



Catering to **Fueling** Needs

First Quarter Ended 2022

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Company's Information

Board of Directors

- | | | |
|--|---|--|
| - Mr. Shaikh Abdus Sami
Chairman / Independent Director | - Mr. Asad Alam Khan
CEO / Director | - Mr. Saiffee Zakiuddin
Director |
| - Mrs. Hamdia Fatin Niazi
Director | - Mr. Muhammad Khalid Dar
Director | - Maj. Gen Rafi Ullah Khan (R)
Independent Director |
| - Ms. Shahbano Hameed
Director (NIT Nominee) | - Mr. Osman Malik
Director (NBP Nominee) | |

Management

- | | | |
|---|--|---|
| - Mr. Asad Alam Khan
Chief Executive Officer | - Mr. Saiffee Zakiuddin
Director Finance | - Mr. Khurram Kasbati
Chief Financial Officer |
| - Mr. Irfan Javaid Warsi
General Manager - Commercial & Business
Development and Human Resources (HR) | - Mr. Amir Aziz
Head of Operations Distribution
& HSSE | - Mr. Daniyal Mughal
Company Secretary
& Financial Controller |
| - Mr. Asad Wasty
Head of Internal Audit | | |

Bankers

- MCB Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Habib Bank Limited
- Standard Chartered Bank
Pakistan Limited
- Faysal Bank Limited
- United Bank Limited
- Summit Bank Limited
- Bank Alfalah Limited
- Sindh Bank Limited
- JS Bank Limited

Tax Advisors

- Maavins Solutions

Shares Registrar

- THK Associates (Pvt.) Limited
Plot No.32-C,
Jami Commercial Street-2,
D.H.A., Phase-VII, Karachi.
UAN: +92 (021) 111-000-322
FAX: +92(021) 35310190

Registered Office

- Suite 101, 1st Floor, Horizon Vista
Plot No. Commercial - 10, Block-4
Scheme No. 5, Clifton, Karachi – 75600
Tel : + 92 21 35898356, 35309870 & 73
UAN: +92 21 111 111 BPL (275)
Fax : + 92 21 3587 8353
www.burshane.com

Legal Advisors

- Mohsin Tayebaly & Co.

Auditors

- BDO Ebrahim & Co
Chartered Accountants

Director's Report

The Directors of your Company are hereby presenting the financial information of the Company for the period ended September 30, 2022.

Financial Performance

During the period under review, the sales volume of the Company at 6,244 MTs, decreased by 425 MTs (6.37%) compared to the corresponding period of preceding period primarily due to reduction in supplies received from PARCO and lower sales during the month of July 2022 due to flood in sindh areas. Net sales of the Company at Rs. 1,073.46 million increased by Rs. 289.96 million (37%) due to rising international crude oil prices and excess of LPG in the market compared to demand. The gross margins of the Company at Rs. 56.41 million (5.31% of sales value) was decreased by 0.35 million from last year comparative period.

Administrative expenses increased by Rs. 3.83 million (13.36%) compared to comparative period of previous year, mainly due to decrease in Litigation expenses pertaining to complaint lodged by Investigation and Intelligence (Inland Revenue) (I&I IR); however, distribution & marketing expenses have decreased by Rs. 0.36 million.

Profit before tax of the Company at Rs. 4.10 million, is decreased by Rs. 0.06 million from last year comparative period, mainly due to increase in finance cost on long-term loan.

The Company's earnings per share for the period under review is at Rs. 0.06 compared to earnings per share of Rs. 0.09 per share in the preceding period.

Material Changes and Commitments

A complaint was filed by the Directorate of Investigation and Intelligence (Inland Revenue) (I & I – IR) on August 31, 2020, against the Company for alleged Tax evasion of approximately PKR 1.7 billion, with Special Court for Customs, Taxation and (Anti-Smuggling). Based on this complaint the court passed 2 orders against the Company and some of its directors. The orders were pertaining to freezing of Company's 9 bank accounts for 90 days and issuance of Non Bailable Arrest Warrants of its certain Directors. The Company immediately obtained Protective Bail from the High Court and subsequently from the Special Court which was later confirmed.

