین روپے کا منافع کمایا جو کہ 426 ملین روپے تھا۔ نتیجہ میں فی حصص آمدنی 1.34 روپے ہے جبکہ تقابلی مدت کے دوران کمپنی کی فی حصص آمدنی 0.89 روپے تھی۔

گزشتہ سال کی اسی مدت کے ساتھ 31 مارچ 2024 کو ختم ہونے والی مدت کے لیے آپ کی کمپنی کے اہم مالیاتی نتائج کا موازنہ حسب ذیل ہے:

Particulars	31-Mar-24	31-Mar-23
	(Rupees in '000 )	(Rupees in '000 )
Sales	4,300,660	3,706,324
Sales - net	3,645,771	3,148,932
Gross profit	1,167,419	1,156,688
Distribution cost	(114,069)	(151,258)
Administrative expenses	(169,957)	(165,833)
Profit from operations	1,243,730	1,019,041
Finance cost	(297,695)	(285,792)
Profit after taxation	665,863	425,534
Earnings per share	1.34	0.89

دیگر کیسوں کے حصوں میں داخل ہونے کے لیے، آپ کی کمپنی نے 02 مارچ 2024 کو منعقدہ غیر معمولی جنرل میٹنگ میں کمپنی کے شیئر ہولڈرز کی منظوری کے بعد اپنی منسلک کمپنی غنی گیسز (پرائیویٹ) لمیٹڈ کا 100% شیئر ہولڈنگ حاصل کر لی ہے۔ پاور جنریشن کے کاروبار میں داخل ہونے کے لیے اوپر کے علاوہ آپ کی کمپنی نے غنی پاور (پرائیویٹ) لمیٹڈ کے نام سے ایک مکمل ملکیتی ذیلی ادارہ بنایا ہے۔

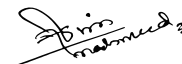
**GHANI CHEMICAL INDUSTRIES LIMITED**
**UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024**

		Un-Audited March 31, 2024	Audited June 30, 2023
	Note	Rupees in thousand	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	9,831,788	7,210,169
Right of use assets		488,739	498,874
Intangible assets		1,479	1,479
Investments		600	0
Long term deposits		66,607	67,193
		10,389,213	7,777,715
<b>Current assets</b>			
Stores, spares and loose tools		440,339	313,845
Stock-in-trade		427,006	79,375
Trade debts		1,494,216	1,020,529
Loan and advances	7	1,506,089	1,582,155
Deposits, prepayments and other receivables		525,043	443,570
Tax refunds due from Government		111,889	34,230
Advance income tax		318,075	440,031
Short term Investment		180,000	911,000
Cash and bank balances		378,928	525,173
		5,381,585	5,349,908
<b>Total assets</b>		15,770,798	13,127,623
<b>Equity and liabilities</b>			
<b>Share capital and reserves</b>			
Authorised share capital		8,500,000	8,500,000
Share capital		5,001,879	5,001,879
Share premium		164,011	164,011
Revaluation surplus on freehold and leasehold land		497,278	497,278
Merged reserves		1,342,746	1,342,746
Unappropriated profit		2,489,907	1,824,044
<b>Total equity</b>		9,495,821	8,829,958
<b>Non-current liabilities</b>			
Long term finances	8	1,745,555	1,270,043
Redeemable capital - Sukuk		800,000	0
Long term security deposits		62,366	49,091
Lease liabilities		5,461	5,805
Deferred liabilities		777,005	662,815
		3,390,387	1,987,754
<b>Current liabilities</b>			
Trade and other payables	9	439,969	350,096
Contract liabilities - advances from customers		414,371	59,745
Accrued profit		276,105	122,787
Unclaimed dividend		491	491
Short term borrowings		1,155,986	1,127,439
Current portion of non-current liabilities		435,025	407,883
Taxation		162,643	241,470
		2,884,590	2,309,911
<b>Total liabilities</b>		6,274,977	4,297,665
<b>Contingencies and commitments</b>	10		
<b>Total equity and liabilities</b>		15,770,798	13,127,623

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



Hafiz Farooq Ahmad  
(Chief Executive Officer)



Asim Mahmud  
(Chief Financial Officer)



Atique Ahmad Khan  
(Director)

**GHANI CHEMICAL INDUSTRIES LIMITED**  
**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Note	Nine months period ended		Quarter ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- Rupees in '000 -----					
Sales		4,300,660	3,706,324	1,390,115	1,222,276
Less: sales tax		(654,889)	(557,392)	(209,380)	(197,192)
Sales - net		3,645,771	3,148,932	1,180,735	1,025,084
Cost of sales		(2,478,352)	(1,992,244)	(875,699)	(641,023)
Gross profit		1,167,419	1,156,688	305,036	384,061
Distribution cost		(114,069)	(151,258)	(34,980)	(45,946)
Administrative expenses		(169,957)	(165,833)	(61,789)	(45,677)
Other expenses		(72,312)	(60,269)	(18,402)	(21,288)
Other income		432,649	239,713	156,127	84,997
		76,311	(137,647)	40,956	(27,914)
Profit from operations		1,243,730	1,019,041	345,992	356,147
Finance cost		(297,695)	(285,792)	(86,167)	(72,266)
Profit before taxation		946,035	733,249	259,825	283,881
Taxation	11	280,172	307,715	49,987	112,559
Profit after taxation		665,863	425,534	209,838	171,322
Other comprehensive income		0	0	0	0
Total comprehensive income for the period		665,863	425,534	209,838	171,322
----- Rupees -----					
Earnings per share	12	1.34	0.89	0.42	0.36

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



Hafiz Farooq Ahmad  
(Chief Executive Officer)



Asim Mahmud  
(Chief Financial Officer)