The Company also filed a Constitutional Petition with High Court against the order of the Special Court for freezing of 9 bank accounts. All banks have removed the freeze on Company's accounts on expiry of 90 days.

Another Constitutional Petition challenging the Complaint filed by I & I - IR with the special Court under the Anti Money Laundering Act 2010, has also been filed with High Court. The Company has lost the case and directed to defend the case in the court of Special Judge (Custom, Taxation and Anti-Smuggling) Karachi.

The Company had received notices under section 177(1) of Income Tax Ordinance, 2001 regarding audit for tax years 2018 and 2019. The Company has replied and submitted relevant details and documents timely through various letters to FBR. The Company has received further notices for same tax years on August 16, 2022, in which the additions made by the Deputy Commissioner Inland Revenue in the assessments made under section 122 through order dated June 14, 2022 has not been accepted by the learned Commissioner Inland Revenue (Appeals-II), Karachi who has been pleased to remand the matter back for both the years, as such no demand subsists for tax year 2018 and 2019.

Business Ethics

We believe that sustainable development is only possible if we abide by our Business Principles. Burshane has firmly embedded them in all the operations of the company and we continuously strive to inculcate these principles among our stakeholders.

In the context of business growth, we would like to assure you that the management of your company is fully aware of its obligations towards its stakeholders and is determined to develop long-term corporate plans to increase the value of the business. We are looking into all possible options to increase the market share and earn an adequate return on capital employed of Burshane in a profitable manner; therefore, we are confident that we will show strong performance in the coming periods.

We have once again excelled in our performance of Health, Safety, Security and Environment (HSSE), with no lost time injury and fatality. The management is committed towards not only improving the HSSE standards for itself but leading in to establish best practices for the industry as well.

Composition of Board:

The total number of directors are eight and their composition is as following:

- Male: 6
- Female: 2

Category	Name
Independent Director	Maj. Gen (R.) Rafiullah Khan (R)
	Mr. Shaikh Abdus Sami
Non-Executive Directors	Ms. Hamdia Fatin Niazi
	Ms. Shahbano Hameed
	Mr. Khalid Dar
	Mr. Osman Malik
Executive Directors	Mr. Asad Alam Niazi
	Mr. Saiffee Zakiuddin

The following Committees continued to function as per the requirements of the law and as directed by the Board.

a) Audit Committee

- | | |
|-----------------------------|------------|
| Maj. Gen Rafiullah Khan (R) | - Chairman |
| Mr. Shaikh Abdus Sami | - Member |
| Ms. Hamdia Fatin Niazi | - Member |

b) Human Resource and Remuneration Committee

Maj. Gen Rafiullah Khan (R)	- Chairman
Mr. Asad Alam Niazi	- Member
Ms. Hamdia Fatin Niazi	- Member
Mr. Saiffee Zakiuddin	- Member

Financial Highlights:

(Rs. in '000)

Following are the key numbers of the results for the period:

Net Sales	1,073,455
Gross Margins	56,405
Profit before Tax	4,097
Profit after Tax	1,413
Earnings per share	0.06

Following is the appropriation:

Dividend declared	Cash	NIL
	Bonus	NIL

On behalf of the Board, we would like to thanks our staff, business partners, customers and all other stakeholders for their continued support in ensuring sustainable growth of the Company and for making Burshane their brand of first choice.