Atique Ahmad Khan  
(Director)



**GHANI CHEMICAL INDUSTRIES LIMITED**  
**UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

Share capital	Capital reserves			Revenue reserve - unappropriated profit / (accumulated loss)	Total	
	Share premium	Revaluation surplus on freehold and leasehold land	Merged reserves			
----- Rupees in thousand -----						
Balance as at June 30, 2022 restated	4,347,163	300,000	298,727	1,342,746	1,316,153	7,604,789
Proceeds from right shares issued during the period	220,000	0	0	0	0	220,000
Total comprehensive income for the period ended March 31, 2023	0	0	0	0	425,534	425,534
Bonus shares issued during the period	434,716	(135,989)	(298,727)	0	0	0
<b>Balance as at March 31, 2023</b>	<b>5,001,879</b>	<b>164,011</b>	<b>0</b>	<b>1,342,746</b>	<b>1,741,687</b>	<b>8,250,323</b>
Balance as at June 30, 2023	5,001,879	164,011	497,278	1,342,746	1,824,044	8,829,958
Total comprehensive income for the period ended March 31, 2024	0	0	0	0	665,863	665,863
<b>Balance as at period March 31, 2024</b>	<b>5,001,879</b>	<b>164,011</b>	<b>497,278</b>	<b>1,342,746</b>	<b>2,489,907</b>	<b>9,495,821</b>

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



Hafiz Farooq Ahmad  
(Chief Executive Officer)



Asim Mahmud  
(Chief Financial Officer)



Atique Ahmad Khan  
(Director)

**GHANI CHEMICAL INDUSTRIES LIMITED**  
**UNCONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Un-Audited March 31, 2024	Un-Audited March 31, 2023
	(Rupees in thousand)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period - before taxation	946,035	733,249
<b>Adjustments for non-cash charges and other items:</b>		
Finance cost	297,695	285,792
Depreciation	127,839	116,064
Amortisation of intangible assets	0	2,221
Amortisation of right-of-use assets	10,135	7,900
Gain on disposal of operating fixed assets	(57,611)	(7,470)
Gas Infrastructure Development Cess	403	0
Allowance for expected credit loss	0	5,000
Amortisation of deferred income	0	(323)
Loss on foreign exchange contract	672	0
<b>Profit before working capital changes</b>	<b>1,325,168</b>	<b>1,142,433</b>
<b>Effect on cash flows due to working capital changes</b>		
<b>(Increase) / decrease in current assets:</b>		
Stores, spares and loose tools	(126,494)	(552,024)
Stock-in-trade	(347,631)	69,470
Trade debts	(473,687)	66,389
Loan and advances	76,066	(1,288,971)
Deposits, prepayments and other receivables	(81,473)	10,417
Short term Investment	731,000	459,000
Tax refunds due from Government	(77,659)	24,749
<b>(Decrease) / increase in current liabilities:</b>		
Contract liabilities - advances from customers	354,626	0
Trade and other payables	89,120	210,375
	<b>143,868</b>	<b>(1,000,595)</b>
<b>Cash generated from operations</b>	<b>1,469,036</b>	<b>141,838</b>
Income tax paid - net	(123,256)	(167,594)
<b>Net cash generated from / (used in) operating activities</b>	<b>1,345,780</b>	<b>(25,756)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(2,876,616)	(215,953)
Proceeds from sale of operating fixed assets	184,768	66,824
Investments made	(600)	75
Non-current assets held for sale	0	626,628
<b>Net cash ( used in) / generated from investing activities</b>	<b>(2,692,448)</b>	<b>477,574</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances- net	665,007	531,913
Redeemable capital - Sukuk (redeemed) -net	637,499	(162,500)
Long term security deposits - net	13,275	4,825
Short term borrowings	28,547	(516,407)
Proceeds from issue of right issue	0	220,000
Lease Liabilities	(197)	(433)
Finance cost paid	(143,708)	(268,906)
<b>Net cash generated from / (used in) financing activities</b>	<b>1,200,423</b>	<b>(191,508)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(146,245)</b>	<b>260,310</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>525,173</b>	<b>855,168</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>378,928</b>	<b>1,115,478</b>

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



Hafiz Farooq Ahmad  
(Chief Executive Officer)



Asim Mahmud  
(Chief Financial Officer)



Atique Ahmad Khan  
(Director)

**GHANI CHEMICAL INDUSTRIES LIMITED**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

**1. LEGAL STATUS AND OPERATIONS**

Ghani Chemical Industries Limited (the Company) 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. The Company is principally engaged in manufacturing, sale and trading of medical & industrial gases and chemicals. The registered office and head office of the Company 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. The Company's liaison office is situated in Sangjani, District Rawalpindi.

The Company is a Subsidiary of Ghani Global Holdings Ltd., which holds 279,905,983 (June 30, 2023: 279,905,983) ordinary shares of the Company representing 55.96% (June 30, 2023: 58.53%) of its paid-up capital as at March 31, 2024.

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 the Company on July 08, 2019 after the effective date.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting 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.

- 2.1.2** These unconsolidated condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2023. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

**2.1.3** These unconsolidated condensed interim financial statements are the separate financial statements of the Company in which investment in Subsidiary Companies is accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investee. Unconsolidated condensed interim financial statements of the Company are prepared and are presented separately.

**2.2 Basis of measurement**

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention.

**2.3 Functional and presentation currency**

These unconsolidated condensed interim financial statements are presented in Pak Rupees, which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

**3. Accounting policies**

All the accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2023.

**4. Changes In Accounting Standards, Interpretations And Amendments To Published Approved Accounting Standards**

**4.1 Standards, amendments to published standards, interpretations and guidelines that are effective in the current period**

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these unconsolidated condensed interim financial statements.