Saiffee Zakiuddin
Director

Asad Alam Niazi
Director / CEO

Karachi
Dated: October 28, 2022

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2022

		(Un-Audited) September 30, 2022	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	823,055	834,143
Intangible assets		266,846	269,375
Long-term investment		50,000	50,000
Long-term deposits		3,174	3,174
		<u>1,143,075</u>	<u>1,156,692</u>
CURRENT ASSETS			
Stores and spares		4,525	4,673
Stock-in-trade		59,491	44,925
Trade debts		118,156	87,747
Loans and advances		78,104	56,529
Deposits, prepayments and other receivables		139,502	124,908
Taxation - net		131,812	124,657
Cash and bank balances		17,485	96,296
		<u>549,075</u>	<u>539,735</u>
TOTAL ASSETS		<u>1,692,150</u>	<u>1,696,427</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		<u>900,000</u>	<u>900,000</u>
Issued, subscribed and paid-up capital		<u>224,888</u>	<u>224,888</u>
Capital reserves			
Revaluation surplus of property		336,715	336,715
Other reserves		122,981	122,981
Revenue reserve		<u>(73,719)</u>	<u>(75,132)</u>
		610,865	609,452
NON-CURRENT LIABILITIES			
Long-term loan		114,345	114,345
Lease liabilities		16,662	18,871
Deferred taxation - net		9,345	9,345
Cylinder and regulator deposits		470,506	466,197
		610,858	608,758
CURRENT LIABILITIES			
Loan from a subsidiary company		50,000	50,000
Trade and other payables		145,134	112,827
Short-term loan		-	45,000
Short-term borrowings		151,061	151,061
Unclaimed dividends		83,050	83,050
Accrued mark-up		9,682	3,205
Current portion of long-term loan		23,770	23,770
Current portion of lease liabilities		7,730	9,304
		<u>470,427</u>	<u>478,217</u>
TOTAL EQUITY AND LIABILITIES		<u>1,692,150</u>	<u>1,696,427</u>
CONTINGENCIES AND COMMITMENTS			

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The annexed notes from 1 to 11 form an integral part of these condensed interim unconsolidated financial statements.

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR
LOSS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	(Un-Audited) September 30, 2022	(Un-Audited) September 30, 2021
Note	----- (Rupees in '000) -----	
Sales - net	1,073,455	783,500
Cost of sales	(1,017,050)	(726,748)
Gross profit	56,405	56,752
Administrative expenses	(32,517)	(28,684)
Distribution and marketing expenses	(16,984)	(17,342)
Other income	10,887	960
Other expenses	(950)	(1,408)
	(39,564)	(46,474)
Operating profit	16,841	10,278
Financial costs	(12,744)	(6,243)
Profit before taxation	4,097	4,035
Taxation	(2,684)	(1,959)
Profit for the period	1,413	2,076
	----- (In Rupees) -----	
Earnings per share - basic and diluted	0.06	0.09

The annexed notes from 1 to 11 form an integral part of these condensed interim unconsolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	(Un-Audited) September 30, 2022	(Un-Audited) September 30, 2021
Note	----- (Rupees in '000) -----	
Profit for the period	1,413	2,076
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,413</u>	<u>2,076</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim unconsolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

		(Un-Audited) September 30, 2022	(Un-Audited) September 30, 2021
Note		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
	Cash used in operations	8 (24,046)	(49,039)
	Taxes paid	(9,839)	(599)
	Finance costs paid	(5,032)	(504)
	Long-term loans - net	-	109
	Cylinder and regulator deposits - net	9,842	9,363
	Net cash flows used in operating activities	(29,075)	(40,670)
CASH FLOWS FROM INVESTING ACTIVITIES			
	Purchases of property, plant and equipment	(2,668)	(11,042)
	Purchases of intangible assets	-	(12,388)
	Proceeds from property, plant and equipment	2,950	-
	Net cash flows generated from / (used in) investing activities	282	(23,430)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Short-term loan received	80,000	-
	Short-term loan paid	(125,000)	-
	Payment of lease liabilities	(5,018)	(3,142)
	Net cash flows used in financing activities	(50,018)	(3,142)
	Net decrease in cash and cash equivalents	(78,811)	(67,242)
	Cash and cash equivalents at beginning of the period	(54,765)	92,822
	Cash and cash equivalents at end of the period	(133,576)	25,580
Cash and cash equivalents at end of the period comprise of:			
	Cash and bank balances	17,485	25,580
	Short-term borrowings	(151,061)	-
		(133,576)	25,580