**4.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company.**

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2023. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

**5. Accounting estimates and judgements**

The preparation of unconsolidated condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unconsolidated condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended June 30, 2023.

<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		<b>Un-Audited March 31, 2024</b>	<b>Audited June 30, 2023</b>
	<b>Note</b>	<b>Rupees in thousand</b>	
Operating fixed assets	<b>6.1</b>	<b>6,574,878</b>	6,241,673
Capital work-in-progress	<b>6.2</b>	<b>1,259,524</b>	209,889
Stores held for Capitalization		<b>1,997,386</b>	758,607
		<b><u>9,831,788</u></b>	<b><u>7,210,169</u></b>
<b>6.1 Operating fixed assets - tangible</b>			
Opening book value		<b>6,241,673</b>	5,869,182
Add: addition during the period / year	<b>6.1.1</b>	<b>588,202</b>	157,873
Less: book value of the disposals	<b>6.1.2</b>	<b>(127,158)</b>	(59,354)
Add: book value of the held for sale		<b>0</b>	52,250
Add: surplus on revaluation		<b>0</b>	379,126
		<b><u>6,702,717</u></b>	<b><u>6,399,077</u></b>
Less: depreciation charged during the period / year		<b>(127,839)</b>	(157,404)
Closing book value		<b><u>6,574,878</u></b>	<b><u>6,241,673</u></b>
<b>6.1.1 Addition during the period / year</b>			
Plant and machinery		<b>361,622</b>	51,757
Building		<b>399</b>	0
Furniture and fixtures		<b>3,165</b>	11,719
Office equipments		<b>3,210</b>	623
Computers		<b>1,058</b>	1,526
Vehicles		<b>218,748</b>	92,248
		<b><u>588,202</u></b>	<b><u>157,873</u></b>
<b>6.1.2 Disposals during the period / Year</b>			
Land		<b>0</b>	56,000
Plant and machinery		<b>51,510</b>	149
Vehicles		<b>75,387</b>	3,205
Office equipment		<b>261</b>	0
		<b><u>127,158</u></b>	<b><u>59,354</u></b>
<b>6.1.3 Surplus on revaluation</b>			
Land - Freehold		<b>0</b>	246,080
Land - Leasehold		<b>0</b>	133,046
		<b><u>0</u></b>	<b><u>379,126</u></b>

	Note	Un-Audited March 31, 2024	Audited June 30, 2023
<b>6.2 Capital work in progress - Plant and machinery at cost</b>			
Opening balance		209,889	20,667
Additions during the year		1,049,635	189,222
Closing balance		<u>1,259,524</u>	<u>209,889</u>
<b>7. LOAN AND ADVANCES - Unsecured, considered good</b>			
Advances to:			
- employees against expenses		4,791	4,853
- employees against salaries		92	92
- suppliers and contractors		223,473	205,691
Due from related parties		1,134,867	866,331
Letters of credit		144,351	506,673
		<u>1,507,574</u>	<u>1,583,640</u>
Allowance for impairment		(1,485)	(1,485)
		<u>1,506,089</u>	<u>1,582,155</u>
<b>8. LONG TERM FINANCES From banking companies - secured</b>			
Diminishing Musharakah		2,158,938	1,493,931
Current portion grouped under current liabilities		(413,383)	(223,888)
		<u>1,745,555</u>	<u>1,270,043</u>
<b>9. TRADE AND OTHER PAYABLES</b>			
Trade creditors		194,315	252,910
Accrued liabilities		119,322	24,419
Workers' (profit) participation fund		50,869	18,328
Workers' welfare fund		58,171	46,764
Payable to employees' provident fund		4,221	13
Withholding income tax		13,071	7,662
		<u>439,969</u>	<u>350,096</u>

## 10. CONTINGENCIES AND COMMITMENTS

### Contingencies

- 10.1** The company has filed a writ petition in Honorable Lahore High Court against LESCO for fuel price adjustment (FPA) and quarter tariff adjustment (QTR) charged in the utility bills. Honorable Lahore High Court disposed off the writ petition by declaring that the demand of Fuel Price Adjustment, Quarter Tariff Adjustment, Change of status of tariff from Industrial to Commercial by the NEPRA not constituted fully under section 3 of the NEPRA Act, 1997 is illegal, without lawful authority and coram non judge, having no legal effects to the Company dated 21 February 2023. Whereas LESCO has filed a petition in Supreme Court of Pakistan against the decision of Honorable Lahore High Court and the Supreme Court of Pakistan has referred the case to NEPRA and NEPRA has given its verdict against the applicants and the Company has filed another writ petition in Honorable Islamabad High Court(IHC). IHC granted the stay and the case in pending adjudication. Our Legal counsel is confident that company has strong grounds to win the case in its favor. The financial impact of the case was Rs. 146.785 million.
- 10.2** There are no any material changes in contingencies as disclosed in the note to the financial statements for the year ended June 30, 2023.

### Commitments

- 10.3** Commitments in respect of letters of credit amounted to Rs. 235.618 million (June 30, 2023: Rs.1,943.721 million).
- 10.4** Commitments for construction of buildings as at March 31, 2024 amounted Rs.250 million (June 30,2023:Rs.200 million).

## 11. INCOME TAX

### Current

- for the period	<b>160,826</b>
- prior years	<b>564</b>
Deferred	<b>118,782</b>

**280,172**

- 11.1** Provision for Super Tax amounting Rs.85.160 million approximately has not been made in these condensed interim unconsolidated financial statements based on the fact that additions of Rs.3 billion approximately are expected to be capitalised in the second half year ending June 30, 2024. The management anticipates that due to availability of initial allowance and tax depreciation, the Company's taxable profit for the year ending June 30, 2024 will not fall under the slab applicable for Super Tax.