The annexed notes from 1 to 11 form an integral part of these condensed interim unconsolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Capital reserves					Revenue Reserves			
	Issued, subscribed and paid-up capital	Reserve on amalgamation	Revaluation surplus of property	Actuarial loss on remeasurement of retirement and other service benefits	Sub total	General Reserve	Accumulated loss	Sub total	Total
	(Rupees in ' 000)								
Balance as at July 01, 2021	224,888	153,458	336,415	(36,223)	453,650	90,000	(191,971)	(101,971)	576,567
Total comprehensive income for the three months period ended September 30, 2021									
Profit for the period	-	-	-	-	-	-	2,076	2,076	2,076
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	2,076	2,076	2,076
Balance as at September 30, 2021	<u>224,888</u>	<u>153,458</u>	<u>336,415</u>	<u>(36,223)</u>	<u>453,650</u>	<u>90,000</u>	<u>(189,895)</u>	<u>(99,895)</u>	<u>578,643</u>
Balance as at July 01, 2022	224,888	153,458	336,715	(30,477)	459,696	90,000	(165,132)	(75,132)	609,452
Total comprehensive income for the three months period ended September 30, 2022									
Profit for the period	-	-	-	-	-	-	1,413	1,413	1,413
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	1,413	1,413	1,413
Balance as at September 30, 2022	<u>224,888</u>	<u>153,458</u>	<u>336,715</u>	<u>(30,477)</u>	<u>459,696</u>	<u>90,000</u>	<u>(163,719)</u>	<u>(73,719)</u>	<u>610,865</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim unconsolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

1 LEGAL STATUS AND OPERATIONS

- 1.1 Burshane LPG (Pakistan) Limited (the Company) is a limited liability company incorporated in Pakistan and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at Suite 101, 1st Floor, Horizon Vista, Commercial Plot No. 10, Block - 4, Scheme No. 5, Clifton, Karachi.

The principal activity of the Company is storing, marketing and trading of Liquefied Petroleum Gas (LPG) throughout Pakistan and trading of Low Pressure Regulators (LPR).

- 1.2 The Company was a subsidiary of H.A.K.S. Trading (Private) Limited (HTPL). The major shareholder of HTPL was Mr. Asad Alam Niazi, Chief Executive of the holding company with 74.19% of the ordinary shares while various other shareholders held 25.81% shares. However, consequent to the approval of the scheme of arrangement for amalgamation of HTPL and the Company by the High Court of Sindh (the Court), HTPL was amalgamated with the Company on February 20, 2015.
- 1.3 These condensed interim unconsolidated financial statements are separate financial statements of the Company in which investment in subsidiary is accounted for at cost less accumulated impairment losses, if any. In addition, the Company prepares condensed interim consolidated financial statements which comprise of the Company's financial statements and its subsidiary's financial statements i.e. Burshane Auto Gas (Private) Limited being 100% owned subsidiary. The Company's another subsidiary which is Burshane Trading (Private) Limited's share capital has not been issued as at the reporting date.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim unconsolidated 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 applicable in Pakistan for international financial reporting comprise of:

- International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

- 2.2 In order to comply with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual financial statements of the immediately preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cashflows have been compared with the balances of comparable period of the immediately preceding financial year.
- 2.3 These condensed interim unconsolidated financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022. These condensed interim unconsolidated financial statements are un-audited and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and section 237 of the Companies Act, 2017.

2.4 These condensed interim unconsolidated financial statements have been presented in Pakistani ('Rupees') or 'Rs.', which is the Company's functional and presentation currency.

2.5 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have material impact on the Company's condensed interim unconsolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
IFRS 3 Business Combinations (Amendments)	January 01, 2022
IAS 1 Presentation of Financial Statements (Amendments)	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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim unconsolidated financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2022.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements, in conformity with the accounting and reporting standards for interim financial reporting requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates.

During the preparation of these condensed interim financial statements, there have been no changes in the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty from those that were applied to the annual audited financial statements of the Company for the year ended June 30, 2022.

The Company's financial risk management objective and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2022.

		<u>(Un-Audited)</u>	<u>(Audited)</u>
		<u>September 30,</u>	<u>June 30,</u>
		<u>2022</u>	<u>2022</u>
	Note	----- (Rupees in '000) -----	
5	PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets		797,067	804,367
Right of use assets		25,988	29,776
		<u>823,055</u>	<u>834,143</u>

5.1 Additions and disposals to property, plant and equipment during the period are as follows:

	<u>(Un-Audited)</u>	<u>(Un-Audited)</u>
	<u>September 30,</u>	<u>September 30,</u>
	<u>2022</u>	<u>2021</u>
	----- (Rupees in '000) -----	
Additions (at cost)		
Plant and machinery	35	553
Cylinders and regulators	1,798	8,563
Furniture, fittings, electrical and other equipment	381	-
Vehicles	71	-
Computer and related accessories	65	145
Fire fighting equipment	-	280
Buildings - Right of Use Asset	318	-
	<u>2,668</u>	<u>9,541</u>
Disposals (at written down value)		
Furniture, fittings, electrical and other equipment	51	-
Buildings - Right of Use Asset	1,233	-
	<u>1,284</u>	<u>-</u>

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There has been no significant change in the status of contingencies as disclosed in notes 33.1.2 to 33.1.8 of the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2022.

6.2 Claims not acknowledged as debts

Claims not acknowledged as debt by the Company as at September 30, 2022 amounted to Rs. 30.22 million (June 30, 2022: Rs. 31.90 million).

6.3 Commitments

Post-dated cheques as at September 30, 2022 amounted to Rs. 30.22 million (June 30, 2022: Rs. 31.90 million).

7 TAXATION

This represents minimum tax at the rate of 0.25% under section 113 of the Income Tax Ordinance, 2001.

		(Un-Audited)	
		September 30, 2022	June 30, 2022
		----- (Rupees in '000) -----	
8	CASH GENERATED FROM OPERATIONS		
	Profit before taxation	4,097	4,035
	Adjustment for non-cash and other items:		
	Gain on disposal of property, plant and equipment	(1,666)	-
	Financial charges	12,744	6,243
	Depreciation	12,472	11,034
	Amortization	2,529	14,929
	Liability for cylinder deposits written back	(5,533)	-
		20,546	32,206
	Loss before working capital changes	24,643	36,241
	Working capital changes	(48,689)	(85,280)
		(24,046)	(49,039)

8.1 Working capital changes

Decrease in current assets:		
Stores and spares	148	356
Stock-in-trade	(14,566)	(85,792)
Trade debts	(30,409)	12,807
Loans and advances	(21,575)	(31,212)
Deposits, prepayments and other receivables	(14,594)	31,040
	(80,996)	(72,801)
Increase / (decrease) in current liabilities:		
Trade and other payables	32,307	(12,479)
	(48,689)	(85,280)

9 TRANSACTIONS WITH RELATED PARTIES

The related parties include the former holding company, subsidiary company, staff retirement benefit / contribution plans, associated companies, other related parties, Directors and other Key Management Personnel. All major transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company.

Details of transactions during the period and balances at the reporting date with related parties, other than those which have been disclosed elsewhere in these condensed interim unconsolidated financial statements, are as follows:

		(Un-Audited)	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
Nature of relationship	Nature of transactions		
Transactions with related parties			
Subsidiary Company			
Burshane Auto Gas (Private) Limited	Expense paid on behalf of subsidiary company	-	178,200
	Amount received	-	188,778

		(Un-Audited)	
		September 30, 2022	September 30, 2021
Nature of relationship	Nature of transactions	----- (Rupees in '000) -----	
Transactions with related parties			
Staff retirement benefit / contribution plans			
Burshane LPG (Pakistan) Limited Management Staff Pension Fund	Benefits paid	-	2,151
Burshane LPG (Pakistan) Limited Provident Fund	Contribution paid	3,508	1,392
Associated Companies			
Burshane Petroleum (Private) Limited [Formerly Darian International (Private) Limited]	Short term Loan - received	80,000	-
	Short term Loan - paid	125,000	-
	Interest expense	2,559	-
	Interest paid	2,559	-
Key management personnel			
	Amount received against loan	199	161
	Managerial remuneration	14,158	16,284
	Meeting fees	300	350
	Retirement benefits	744	476
	Travelling and conveyance	224	145
	Medical allowance	72	393
	Mobile allowance	-	75

10 GENERAL

- 10.1 These condensed interim unconsolidated financial statements have been rounded to the nearest thousand rupee, unless stated otherwise.
- 10.2 Certain corresponding figures have been reclassified for better presentation, however, there are no material reclassifications to disclose.