## 12. EARNINGS PER SHARE

	March 31,	March 31,
	2024	2023
	<b>Rupees in thousand</b>	
There is no dilutive effect on earnings per share of the Company, which is based on:		
Profit after taxation attributable to ordinary shareholders	<b>665,863</b>	425,534
	<b>(Number of shares)</b>	
Weighted average number of ordinary shares in issue during the year	<b>496,107,972</b>	478,187,972
	<b>----- Rupees -----</b>	
Earnings per share - basic	<b>1.34</b>	0.89

### 13. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Holding Company and Associated Companies, directors of the Company, key management personnel and staff retirement benefit fund. The Company in the normal course of business carries out transactions with various related parties. Details of related parties with whom the Company has transacted along with relationship and transactions, other than those which have been disclosed in these financial statements, were as follows:

<b>Name of related party</b>	<b>Relationship</b>
- Ghani Global Holdings Ltd.	Parent Company
- Ghani Global Glass Ltd.	Associated Company
- Mr. Masroor Ahmad Khan	Director/ shareholder
- Mr. Atique Ahmad Khan	-do-
- Hafiz Farooq Ahmad	-do-
- A-One Prefabs (Pvt.) Ltd.	Associated Company
- Ghani Gases (Pvt.) Ltd.	Wholly owned Subsidiary
- Ghani power (Pvt.) Ltd.	Wholly owned Subsidiary
- A-One Batteries (Pvt.) Ltd.	Associated Company
- Provident Fund Trust	Employees' retirement fund

#### 13.1 Transactions with related parties

<b>Relationship with related party</b>	<b>Nature of transaction</b>	<b>March 31, 2024 Rupees in thousand</b>	<b>March 31, 2023</b>
<b>Holding Company</b>	Commission against corporate guarantee	<b>6,558</b>	2,808
	Return on advances given	<b>4,571</b>	0
<b>Subsidiary Companies</b>	Investment made	<b>600</b>	0
<b>Associated Company</b> - Ghani Global Glass	Sale	<b>47,204</b>	95,707
	Sale of plant & machinery	<b>82,600</b>	0
	Return on advances given	<b>149,152</b>	71,703
	Sharing of expenses - net	<b>183,947</b>	312,430
	<b>Provident fund trust</b>	Contribution paid	<b>25,130</b>



## 14. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim unconsolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's financial statements as at and for the year ended June 30, 2023.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2023.

### FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Given below is the analysis of financial instruments, carried at fair value, by valuation method. The different levels have been defined as follows:

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

The carrying values of all financial assets and liabilities reflected in these interim financial statements approximate their fair values.

## 15. SEGMENT REPORTING

15.1 The Company 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.

15.2 Segment results were as follows:

Descriptions	Period end March 31, 2024			Period end March 31, 2023		
	Industrial and Medical Gases	Industrial Chemicals	Total	Industrial and Medical Gases	Industrial Chemicals	Total
----- Rupees in thousand -----						
Net sales	3,529,232	116,539	3,645,771	2,612,296	536,636	3,148,932
Cost of sales	(2,376,152)	(102,200)	(2,478,352)	(1,533,486)	(458,758)	(1,992,244)
Gross profit	1,153,080	14,339	1,167,419	1,078,810	77,878	1,156,688
Distribution cost	(110,647)	(3,422)	(114,069)	(143,695)	(7,563)	(151,258)
Administrative expenses	(161,459)	(8,498)	(169,957)	(152,566)	(13,267)	(165,833)
	(272,106)	(11,920)	(284,026)	(296,261)	(20,830)	(317,091)
Segment profit	880,974	2,419	883,393	782,549	57,048	839,597
Unallocated corporate expenses						
Other expenses			(72,312)			(60,269)
Other income			432,649			239,713
			1,243,730			1,019,041
Finance cost			(297,695)			(285,792)
Profit before taxation			946,035			733,249
Taxation			(280,172)			(307,715)
Profit after taxation			665,863			425,534

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

	As at March 31, 2024			As at March 31, 2023		
	Industrial and Medical Gases	Industrial Chemicals	Total	Industrial and Medical Gases	Industrial Chemicals	Total
----- Rupees in thousand -----						
Segment assets	12,380,948	2,487	12,383,435	8,417,121	32,681	8,449,802
Unallocated assets			3,387,363			3,890,136
Total assets			15,770,798			12,339,938
Segment liabilities	2,158,847	354,822	2,513,669	2,031,179	3,066	2,034,245
Unallocated liabilities			3,761,308			2,055,370
Total liabilities			6,274,977			4,089,615

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

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


15.5 One of the Company's customers having net sales aggregating Rs.1,021.174 million contributed towards 28.01% of the Company's net sales.

## 16. CORRESPONDING FIGURES

- The comparative unconsolidated condensed interim statement of financial position presented in these unconsolidated condensed interim financial statements has been extracted from the audited unconsolidated financial statements of the Company for the year ended June 30, 2023, whereas the comparative unconsolidated condensed interim statement of profit or loss & other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been extracted from the un-audited unconsolidated condensed interim financial statements for the period ended March 31, 2023.
- Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilities better comparison and to conform with the changes in presentation.

## 17. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were approved by the Board of Directors and authorised for issue on **April 29, 2024**.