11 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue on **October 28, 2022** by the Board of Directors of the Company.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2022

		(Un-Audited) September 30, 2022	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	823,055	834,143
Intangible assets		266,846	269,375
Long-term deposits		3,174	3,174
		<u>1,093,075</u>	<u>1,106,692</u>
CURRENT ASSETS			
Stores and spares		4,525	4,673
Stock-in-trade		59,491	44,925
Trade debts		118,156	87,747
Loans and advances		78,104	56,529
Deposits, prepayments and other receivables		139,275	124,687
Taxation - net		131,859	124,696
Cash and bank balances		18,138	96,932
		<u>549,548</u>	<u>540,190</u>
		<u>1,642,623</u>	<u>1,646,882</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		900,000	900,000
Issued, subscribed and paid-up capital		224,888	224,888
Capital reserves			
Revaluation surplus of property		336,715	336,715
Other reserves		122,987	122,987
Revenue reserve		(73,464)	(74,895)
		<u>611,126</u>	<u>609,695</u>
NON-CURRENT LIABILITIES			
Long-term loan		114,345	114,345
Lease liabilities		16,662	18,871
Deferred taxation - net		9,345	9,345
Cylinder and regulator deposits		470,506	466,197
		<u>610,858</u>	<u>608,758</u>
CURRENT LIABILITIES			
Trade and other payables		145,346	113,039
Short-term loan		-	45,000
Short-term borrowings		151,061	151,061
Unclaimed dividends		83,050	83,050
Accrued mark-up		9,682	3,205
Current portion of long-term loan		23,770	23,770
Current portion of lease liabilities		7,730	9,304
		<u>420,639</u>	<u>428,429</u>
		<u>1,642,623</u>	<u>1,646,882</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			

6

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR
LOSS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	(Un-Audited) September 30, 2022	(Un-Audited) September 30, 2021
Note	----- (Rupees in '000) -----	
Sales - net	1,073,455	783,500
Cost of sales	(1,017,050)	(726,748)
Gross profit	56,405	56,752
Administrative expenses	(32,517)	(28,684)
Distribution and marketing expenses	(16,984)	(17,342)
Other income	10,905	969
Other expenses	(950)	(1,408)
	(39,546)	(46,465)
Operating profit	16,859	10,287
Financial costs	(12,744)	(6,243)
Profit before taxation	4,115	4,044
Taxation	(2,684)	(1,962)
Profit for the period	1,431	2,082
	----- (In Rupees) -----	
Earnings per share - basic and diluted	0.06	0.09

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	(Un-Audited) September 30, 2022	(Un-Audited) September 30, 2021
Note	----- (Rupees in '000) -----	
Profit for the period	1,431	2,082
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,431</u>	<u>2,082</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

		(Un-Audited) September 30, 2022	(Un-Audited) September 30, 2021
Note		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
	8	(24,022)	(49,217)
Cash used in operations			
Taxes paid		(9,846)	(504)
Finance costs paid		(5,032)	(602)
Long-term loans - net		-	109
Cylinder and regulator deposits - net		9,842	9,363
Net cash flows used in operating activities		(29,058)	(40,851)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(2,668)	(11,042)
Purchases of intangible assets		-	(12,388)
Proceeds from property, plant and equipment		2,950	-
Net cash flows generated from / (used in) investing activities		282	(23,430)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term loan received		80,000	-
Short-term loan paid		(125,000)	-
Payment of lease liabilities		(5,018)	(3,142)
Net cash flows used in financing activities		(50,018)	(3,142)
Net decrease in cash and cash equivalents		(78,794)	(67,423)
Cash and cash equivalents at beginning of the year		(54,129)	93,623
Cash and cash equivalents at end of the year		(132,923)	26,200
Cash and cash equivalents at end of the year comprise of:			
Cash and bank balances		18,138	26,200
Short-term borrowings		(151,061)	-
		(132,923)	26,200