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Hafiz Farooq Ahmad  
(Chief Executive Officer)



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Asim Mahmud  
(Chief Financial Officer)



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Atique Ahmad Khan  
(Director)

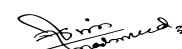
**GHANI CHEMICAL INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024**

		Un-Audited March 31, 2024	Audited June, 30 2023
		Rupees in thousand	
<b>ASSETS</b>	<b>Note</b>		
<b>Non-current assets</b>			
Property, plant and equipment	6	9,831,788	7,210,169
Right of use assets		488,739	498,874
Intangible assets		1,653	1,479
Long term deposits		66,607	67,193
		<u>10,388,787</u>	<u>7,777,715</u>
<b>Current assets</b>			
Stores, spares and loose tools		440,339	313,845
Stock-in-trade		427,006	79,375
Trade debts		1,494,216	1,020,529
Loan and advances	7	1,506,089	1,582,155
Deposits, prepayments and other receivables		525,043	443,570
Tax refunds due from Government		111,889	34,230
Advance income tax		318,075	440,031
Short term Investment		180,000	911,000
Cash and bank balances		379,453	525,173
		<u>5,382,110</u>	<u>5,349,908</u>
<b>Total assets</b>		<u>15,770,897</u>	<u>13,127,623</u>
<b>Equity and liabilities</b>			
<b>Share capital and reserves</b>			
Authorised share capital		8,500,000	8,500,000
Share capital		<u>5,001,879</u>	<u>5,001,879</u>
Share premium		164,011	164,011
Revaluation surplus on freehold and leasehold land		497,278	497,278
Merged reserves		1,342,746	1,342,746
Unappropriated profit		<u>2,489,907</u>	<u>1,824,044</u>
<b>Total equity</b>		<u>9,495,821</u>	<u>8,829,958</u>
<b>Non-current liabilities</b>			
Long term finances	8	1,745,555	1,270,043
Redeemable capital - Sukuk		800,000	0
Long term security deposits		62,366	49,091
Lease liabilities		5,461	5,805
Deferred liabilities		<u>777,005</u>	<u>662,815</u>
		<u>3,390,387</u>	<u>1,987,754</u>
<b>Current liabilities</b>			
Trade and other payables	9	440,068	350,096
Contract liabilities - advances from customers		414,371	59,745
Accrued profit		276,105	122,787
Unclaimed dividend		491	491
Short term borrowings		1,155,986	1,127,439
Current portion of non-current liabilities		435,025	407,883
Taxation		<u>162,643</u>	<u>241,470</u>
		<u>2,884,689</u>	<u>2,309,911</u>
<b>Total liabilities</b>		<u>6,275,076</u>	<u>4,297,665</u>
<b>Contingencies and commitments</b>	10		
<b>Total equity and liabilities</b>		<u>15,770,897</u>	<u>13,127,623</u>

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



Hafiz Farooq Ahmad  
(Chief Executive Officer)



Asim Mahmud  
(Chief Financial Officer)



Atique Ahmad Khan  
(Director)

**GHANI CHEMICAL INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Nine months period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees in '000 -----			
<b>Sales</b>	<b>4,300,660</b>	3,706,324	<b>1,390,115</b>	1,222,276
<b>Less: sales tax</b>	<b>(654,889)</b>	(557,392)	<b>(209,380)</b>	(197,192)
<b>Sales - net</b>	<b>3,645,771</b>	3,148,932	<b>1,180,735</b>	1,025,084
<b>Cost of sales</b>	<b>(2,478,352)</b>	(1,992,244)	<b>(875,699)</b>	(641,023)
<b>Gross profit</b>	<b>1,167,419</b>	1,156,688	<b>305,036</b>	384,061
<b>Distribution cost</b>	<b>(114,069)</b>	(151,258)	<b>(34,980)</b>	(45,946)
<b>Administrative expenses</b>	<b>(169,957)</b>	(165,833)	<b>(61,789)</b>	(45,677)
<b>Other expenses</b>	<b>(72,312)</b>	(60,269)	<b>(18,402)</b>	(21,288)
<b>Other income</b>	<b>432,649</b>	239,713	<b>156,127</b>	84,997
	<b>76,311</b>	(137,647)	<b>40,956</b>	(27,914)
<b>Profit from operations</b>	<b>1,243,730</b>	1,019,041	<b>345,992</b>	356,147
<b>Finance cost</b>	<b>(297,695)</b>	(285,792)	<b>(86,167)</b>	(72,266)
<b>Profit before taxation</b>	<b>946,035</b>	733,249	<b>259,825</b>	283,881
<b>Taxation</b>	<b>11 280,172</b>	307,715	<b>49,987</b>	112,559
<b>Profit after taxation</b>	<b>665,863</b>	425,534	<b>209,838</b>	171,322
<b>Other comprehensive income</b>	<b>0</b>	0	<b>0</b>	0
<b>Total comprehensive income for the period</b>	<b>665,863</b>	425,534	<b>209,838</b>	171,322
	----- Rupees -----			
<b>Earnings per share</b>	<b>12 1.34</b>	0.89	<b>0.42</b>	0.36

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



Hafiz Farooq Ahmad  
(Chief Executive Officer)



Asim Mahmud  
(Chief Financial Officer)



Atique Ahmad Khan  
(Director)

**GHANI CHEMICAL INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Capital reserves			Revenue reserve - unappropriated profit / (accumulated loss)	Total	
	Share capital	Share premium	Revaluation surplus on freehold and leasehold land			Merged reserves
	----- Rupees in thousand ----- 1,653					
<b>Balance as at June 30, 2022 restated</b>	<b>4,347,163</b>	<b>300,000</b>	<b>298,727</b>	<b>1,342,746</b>	<b>1,316,153</b>	<b>7,604,789</b>
Proceeds from right shares issued during the period	220,000	0	0	0	0	220,000
Total comprehensive income for the period ended March 31, 2023	0	0	0	0	425,534	425,534
Bonus shares issued during the period	434,716	(135,989)	(298,727)	0	0	0
<b>Balance as at March 31, 2023</b>	<b>5,001,879</b>	<b>164,011</b>	<b>0</b>	<b>1,342,746</b>	<b>1,741,687</b>	<b>8,250,323</b>
<b>Balance as at June 30, 2023</b>	<b>5,001,879</b>	<b>164,011</b>	<b>497,278</b>	<b>1,342,746</b>	<b>1,824,044</b>	<b>8,829,958</b>
Total comprehensive income for the period ended March 31, 2024	0	0	0	0	665,863	665,863
<b>Balance as at period March 31, 2024</b>	<b>5,001,879</b>	<b>164,011</b>	<b>497,278</b>	<b>1,342,746</b>	<b>2,489,907</b>	<b>9,495,821</b>

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



Hafiz Farooq Ahmad  
(Chief Executive Officer)



Asim Mahmud  
(Chief Financial Officer)



Atique Ahmad Khan  
(Director)

**GHANI CHEMICAL INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Un-Audited March 31, 2024	Un-Audited March 31, 2023
	(Rupees in thousand)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period - before taxation	946,035	733,249
<b>Adjustments for non-cash charges and other items:</b>		
Finance cost	297,695	285,792
Depreciation	127,839	116,064
Amortisation of intangible assets	0	2,221
Amortisation of right-of-use assets	10,135	7,900
Gain on disposal of operating fixed assets	(57,611)	(7,470)
Gas Infrastructure Development Cess	403	0
Allowance for expected credit loss	0	5,000
Amortisation of deferred income	0	(323)
Loss on foreign exchange contract	672	0
<b>Profit before working capital changes</b>	<b>1,325,168</b>	<b>1,142,433</b>
<b>Effect on cash flows due to working capital changes</b>		
<b>(Increase) / decrease in current assets:</b>		
Stores, spares and loose tools	(126,494)	(552,024)
Stock-in-trade	(347,631)	69,470
Trade debts	(473,687)	66,389
Loan and advances	76,066	(1,288,971)
Deposits, prepayments and other receivables	(81,473)	10,417
Short term Investment	731,000	459,000
Tax refunds due from Government	(77,659)	24,749
<b>(Decrease) / increase in current liabilities:</b>		
Contract liabilities - advances from customers	354,626	0
Trade and other payables	89,219	210,375
	<b>143,967</b>	<b>(1,000,595)</b>
<b>Cash generated from operations</b>	<b>1,469,135</b>	<b>141,838</b>
Income tax paid - net	(123,256)	(167,594)
<b>Net cash generated from / (used in) operating activities</b>	<b>1,345,879</b>	<b>(25,756)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(2,876,616)	(215,953)
Proceeds from sale of operating fixed assets	184,768	66,824
Investments made	0	75
Intangible assets	(174)	0
Non-current assets held for sale	0	626,628
<b>Net cash ( used in) / generated from investing activities</b>	<b>(2,692,022)</b>	<b>477,574</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances- net	665,007	531,913
Redeemable capital - Sukuk (redeemed) -net	637,499	(162,500)
Long term security deposits - net	13,275	4,825
Short term borrowings	28,547	(516,407)
Proceeds from issue of right issue	0	220,000
Lease Liabilities	(197)	(433)
Finance cost paid	(143,708)	(268,906)
<b>Net cash generated from / (used in) financing activities</b>	<b>1,200,423</b>	<b>(191,508)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(145,720)</b>	<b>260,310</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>525,173</b>	<b>855,168</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>379,453</b>	<b>1,115,478</b>

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



**Hafiz Farooq Ahmad**  
(Chief Executive Officer)



**Asim Mahmud**  
(Chief Financial Officer)



**Atique Ahmad Khan**  
(Director)

**GHANI CHEMICAL INDUSTRIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

**1. LEGAL STATUS AND OPERATIONS**

Ghani Chemical Industries Limited (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. The Company is principally engaged in manufacturing, sale and trading of medical & industrial gases and chemicals. The registered office and head office of the Company 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. The Company's liaison office is situated in Sangjani, District Rawalpindi.

The Company is a Subsidiary of Ghani Global Holdings Ltd., which holds 279,905,983 (June 30, 2023: 279,905,983) ordinary shares of the Company representing 55.96% (June 30, 2023: 58.53%) of its paid-up capital as at March 31, 2024.

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 the Company on July 08, 2019 after the effective date.

**1.1. Subsidiary Companies of GCIL**

**(b) Ghani Gases (pvt.) Ltd. formerly (Awal Engineering (Pvt.) Ltd.) (GGPL)**

GGPL was incorporated in Pakistan under the Companies Act, 2017 as a private limited company on May 18, 2020. The registered office of GGPL is situated at 10-N, Model Town Extension, Lahore. The principal business of GGL is to manufacture and repair turbines, compressors and rotors parts. GGPL has not commenced its commercial operations till the reporting date.

**(b) Ghani Power (pvt.) Ltd. (GPPL)**

GPPL was incorporated in Pakistan under the Companies Act, 2017 as a private limited company on March 07, 2024. The registered office of GPPL is situated at 10-N, Model Town Extension, Lahore. The principal line of business of the GPPL shall be to carry on all or any of the businesses of generating, purchasing, importing, transforming, converting, manufacturing, distributing, supplying, exporting and dealing in power, electricity, oil, gas, hydrocarbons, petrochemicals, petroleum solar, hydel power plants and petroleum products, asphalt, bituminous substances or services associated therewith and all other forms of energy and energy related products / services. GPPL has not commenced its commercial operations till the reporting date.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting 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.

**2.1.2** These consolidated condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Group as at and for the year ended June 30, 2023. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Group's financial position and performance since the last annual audited financial statements.

## **2.2 Basis of measurement**

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

## **2.3 Functional and presentation currency**

These consolidated condensed interim financial statements are presented in Pak Rupees, which is also the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

## **3. Accounting policies**

All the accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2023.

## **4. Changes In Accounting Standards, Interpretations And Amendments To Published Approved Accounting Standards**

### **4.1 Standards, amendments to published standards, interpretations and guidelines that are effective in the current period**

There were certain amendments to accounting and reporting standards which became mandatory for the Group during the period. However, these do not have any significant impact on the Group's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

### **4.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group.**

There are certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after July 01, 2023. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

## 5. Accounting estimates and judgements

The preparation of consolidated condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these consolidated condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended June 30, 2023.

6. PROPERTY, PLANT AND EQUIPMENT		Un-Audited	Audited
		March 31, 2024	June 30, 2023
		Rupees in thousand	
	<b>Note</b>		
Operating fixed assets	<b>6.1</b>	<b>6,574,878</b>	6,241,673
Capital work-in-progress	<b>6.2</b>	<b>1,259,524</b>	209,889
Stores held for Capitalization		<b>1,997,386</b>	758,607
		<b>9,831,788</b>	<b>7,210,169</b>
<b>6.1 Operating fixed assets - tangible</b>			
Opening book value		<b>6,241,673</b>	5,869,182
Add: addition during the period / year	<b>6.1.1</b>	<b>588,202</b>	157,873
Less: book value of the disposals	<b>6.1.2</b>	<b>(127,158)</b>	(59,354)
Add: book value of the held for sale		<b>0</b>	52,250
Add: surplus on revaluation		<b>0</b>	379,126
		<b>6,702,717</b>	6,399,077
Less: depreciation charged during the period / year		<b>(127,839)</b>	(157,404)
Closing book value		<b>6,574,878</b>	6,241,673
<b>6.1.1 Addition during the period / year</b>			
Plant and machinery		<b>361,622</b>	51,757
Building		<b>399</b>	0
Furniture and fixtures		<b>3,165</b>	11,719
Office equipments		<b>3,210</b>	623
Computers		<b>1,058</b>	1,526
Vehicles		<b>218,748</b>	92,248
		<b>588,202</b>	<b>157,873</b>
<b>6.1.2 Disposals during the period / Year</b>			
Land		<b>0</b>	56,000
Plant and machinery		<b>51,510</b>	149
Vehicles		<b>75,387</b>	3,205
Office equipment		<b>261</b>	0
		<b>127,158</b>	<b>59,354</b>

6.1.3 Surplus on revaluation	Note	Un-Audited March 31, 2024	Audited June 30, 2023
Land - Freehold		0	246,080
Land - Leasehold		0	133,046
		<u>0</u>	<u>379,126</u>
<b>6.2 Capital work in progress - Plant and machinery at cost</b>			
Opening balance		209,889	20,667
Additions during the period / year		1,049,635	189,222
Closing balance		<u>1,259,524</u>	<u>209,889</u>
<b>7. LOAN AND ADVANCES - Unsecured, considered good</b>			
Advances to:			
- employees against expenses		4,791	4,853
- employees against salaries		92	92
- suppliers and contractors		223,473	205,691
Due from related parties		1,134,867	866,331
Letters of credit		144,351	506,673
		<u>1,507,574</u>	<u>1,583,640</u>
Allowance for impairment		(1,485)	(1,485)
		<u>1,506,089</u>	<u>1,582,155</u>
<b>8. LONG TERM FINANCES From banking companies - secured</b>			
Diminishing Musharakah		2,158,938	1,493,931
Current portion grouped under current liabilities		(413,383)	(223,888)
		<u>1,745,555</u>	<u>1,270,043</u>
<b>9. TRADE AND OTHER PAYABLES</b>			
Trade creditors		194,315	252,910
Accrued liabilities		119,351	24,419
Payable to directors		70	0
Workers' (profit) participation fund		50,869	18,328
Workers' welfare fund		58,171	46,764
Payable to employees' provident fund		4,221	13
Withholding income tax		13,071	7,662
		<u>440,068</u>	<u>350,096</u>

## 10. CONTINGENCIES AND COMMITMENTS

### Contingencies of GCIL

- 10.1 The company has filed a writ petition in Honorable Lahore High Court against LESCO for fuel price adjustment (FPA) and quarter tariff adjustment (QTR) charged in the utility bills. Honorable Lahore High Court disposed off the writ petition by declaring that the demand of Fuel Price Adjustment, Quarter Tariff Adjustment, Change of status of tariff from Industrial to Commercial by the NEPRA not constituted fully under section 3 of the NEPRA Act, 1997 is illegal, without lawful authority and coram non judge, having no legal effects to the Company dated 21 February 2023. Whereas LESCO has filed a petition in Supreme Court of Pakistan against the decision of Honorable Lahore High Court and the Supreme Court of Pakistan has referred the case to NEPRA and NEPRA has given its verdict against the applicants and the Company has filed another writ petition in Honorable Islamabad High Court(IHC). IHC granted the stay and the case in pending adjudication. Our Legal counsel is confident that company has strong grounds to win the case in its favor. The financial impact of the case was Rs. 146.785 million.
- 10.2 There are no any material changes in contingencies as disclosed in the note to the financial statements for the year ended June 30, 2023.

### Commitments of GCIL

- 10.3 Commitments in respect of letters of credit amounted to Rs. 235.618 million (June 30, 2023: Rs.1,943.721 million).
- 10.4 Commitments for construction of buildings as at March 31, 2024 amounted Rs.250 million; (June 30,2023:Rs.200 million).

## 11. INCOME TAX

### Current

- for the period	<b>160,826</b>
- prior years	<b>564</b>
Deferred	<b>118,782</b>

**280,172**

- 11.1 Provision for Super Tax amounting Rs.85.160 million approximately has not been made in these condensed interim consolidated financial statements based on the fact that additions of Rs.3 billion approximately are expected to be capitalised in the second half year ending June 30, 2024. The management anticipates that due to availability of initial allowance and tax depreciation, the Group's taxable profit for the year ending June 30, 2024 will not fall under the slab applicable for Super Tax.

## 12. EARNINGS PER SHARE

	March 31,	March 31,
	2024	2023
	<b>Rupees in thousand</b>	
There is no dilutive effect on earnings per share of the Company, which is based on:		
Profit after taxation attributable to ordinary shareholders	<b>665,863</b>	425,534
	<b>(Number of shares)</b>	
Weighted average number of ordinary shares in issue during the year	<b>496,107,972</b>	478,187,972
	<b>----- Rupees -----</b>	
Earnings per share - basic	<b>1.34</b>	0.89

### 13. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Holding Group and Associated Companies, directors of the Group, key management personnel and staff retirement benefit fund. The Group in the normal course of business carries out transactions with various related parties. Details of related parties with whom the Group has transacted along with relationship and transactions, other than those which have been disclosed in these financial statements, were as follows:

<b>Name of related party</b>	<b>Relationship</b>
- Ghani Global Holdings Ltd.	Parent Company
- Ghani Global Glass Ltd.	Associated Company
- Mr. Masroor Ahmad Khan	Director/ shareholder
- Mr. Atique Ahmad Khan	-do-
- Hafiz Farooq Ahmad	-do-
- A-One Prefabs (Pvt.) Ltd.	Associated Company
- Ghani Gases (Pvt) Ltd.	Wholly owned Subsidiary
- Ghani power (Pvt.) Ltd.	Wholly owned Subsidiary
- A-One Batteries (Pvt.) Ltd.	Associated Company
- Provident Fund Trust	Employees' retirement fund

#### 13.1 Transactions with related parties

<b>Relationship with related party</b>	<b>Nature of transaction</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
		<b>Rupees in thousand</b>	
<b>Holding Company</b>	Commission against corporate guarantee	<b>6,558</b>	2,808
	Return on advances given	<b>4,571</b>	0
<b>Associated Company</b> <b>- Ghani Global Glass</b>	Sale	<b>47,204</b>	95,707
	Sale of plant & machinery	<b>82,600</b>	0
	Return on advances given	<b>149,152</b>	71,703
	Sharing of expenses - net	<b>183,947</b>	312,430
	<b>Provident fund trust</b>	Contribution paid	<b>25,130</b>

## 14. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's financial statements as at and for the year ended June 30, 2023.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2023.

### FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Given below is the analysis of financial instruments, carried at fair value, by valuation method. The different levels have been defined as follows:

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

The carrying values of all financial assets and liabilities reflected in these interim financial statements approximate their fair values.

## 15. SEGMENT REPORTING GCIL

**15.1** The Group 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.

15.2 Segment results were as follows:

Descriptions	Period end March 31, 2024			Period end March 31, 2023		
	Industrial and Medical Gases	Industrial Chemicals	Total	Industrial and Medical Gases	Industrial Chemicals	Total
	----- Rupees in thousand -----					
Net sales	3,529,232	116,539	3,645,771	2,612,296	536,636	3,148,932
Cost of sales	(2,376,152)	(102,200)	(2,478,352)	(1,533,486)	(458,758)	(1,992,244)
Gross profit	1,153,080	14,339	1,167,419	1,078,810	77,878	1,156,688
Distribution cost	(110,647)	(3,422)	(114,069)	(143,695)	(7,563)	(151,258)
Administrative expenses	(161,459)	(8,498)	(169,957)	(152,566)	(13,267)	(165,833)
	(272,106)	(11,920)	(284,026)	(296,261)	(20,830)	(317,091)
Segment profit	880,974	2,419	883,393	782,549	57,048	839,597
Unallocated corporate expenses						
Other expenses			(72,312)			(60,269)
Other income			432,649			239,713
			1,243,730			1,019,041
Finance cost			(297,695)			(285,792)
Profit before taxation			946,035			733,249
Taxation			(280,172)			(307,715)
Profit after taxation			665,863			425,534

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

	As at March 31, 2024			As at March 31, 2023		
	Industrial and Medical Gases	Industrial Chemicals	Total	Industrial and Medical Gases	Industrial Chemicals	Total
	----- Rupees in thousand -----					
Segment assets	12,380,948	2,487	12,383,435	8,417,121	32,681	8,449,802
Unallocated assets			3,387,363			3,890,136
Total assets			15,770,798			12,339,938
Segment liabilities	2,158,847	354,822	2,513,669	2,031,179	3,066	2,034,245
Unallocated liabilities			3,761,308			2,055,370
Total liabilities			6,274,977			4,089,615

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

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

15.5 One of the Company's customers having net sales aggregating Rs.1,021.174 million contributed towards 28.01% of the Company's net sales.

## 16. CORRESPONDING FIGURES

- The comparative condensed consolidated interim statement of financial position presented in these consolidated condensed interim financial statements has been extracted from the audited consolidated financial statements of the Company for the year ended June 30, 2023, whereas the comparative consolidated condensed interim statement of profit or loss & other comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows have been extracted from the unaudited consolidated condensed interim financial statements for the period ended March 31, 2023.
- Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilities better comparison and to conform with the changes in presentation.

## 17. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were approved by the Board of Directors and authorised for issue on **April 29, 2024**.



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Hafiz Farooq Ahmad  
(Chief Executive Officer)



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Asim Mahmud  
(Chief Financial Officer)



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Atique Ahmad Khan  
(Director)





**Ghani Global Group**

**Corporate Office:**

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