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Capital reserves					Revenue Reserves			
	Issued, subscribed and paid-up capital	Reserve on amalgamation	Revaluation surplus of property	Actuarial loss on remeasurement of retirement and other service benefits	Sub total	General Reserve	Accumulated loss	Sub total	Total
	(Rupees in ' 000)								
Balance as at July 01, 2021	224,888	153,458	336,415	(36,217)	453,656	90,000	(191,508)	(101,508)	577,036
Total comprehensive income for the three months period ended September 30, 2021									
Profit for the period	-	-	-	-	-	-	2,082	2,082	2,082
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	2,082	2,082	2,082
Balance as at September 30, 2021	224,888	153,458	336,415	(36,217)	453,656	90,000	(189,426)	(99,426)	579,118
Balance as at July 01, 2022	224,888	153,458	336,715	(30,471)	459,702	90,000	(164,895)	(74,895)	609,695
Total comprehensive income for the three months period ended September 30, 2022									
Profit for the period	-	-	-	-	-	-	1,431	1,431	1,431
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	1,431	1,431	1,431
Balance as at September 30, 2022	224,888	153,458	336,715	(30,471)	459,702	90,000	(163,464)	(73,464)	611,126

The annexed notes from 1 to 11 form an integral part of these condensed interim consolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

1 LEGAL STATUS AND OPERATIONS OF THE GROUP

The Group consists of Burshane LPG (Pakistan) Limited (note 1.1) and its subsidiary companies i.e. Burshane Auto Gas (Private) Limited (note 1.2.1) and Burshane Trading (Private) Limited (note 1.2.2).

1.1 The Holding Company

Burshane LPG (Pakistan) Limited (the Company) is a limited liability company incorporated in Pakistan and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at Suite 101, 1st Floor, Horizon Vista, Commercial Plot No. 10, Block - 4, Scheme No. 5, Clifton, Karachi.

The principal activity of the Company is storing, marketing and trading of Liquefied Petroleum Gas (LPG) throughout Pakistan and trading of Low Pressure Regulators (LPR).

1.2 Subsidiary Companies

1.2.1 Burshane Auto Gas (Private) Limited (the Subsidiary Company) was incorporated on September 26, 2014 under the repealed Companies Ordinance, 1984, now Companies Act, 2017. The Subsidiary Company will mainly be engaged in opening and managing petrol pumps and Liquefied Petroleum Gas (LPG) outlets. The registered office of the Subsidiary Company is situated at Suit No.101, 1st Floor, Horizon Vista, Commercial - 10, Block 04, Clifton, Karachi. The Subsidiary Company has not commenced its operations and is in the start-up phase. The Holding Company holds 99.99% voting rights and is committed to provide financial support to the Subsidiary Company as and when required.

1.2.2 Burshane Trading (Private) Limited (BTPL) was incorporated on October 13, 2014 under the repealed Companies Ordinance, 1984, now Companies Act, 2017, for setting up trading operations particularly in coal and other energy related products. The registered office of BTPL is situated at Suite 101, 1st Floor, Horizon Vista, Plot No. Commercial Block-4, Scheme No. 5, Clifton, Karachi. No share capital has been issued and no transactions were undertaken by BTPL during the year.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim consolidated 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 applicable in Pakistan for international financial reporting comprise of:

- International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

2.2 In order to comply with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated statement of financial position has been compared with the balances of annual consolidated financial statements of the immediately preceding financial year, whereas, the condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cashflows have been compared with the balances of comparable period of the immediately preceding financial year.

- 2.3 These condensed interim consolidated financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended June 30, 2022. These condensed interim consolidated financial statements are un-audited and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and section 237 of the Companies Act, 2017.
- 2.4 These condensed interim consolidated financial statements have been presented in Pakistani ('Rupees') or 'Rs.', which is the Company's functional and presentation currency.

2.5 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have material impact on the Company's condensed interim consolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
IFRS 3 Business Combinations (Amendments)	January 01, 2022
IAS 1 Presentation of Financial Statements (Amendments)	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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim consolidated financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2022.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim consolidated financial statements, in conformity with the accounting and reporting standards for interim financial reporting requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates.

During the preparation of these condensed interim consolidated financial statements, there have been no changes in the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty from those that were applied to the annual audited consolidated financial statements of the Company for the year ended June 30, 2022.

The Company's financial risk management objective and policies are consistent with those disclosed in the annual consolidated financial statements for the year ended June 30, 2022.

		(Un-Audited) September 30, 2022	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
5	PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	5.1	797,067	804,367
Right of use assets		25,988	29,776
		<u>823,055</u>	<u>834,143</u>

5.1 Additions and disposals to operating fixed assets during the period are as follows:

	(Un-Audited) September 30, 2022	(Un-Audited) September 30, 2021
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Additions (at cost)		
Plant and machinery	35	553
Cylinders and regulators	1,798	8,563
Furniture, fittings, electrical and other equipment	381	-
Vehicles	71	-
Computer and related accessories	65	145
Fire fighting equipment	-	280
Buildings - Right of Use Asset	318	-
	<u>2,668</u>	<u>9,541</u>
Disposals (at written down value)		
Furniture, fittings, electrical and other equipment	51	-
Buildings - Right of Use Asset	1,233	-
	<u>1,284</u>	<u>-</u>

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There has been no significant change in the status of contingencies as disclosed in notes 30.1.2 to 30.1.8 of the annual audited consolidated financial statements of the Company for the year ended June 30, 2022.

6.2 Claims not acknowledged as debts

Claims not acknowledged as debt by the Company as at September 30, 2022 amounted to Rs. 30.22 million (June 30, 2022: Rs. 31.90 million).

6.3 Commitments

Post-dated cheques as at September 30, 2022 amounted to Rs. 30.22 million (June 30, 2022: Rs. 31.90 million).

7 TAXATION

This represents minimum tax at the rate of 0.25% under section 113 of the Income Tax Ordinance, 2001.

		(Un-Audited)	
		September 30, 2022	June 30, 2022
		----- (Rupees in '000) -----	
8	CASH GENERATED FROM OPERATIONS		
	Profit before taxation	4,115	4,044
	Adjustment for non-cash and other items:		
	Loss on disposal of property, plant and equipment	(1,666)	-
	Financial charges	12,744	6,243
	Depreciation	12,472	11,034
	Amortization	2,529	14,929
	Liability for cylinder deposits written back	(5,533)	-
		20,546	32,206
	Loss before working capital changes	24,661	36,250
	Working capital changes	(48,683)	(85,467)
		(24,022)	(49,217)
8.1	Working capital changes		
	Decrease in current assets:		
	Stores and spares	148	356
	Stock-in-trade	(14,566)	(85,792)
	Trade debts	(30,409)	12,807
	Loans and advances	(21,575)	(31,212)
	Deposits, prepayments and other receivables	(14,588)	31,032
		(80,990)	(72,809)
	Increase / (decrease) in current liabilities:		
	Trade and other payables	32,307	(12,658)
		(48,683)	(85,467)

9 TRANSACTIONS WITH RELATED PARTIES

The related parties include the former holding company, subsidiary company, staff retirement benefit / contribution plans, associated companies, other related parties, Directors and other Key Management Personnel. All major transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company.

Details of transactions during the period and balances at the reporting date with related parties, other than those which have been disclosed elsewhere in these condensed interim consolidated financial statements, are as follows:

		(Un-Audited)	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
Nature of relationship	Nature of transactions		
Transactions with related parties			
Staff retirement benefit / contribution plans			
Burshane LPG (Pakistan) Limited			
Management Staff Pension Fund	Benefits paid	-	2,151
Burshane LPG (Pakistan) Limited			
Provident Fund	Contribution paid	3,508	1,392

		(Un-Audited)	
		September 30, 2022	September 30, 2021
Nature of relationship	Nature of transactions	----- (Rupees in '000) -----	
Transactions with related parties			
Associated Companies			
Burshane Petroleum (Private) Limited			
[Formerly Darian International (Private) Limited]	Short term Loan - received	80,000	-
	Short term Loan - paid	125,000	-
	Interest expense	2,559	-
	Interest paid	2,559	-
Key management personnel			
	Amount received against loan	199	161
	Managerial remuneration	14,158	16,284
	Meeting fees	300	350
	Retirement benefits	744	476
	Travelling and conveyance	224	145
	Medical allowance	72	393
	Mobile allowance	-	75

10 GENERAL

- 10.1 These condensed interim consolidated financial statements have been rounded to the nearest thousand rupee, unless stated otherwise.
- 10.2 Certain corresponding figures have been reclassified for better presentation, however, there are no material reclassifications to disclose.

11 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on **October 28, 2022** by the Board of Directors of the Company.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER