CATERING TO FUELING NEEDS

ANNUAL REPORT 2024


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CATERING TO FUELING NEEDS

Established in 1966, the objective of Burshane LPG (Pakistan) Limited is to engage efficiently, esponsiblity and profitably in the LPG and allied business. We seek a high Standard of performance, maintaining a strong long-term and growing position in the competive environment. The driving force behind Burshane LPG (Pakistan) Limited is a dedicated workforce made up of experienced professionals and its continuous efforts in maintaining high standards of technical resources and safety standards.

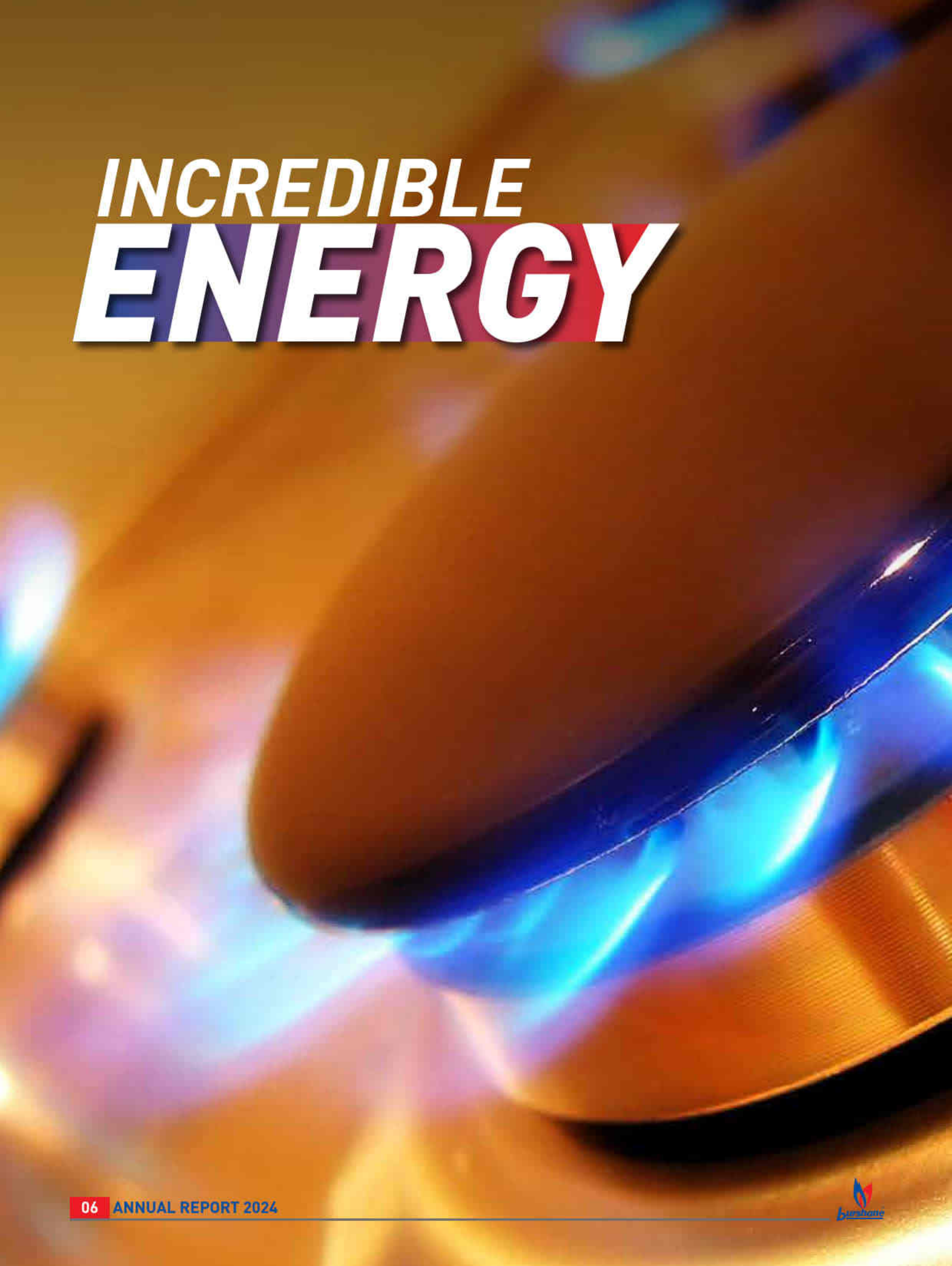
CONTENTS

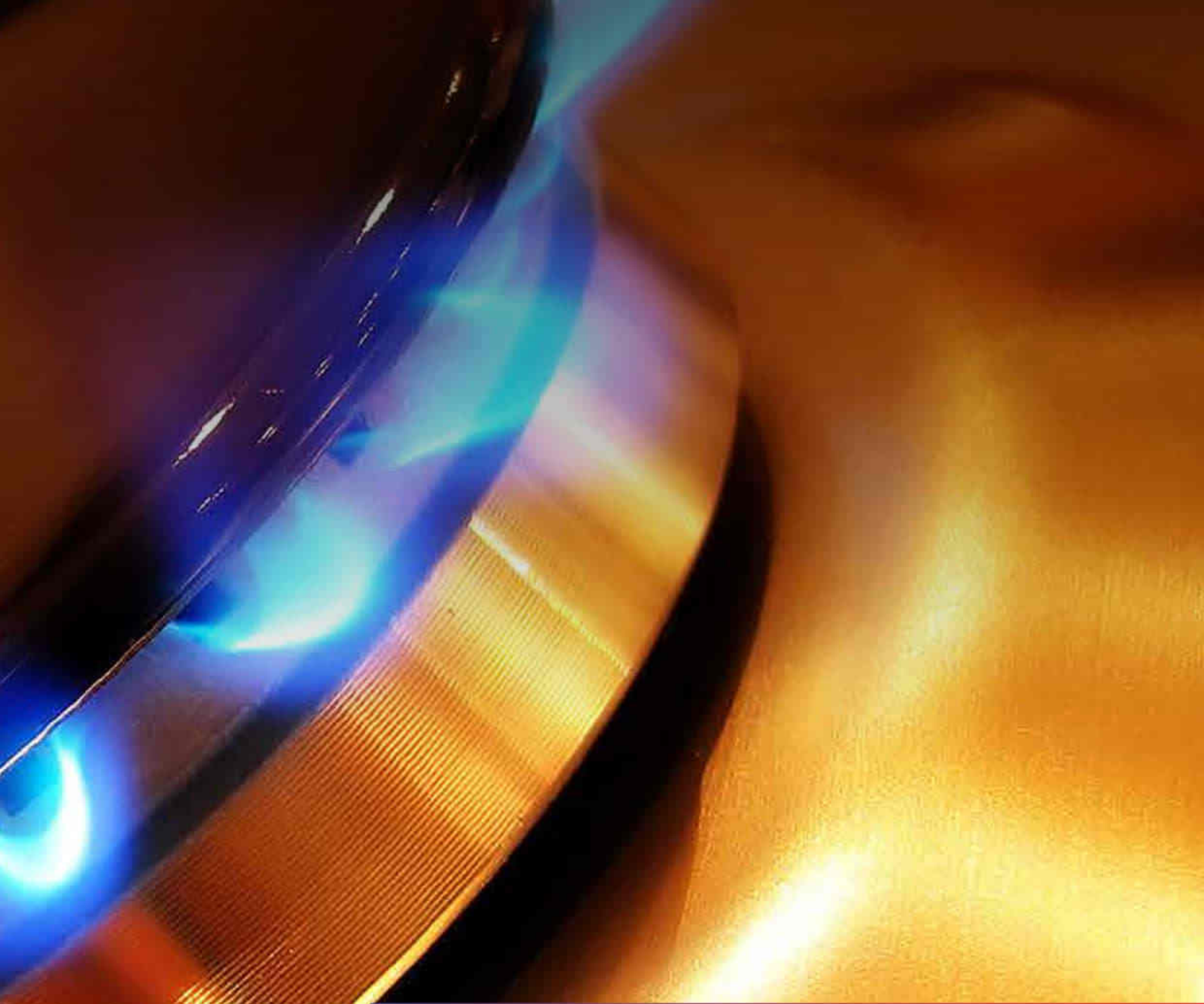
VISION

To Be The Performer of first Choice

At Burshane LPG (Pakistan) Limited, we strive to provide quality customer service through continous improvements in our effort to make uninterrupted supply of LPG to the users, development of our people and maintening high standards of technical resources and safety standards. Further we aim at sustained profitability and value growth for aur shareholders through strong financial foundation and loyal customers. We shall strive to provide better choices to our communities for improving quality of their life.

INCREDIBLE ENERGY





LPG Autogas is by far the most widely available environmentally friendly alternative fuel. Recent independent tests have also shown that LPG has the best environmental record compared with petrol and diesel.

Driving an LPG vehicle is safe, easy and best of all, much cheaper than driving a petrol or diesel model. Engines running on LPG produce less harmful emissions compared to petrol or diesel, whlist making significent savings at the pumps.

COMPANY INFORMATION

Board of Directors

Mr. Shaikh Abdus Sami
Chairman / Independent Director

Mr. Asad Alam Khan
CEO / Director

Mr. Saifee Zakiuddin
Director

Mr. Ali Alam Niazi
Director

Maj. Gen (R) Rafiullah Khan
Independent Director

Brig. (R) Rashid Siddiqi
Independent Director

Ms. Shahbano Hameed
Director (NIT Nominee)

Mr. Osman Malik
Director (NBP Nominee)

Auditors
BDO Ebrahim & Co.
Chartered Accountants

Legal Advisors
Mohsin Tayebaly & Co.

Tax Advisors
Maavins Solutions
Cost and Management Accountants

Registrar & Share Registration Office
THK Associates (Pvt.) Limited

Management

Mr. Asad Alam Khan
Chief Executive Officer

Mr. Saifee Zakiuddin
Director Finance

Mr. Khurram Kasbati
Chief Financial Officer

Mr. Irfan Javed Warsi
General Manager - Commercial
and Business Development (HR)

Mr. Amir Aziz
Head of Operations Distribution & HSSE

Mr. Asad Wasty
Head of internal Audit

Mr. Daniyal Mughal
Company Secretary & Financial Controller

Bankers
National Bank of Pakistan
Habib Bank Limited
MCB Bank Limited
Faysal Bank Limited
Bank Makramah Limited
Meezan Bank Limited
Sindh Bank Limited
JS Bank Limited

Registerd Office:
Suite 101, 1st Floor, Horizon Vista,
Plot No. Commercial - 10, Block-4
Scheme No. 5, Clifton, Karachi - 75600
Tel : + 92 21 35878356, 35309870 & 73
UAN : +92 21 111 111 BPL (275)
Fax : +92 21 3587 8353
www.burshane.com

CONVENIENT & SAFE DOMESTIC USE

In both urban and rural areas, LPG is being widely used as an alternative source of Natural Gas or where there is no access to central gas pipeline. In domestic segment LPG is used mainly for cooking and heating purposes, for economic reasons, convenience over traditional fuels as well as to ensure Environment (HSSE).

Burshane LPG (Pakistan) Limited is among the pioneers in LPG marketing and distribution in Pakistan. Company incorporated in 1966 and consistently developed and established its countrywide distribution network which is primarily focused to cater the needs of domestic users and deliver our best services to them.

Burshane LPG has a very clear strategy to offer and deliver diffrentiated Customer Value Propositions to various segments of market, to increase customer satisfaction and retain its position as the premium LPG brand available in market.

Company is committed on attracting more sutomers and enhancing the brand by providing products and sevices to creat customer loyalty and market share on a sustainable basis. Consistent focus on our CVP across the entire value chain has distinguished our brand among compititors in industry. Our core values of honesty, integrity and respect for people are at the heart of the way we manage our business.

MANAGEMENT

Mr. Asad Alam Niazi
Chief Executive Officer

Mr. Saifee Zakiuddin
Director Finance

Mr. Khurram Kasbati
Chief Financial Officer

Mr. Amir Aziz
Head of Operations Distribution & HSSE

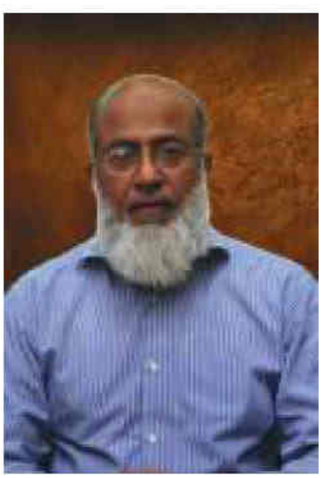
Mr. Asad Wasty
Head of Internal Audit

Mr. Daniyal Mughal
Company Secretary & Financial Controller

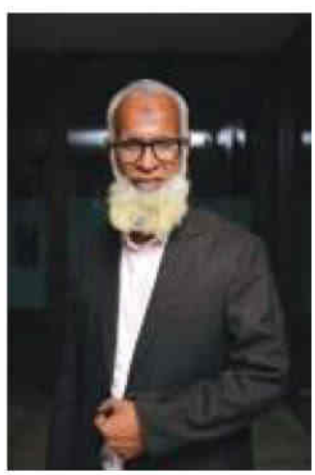
Mr.Shahid Abbas
Regional Sales Manager (North)

Mr. Irfan Javed Warsi
GM Commercial & Bussiness Development (HR)

Mr. Kashif Yousuf
Sales Account Manager



Mr. Syed Muhammad Wasi
Faisalabad Plant Manager

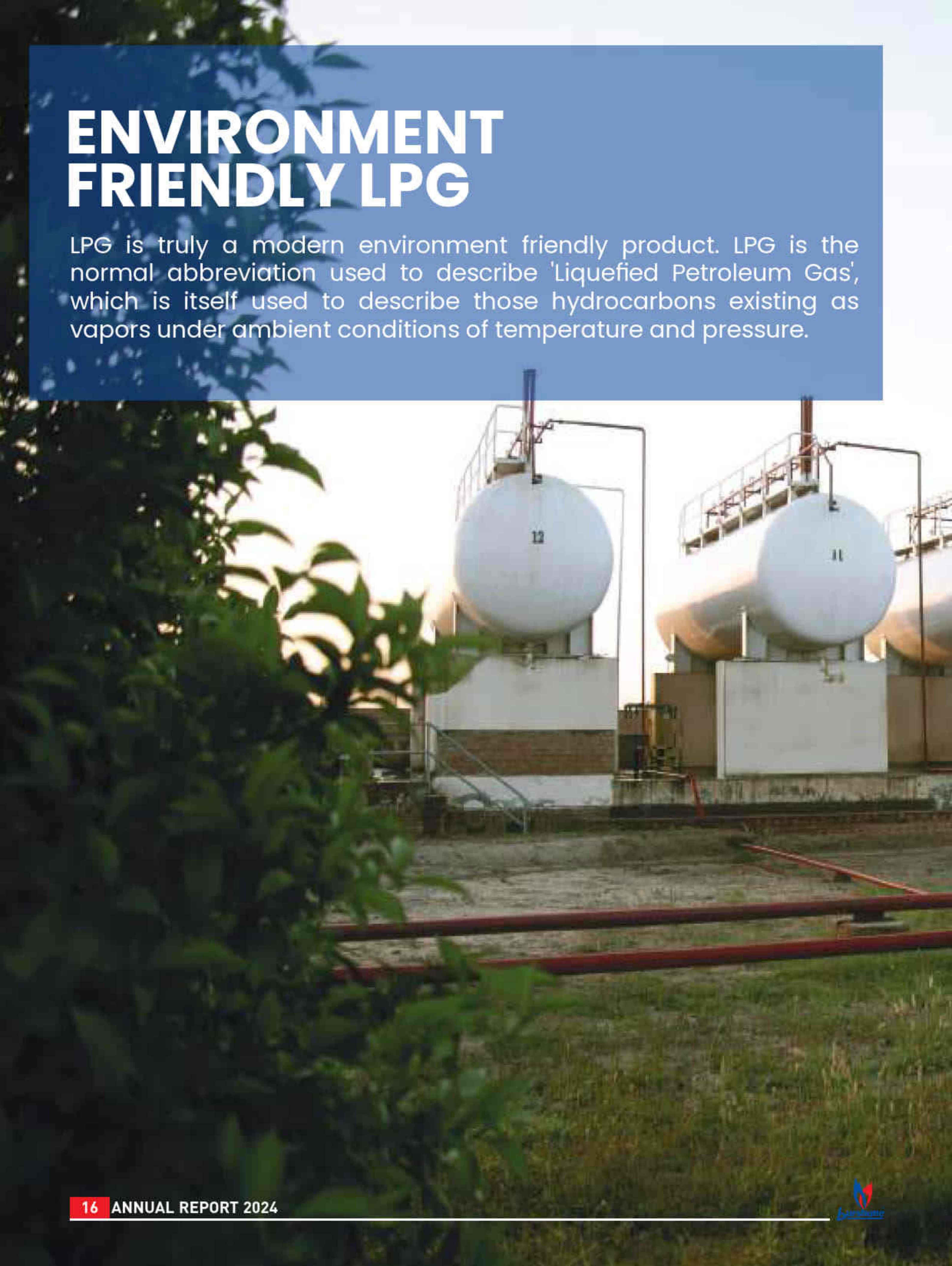


Mr. Muhammad Sajjad Ahmed
Karachi Plant Manager

Mr. M Jawwad Khan Lodhi
Senior Manager IT & HR

ENVIRONMENT FRIENDLY LPG

LPG is truly a modern environment friendly product. LPG is the normal abbreviation used to describe 'Liquefied Petroleum Gas', which is itself used to describe those hydrocarbons existing as vapors under ambient conditions of temperature and pressure.



EFFICIENT ECO-FRIENDLY

LPG is a clean - burning fuel which cleans the environment by reducing air pollution. It has absolutely no lead content (safe vehicle fuel) the perfect environment alternative - and is cheaper than gasoline. It contributes to a healthier working environment and has virtually no harmful exhaust emission. LPG is the fuel of the future. Apart from being environmentally friendly, in Pakistan it can significantly contribute to the economy by replacing Kerosene. It can also assist in reducing de-forestation in cases where wood is used as a source of energy, thus making the environment pollution free and healthier. De-forestation leads to serious environmental damage and disturbs the ecological balance causing erosion and landslides in these areas. Thus there is a need to increase the availability, as well as usage of LPG, as it can to some extent overcome the de-forestation problem of the country. Burshane LPG (Pakistan) Limited is actively playing its role by promoting the superior environment and convenient aspects of LPG.

CHAIRMAN'S REVIEW

On behalf of the Board, I am pleased to present the Chairman's review report to the shareholders of Burshane LPG (Pakistan) Limited (the Company) for the year ended June 30, 2024.

In view of the current economic and environmental uncertainties, including political instability unprecedented inflationary pressures. These challenges have posed difficulties for the industry. Additionally, substantial reduction in production of Pakistan Refinery Limited (PRL), Oil and Gas Development Company Limited (OGDCL) and other refineries including the reduction of allocation by Pak Arab Refinery Company (PARCO), has adversely affected the economic activities of the Company. Moreover, Pakistan Petroleum Limited (PPL) supply on the basis of tender in which all companies participate are given equal quota which has also reduced LPG availability.

On demand side, numerous economic political challenges have had an adverse impact on offtake and the demand of LPG remains low because of high inflation and affordability. While the availability of local LPG is low, the margin on imported product reduced as well very low due to low demand as industries were on shutdown as due to restrictions on import. Your company incurred loss after tax of Rs. 73.68 million during the year as compared to a loss of 66.15 million during last year. The net turnover was recorded at Rs. 2,377.50 million, 32.72% lower recorded for the previous year ended June 30, 2023. Gross margin decreased to Rs. 137.94 million from Rs. 151.50 million during the current year due to a combination of timely pricing actions.

Performance evaluation:

As required, under the Code of Corporate Governance (the Code) and in pursuance of SECP's guidelines, an evaluation process is carried out online internally to assess annual performance of the Board, members of the Board as well as performance of the Chief Executive Officer (CEO). A self-evaluation form is circulated to each of the members of the Board, requiring them to complete the questionnaires with their comments. Results are compiled by the Company Secretary and share subsequently in the next meeting of the Board with the intent to address areas of further improvement. I am pleased to report that overall performance of the Board and CEO of the Company for the year ended June 30, 2024 remained satisfactory.

Operational excellence:

The Company continues to excel in its performance of Health, Safety, Security and Environment (HSSE) standards, with no Lost Time Injury and Fatality. The management is continually looking for ways to reduce the environmental impact of its operations, products and services.

We believe that sustainable development is only possible if business principles and best practices are complied, adhered to and abided within the overall conduct of the business spectrum. Burshane has firmly embedded these attributes in its rules of engagement and standard operating procedures (SOPs) in all aspects of its operations and shall continuously strive to inculcate these principles amongst all stakeholders.

In the context of business growth, the management is fully aware of challenges faced and its obligations towards its stakeholders. It stands committed to develop long-term corporate plans to increase the shareholder value in the business. All possible options are being pursued to increase the market share of the Company and to enhance return on capital employed. Therefore, the management remains confident that, going forward, it will be able show stronger performance and turnaround the Company into a profitable venture.

It is pertinent to note, that the Company embarked upon an aggressive strategy to ensure that all governance and issues related to reputational risk are addressed appropriately. In this regard, outstanding banking matter, relating to long term loan was settled with NBP, amicably. Similarly, matter related to FBR, highlighted in the press, was taken head on with FBR authorities and is being addressed satisfactorily. The Company expects favourable outcome in near future.

Role of the Chairman:

In my capacity as Chairman, I ensure that:

- Board receives adequate, accurate, clear, complete and reliable information in a timely manner for a thorough discussion and a meaningful oversight on all aspects of the business.
- Board is properly briefed on all significant matters.
- All key issues are discussed by the Board in a timely manner.
- Environment in board room remains conducive, allows constructive and open debates.
- Board plays a constructive role in devising strategies, policies and its implementation.
- Strategies and policies agreed by the Board are effectively implemented by the Chief Executive Officer and the management.
- Decisions taken by the Board are in the best interest of the Company and fairly reflect consensus of the Board members.
- Good corporate governance and procedures are in place.

Finally, I would like to thank the staff, all stakeholders, distributors and customers for their continuous support in ensuring sustainable growth of the company and for making Burshane their brand of first choice.

Karachi
Dated: October 04, 2024

Shaikh Abdus Sami
Chairman

چیئرمین کا کردار:

چیئرمین کی حیثیت سے میں اس بات کو یقینی بناتا ہوں کہ:

- بورڈ کو کاروبار کے تمام پہلوؤں پر مکمل بحث اور بامعنی نگرانی کے لئے بروقت مناسب ، درست ، واضح ، مکمل اور قابل اعتماد معلومات موصول ہوتی ہیں۔
- بورڈ کو تمام اہم معاملات پر مناسب طور پر بریف کیا جاتا ہے۔
- بورڈ کی جانب سے تمام اہم امور پر بروقت تبادلہ خیال کیا جاتا ہے۔
- بورڈ روم میں ماحول سازگار رہتا ہے، تعمیری اور کھلی بحث کی اجازت دیتا ہے۔
- بورڈ حکمت عملی، پالیسیاں وضع کرنے اور اس کے نفاذ میں تعمیری کردار ادا کرتا ہے۔
- بورڈ کے ذریعہ متفق کردہ حکمت عملی اور پالیسیوں کو چیف ایگزیکٹو آفیسر اور انتظامیہ کے ذریعہ مؤثر طریقے سے نافذ کیا جاتا ہے۔
- بورڈ کی جانب سے کئے گئے فیصلے کمپنی کے بہترین مفاد میں ہیں اور بورڈ کے ارکان کے اتفاق رائے کی عکاسی کرتے ہیں۔
- اچھی کارپوریٹ گورننس اور طریقہ کار موجود ہیں۔

آخر میں ، میں عملے ، تمام اسٹیک ہولڈرز ، ڈسٹری بیوٹرز اور گاہکوں کا شکریہ ادا کرنا چاہتا ہوں جنہوں نے کمپنی کی پائیدار ترقی کو یقینی بنانے اور برشین کو اپنی پہلی پسند کا برانڈ بنانے میں ان کی مسلسل حمایت کی۔

کراچی
تاریخ: 04 اکتوبر 2024

شیخ عبدالسمیع
چیئرمین

چیئرمین کا جائزہ

بورڈ کی جانب سے مجھے 30 جون 2024 کو ختم ہونے والے سال کے لیے برشین ایل پی جی (پاکستان) لمیٹڈ (کمپنی) کے شیئر ہولڈرز کو چیئرمین کی جائزہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

موجودہ معاشی اور ماحولیاتی غیر یقینی صورتحال کے پیش نظر ، بشمول سیاسی عدم استحکام غیر معمولی افراط زر کے دباؤ۔ ان چیلنجوں نے صنعت کے لئے مشکلات پیدا کردی ہیں۔ مزید برآں پاکستان ریفائنری لمیٹڈ (پی آر ایل)، آئل اینڈ گیس ڈویلپمنٹ کمپنی لمیٹڈ (او جی ڈی سی ایل) اور دیگر ریفائنریز کی پیداوار میں خاطر خواہ کمی بشمول پاک عرب ریفائنری کمپنی (پارکو) کی جانب سے مختص رقم میں کمی نے کمپنی کی معاشی سرگرمیوں کو بری طرح متاثر کیا ہے۔ مزید برآں پاکستان پیٹرولیم لمیٹڈ (پی پی ایل) ٹینڈر کی بنیاد پر سپلائی کرتی ہے جس میں تمام کمپنیاں حصہ لیتی ہیں انہیں مساوی کوٹہ دیا جاتا ہے جس سے ایل پی جی کی دستیابی بھی کم ہوگئی ہے۔

طلب کے لحاظ سے متعدد معاشی سیاسی چیلنجز نے طلب پر منفی اثرات مرتب کیے ہیں اور افراط زر اور سستی کی وجہ سے ایل پی جی کی طلب کم ہے۔ اگرچہ مقامی ایل پی جی کی دستیابی کم ہے لیکن کم طلب کی وجہ سے درآمدی مصنوعات پر مارجن بھی بہت کم ہے کیونکہ درآمد پر پابندیوں کی وجہ سے صنعتیں بند ہیں۔ سال کے دوران آپ کی کمپنی کو 73.68 ملین روپے کا بعد از ٹیکس نقصان ہوا جبکہ گزشتہ سال کے دوران 66.15 ملین روپے کا نقصان ہوا تھا۔ خالص کاروبار 2,377.50 ملین روپے ریکارڈ کیا گیا جو 30 جون 2023 کو ختم ہونے والے پچھلے سال کے مقابلے میں 32.72 فیصد کم ہے۔ بروقت قیمتوں کے اقدامات کی وجہ سے رواں سال کے دوران مجموعی مارجن 151.50 ملین روپے سے کم ہو کر 137.94 ملین روپے رہ گیا۔

کارکردگی کا جائزہ:

ضرورت کے مطابق کوڈ آف کارپوریٹ گورننس (کوڈ) کے تحت اور ایس ای سی پی کی ہدایات کی پیروی کرتے ہوئے بورڈ، بورڈ کے ممبران اور چیف ایگزیکٹو آفیسر (سی ای او) کی سالانہ کارکردگی کا جائزہ لینے کے لئے داخلی طور پر ایک تشخیصی عمل آن لائن کیا جاتا ہے۔ بورڈ کے ہر رکن کو ایک خود تشخیصی فارم تقسیم کیا جاتا ہے ، جس میں انہیں اپنے تبصرے کے ساتھ سوالنامہ مکمل کرنے کی ضرورت ہوتی ہے۔ نتائج کمپنی سکریٹری کے ذریعہ مرتب کیے جاتے ہیں اور اس کے بعد بورڈ کے اگلے اجلاس میں مزید بہتری کے شعبوں کو حل کرنے کے ارادے سے شیئر کیے جاتے ہیں۔ مجھے یہ بتاتے ہوئے خوشی ہو رہی ہے کہ 30 جون 2024ء کو ختم ہونے والے سال کے لیے کمپنی کے بورڈ اور سی ای او کی مجموعی کارکردگی تسلی بخش رہی۔

آپریشنل عمدگی:

کمپنی صحت، حفاظت، سلامتی اور ماحولیات (ایچ ایس ایس ای) کے معیارات کی اپنی کارکردگی میں بہترین کارکردگی کا مظاہرہ جاری رکھے ہوئے ہے، جس میں کوئی ضائع شدہ وقت کی چوٹ اور ہلاکت نہیں ہے. انتظامیہ مسلسل اپنے آپریشنز، مصنوعات اور خدمات کے ماحولیاتی اثرات کو کم کرنے کے طریقوں کی تلاش میں ہے.

ہم سمجھتے ہیں کہ پائیدار ترقی صرف اسی صورت میں ممکن ہے جب کاروباری اصولوں اور بہترین طریقوں کی تعمیل کی جائے، ان پر عمل کیا جائے اور کاروباری اسپیکٹرم کے مجموعی طرز عمل کے اندر عمل کیا جائے۔ برشین نے ان خصوصیات کو اپنے آپریشنز کے تمام پہلوؤں میں مصروفیت اور معیاری آپریٹنگ طریقہ کار (ایس او پیز) کے قواعد میں مضبوطی سے شامل کیا ہے اور تمام اسٹیک ہولڈرز میں ان اصولوں کو فروغ دینے کی مسلسل کوشش کرے گا۔

کاروباری ترقی کے تناظر میں ، انتظامیہ درپیش چیلنجوں اور اپنے اسٹیک ہولڈرز کے تئیں اپنی ذمہ داریوں سے پوری طرح آگاہ ہے۔ یہ کاروبار میں شیئر ہولڈر کی قدر بڑھانے کے لئے طویل مدتی کارپوریٹ منصوبوں کو تیار کرنے کے لئے پرعزم ہے۔ کمپنی کے مارکیٹ شیئر کو بڑھانے اور استعمال شدہ سرمائے پر منافع بڑھانے کے لئے تمام ممکنہ آپشنز پر عمل کیا جارہا ہے۔ لہٰذا انتظامیہ کو یقین ہے کہ آگے چل کر وہ مضبوط کارکردگی کا مظاہرہ کرے گی اور کمپنی کو منافع بخش منصوبے میں تبدیل کر دے گی۔

یہ بات قابل ذکر ہے کہ کمپنی نے اس بات کو یقینی بنانے کے لئے ایک جارحانہ حکمت عملی کا آغاز کیا ہے کہ تمام گورننس اور ساکھ کے خطرے سے متعلق مسائل کو مناسب طریقے سے حل کیا جائے۔ اس سلسلے میں نیشنل بینک آف پاکستان کے ساتھ طویل مدتی قرضوں سے متعلق واجب الادا بینکاری کا معاملہ خوش اسلوبی سے طے پا گیا۔ اسی طرح ایف بی آر سے متعلق معاملات جو پریس میں نمایاں ہوئے، ایف بی آر حکام کے سامنے اٹھائے گئے اور انہیں تسلی بخش طریقے سے حل کیا جا رہا ہے۔ کمپنی کو مستقبل قریب میں سازگار نتائج کی توقع ہے۔

Directors' Report

The Directors of your Company are hereby presenting the financial information of the Company for the year ended June 30, 2024.

Financial Performance

During the year under review, the sales volume of the Company at 11,867 MTs, decreased by 7,797 MTs (65.70%) compared to the corresponding period due to reduced local LPG quota and higher prices of imported LPG. Net sales of the Company at Rs. 2,377.50 million decreased by Rs. 1,156.10 million (32.72%) due to reduction in sales volume during the period. The gross margins of the Company at Rs. 137.94 million (5.80% of sales value) was decreased by Rs. 13.16 million from comparative period of last year.

Administrative expenses increased by Rs. 1.62 million (1.39%) compared to comparative period of previous year, mainly due to donation paid to M/s. Baitussalam Welfare Trust; and distribution & marketing expenses have decreased by Rs. 1.68 million.

Loss before tax of the Company at Rs. 76.34 million, is increased by Rs. 3.38 million from last year. Financial costs have increased by 13.02 million due to higher KIBOR rates.

The Company's loss per share for the year under review is at Rs. 3.28 compared to loss per share of Rs. 2.94 per share in the preceding year.

Material Changes and Commitments

On January 06, 2022, the Company received a revised proposal for the restructuring of loan from NBP which has since been accepted and duly executed via offer letter No. NBP/ARG/ARW(S)/BLPL/2022/08. As per the aforementioned letter, the long-term loan and accrued mark-up on long-term loan are termed as Demand Finance-I and Demand Finance-II. The remaining outstanding loan of Rs 154 million has been restructured to running finance facility. In respect of Demand Finance - I, the Company has made principal down payment of Rs. 25.44 million and the balance of Rs. 75 million to be re-paid in 20 quarterly installments starting from September 30, 2022 with a grace period of 1 year from the date of the drawdown. The facility carries mark-up at the rate of 3 months KIBOR + 2%, which will also be payable during the grace period. In respect of Demand Finance - II, the Company has made a principal down payment of Rs. 10.59 million and the balance of Rs. 95.29 million to be re-paid in 20 quarterly installments starting from September 30, 2022.

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.

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 under section 122(5A) of the Income Tax Ordinance, 2001 demanded income tax liability amounting to Rs. 609.79 million and Rs. 617.30 million for the tax year 2018 and 2019 respectively. An appeal was preferred before the Commissioner Inland Revenue – Appeal (CIR-A) whereby the CIR-A remanded back the case to the concerned Officer Inland Revenue (OIR). Thereafter, remanded back proceeding was initiated by the learned OIR, that culminated on an order under section 124/129 of the Ordinance, whereby the demanded tax liability of Rs. 172.05 million and Rs. 87.75 million for the tax year 2018 and 2019 was created. Being aggrieved, the Company again preferred an appeal before CIR-A, that is currently pending.

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 improved 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 numbers of Directors are eight and their composition is as follows:

- Male: 7
- Female: 1

Category	Name
Independent Director	Mr. Shaikh Abdus Sami Maj. Gen (R) Rafiullah Khan Brig. Rashid Siddiqi (R)
Non-Executive Directors	Mr. Muhammad Ali Niazi Ms. Shahbano Hameed Mr. Osman Malik
Executive Directors	Mr. Asad Alam Niazi Mr. Saifee 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
Mr. Muhammad Ali Niazi	-	Member

b) Human Resource and Remuneration Committee

Maj. Gen Rafiullah Khan (R)	-	Chairman
Mr. Asad Alam Niazi	-	Member
Mr. Saifee Zakiuddin	-	Member
Mr. Muhammad Ali Niazi	-	Member
Brig. Rashid Siddiqi (R)	-	Member

Financial Highlights:

	(Rs. in '000)
Following are the key numbers of the results for the year	
Net Sales	2,377,502
Gross Margins	137,944
Loss before Tax	76,337
Loss after Tax	73,677
Loss per share	3.28

Following is the appropriation:

Dividend declared	Cash	NIL
	Bonus	NIL

The present Auditors M/s BDO Ebrahim & Co., Chartered Accountants, retire and being eligible, have offered themselves for re-appointment. The Board of Directors endorse the recommendation of the Audit Committee for their reappointment as auditors of the Company for the financial year June 30, 2025, subject to shareholders' approval in the Annual General Meeting.

During the year, the Company has conducted Board performance evaluation by way of self-assessment by each Director and have ensured that this requirement is fully complied with.

On behalf of the Board, we would like to thank 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.

Saifee Zakiuddin
Director

Asad Alam Niazi
Director / CEO

Karachi
Dated: October 04, 2024

موجودہ آڈیٹرز کے بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائرڈ اور اہل ہونے کی وجہ سے دوبارہ تقرری کے لئے خود کو پیش کر چکے ہیں۔ بورڈ آف ڈائریکٹرز مالی سال 30 جون 2025 ء کے لئے کمپنی کے آڈیٹرز کی حیثیت سے ان کی دوبارہ تقرری کے لئے آڈٹ کمیٹی کی سفارشات کی توثیق کرتے ہیں ، جو سالانہ جنرل میٹنگ میں شیئر ہولڈرز کی منظوری سے مشروط ہے۔

سال کے دوران ، کمپنی نے ہر ڈائریکٹر کی طرف سے خود تشخیص کے ذریعہ بورڈ کی کارکردگی کا جائزہ لیا ہے اور اس بات کو یقینی بنایا ہے کہ اس ضرورت پر پوری طرح عمل کیا جائے۔

بورڈ کی جانب سے، ہم اپنے عملے، کاروباری شراکت داروں، گاہکوں اور دیگر تمام اسٹیک ہولڈرز کا شکریہ ادا کرنا چاہتے ہیں جنہوں نے کمپنی کی پائیدار ترقی کو یقینی بنانے اور برشائن کو اپنی پہلی پسند کا برانڈ بنانے میں ان کی مسلسل حمایت کی۔

سیفی ذکی الدین
ڈائریکٹر

اسد عالم نیازی
ڈائریکٹر / سی ای او

کراچی
تاریخ: 04 اکتوبر 2024

ہم نے ایک بار پھر صحت، حفاظت، سلامتی اور ماحولیات (ایچ ایس ایس ای) کی اپنی کارکردگی میں عمدہ کارکردگی کا مظاہرہ کیا ہے، جس میں وقت ضائع نہیں ہوا اور کوئی جانی نقصان نہیں ہوا۔ انتظامیہ نہ صرف اپنے لئے ایچ ایس ایس ای معیارات کو بہتر بنانے کے لئے پرعزم ہے بلکہ صنعت کے لئے بھی بہترین طریقوں کو قائم کرنے میں رہنمائی کرتی ہے۔

بورڈ کی تشکیل:

ڈائریکٹرز کی کل تعداد آٹھ ہے اور ان کی تشکیل درج ذیل ہے:

- نر: 7
- عورت: 1

نام	زمرہ
جناب شیخ عبدالسمیع	آزاد ڈائریکٹر
میجر جنرل (ر) رفیع اللہ خان	
بریگیڈیئر راشد صدیقی (ر)	
جناب محمد علی نیازی	نان ایگزیکٹیو ڈائریکٹرز
محترمہ شاہ بانو حمید	
جناب عثمان ملک	
وفات: اسد عالم نیازی	ایگزیکٹو ڈائریکٹرز
جناب سیفی ذکی الدین	

مندرجہ ذیل کمیٹیاں قانون کے تقاضوں کے مطابق اور بورڈ کی ہدایت کے مطابق کام کرتی رہیں۔

أ) آڈٹ کمیٹی

میجر جنرل رفیع اللہ خان (ر)	-	چیئرمین
جناب شیخ عبدالسمیع	-	رکن
محترمہ محمد علی نیازی	-	رکن

ب) انسانی وسائل اور معاوضہ کمیٹی

میجر جنرل رفیع اللہ خان (ر)	-	چیئرمین
وفات: اسد عالم نیازی	-	رکن
جناب سیفی ذکی الدین	-	رکن
جناب محمد علی نیازی	-	رکن
بریگیڈیئر راشد صدیقی (ر)	-	رکن

مالی جھلکیاں:

سال کے نتائج کے اہم اعداد و شمار درج ذیل ہیں

	(روپے 000ء میں)
خالص منافع	2,377,502
مجموعی مارجن	137,944
ٹیکس سے پہلے نقصان	76,337
ٹیکس کے بعد نقصان	73,677
فی حصص نقصان	3.28

تخصیص مندرجہ ذیل ہے:

منافع کا اعلان	نقد	صفر
	بونس	صفر

ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2024 کو ختم ہونے والے سال کے لئے کمپنی کی مالی معلومات پیش کر رہے ہیں۔

مالی کارکردگی

سال کے دوران کمپنی کی فروخت کا حجم 11,867 میٹرک ٹن رہا جو مقامی ایل پی جی کوٹہ میں کمی اور درآمدشدہ ایل پی جی کی قیمتوں میں اضافے کی وجہ سے اسی مدت کے مقابلے میں 7,797 میٹرک ٹن (65.70 فیصد) کم ہوا۔ اس عرصے کے دوران فروخت کے حجم میں کمی کی وجہ سے کمپنی کی خالص فروخت 2,377.50 ملین روپے رہی جس میں 1,156.10 ملین روپے (32.72 فیصد) کی کمی واقع ہوئی۔ کمپنی کا مجموعی مارجن 137.94 ملین روپے (سیلز ویلیو کا 5.80 فیصد) رہا جو گزشتہ سال کے مقابلے میں 13.16 ملین روپے کم ہوا۔

انتظامی اخراجات میں گزشتہ سال کے تقابلی عرصے کے مقابلے میں 1.62 ملین روپے (1.39 فیصد) کا اضافہ ہوا، جس کی بنیادی وجہ میسرز بیت السلام ویلفیئر ٹرسٹ کو ادا کیے گئے عطیات ہیں۔ اور ڈسٹری بیوشن اور مارکیٹنگ کے اخراجات میں 1.68 ملین روپے کی کمی واقع ہوئی ہے۔

کمپنی کا قبل از ٹیکس خسارہ 76.34 ملین روپے ہے جو گزشتہ سال کے مقابلے میں 3.38 ملین روپے زیادہ ہے۔ کے آئی بی او آر کی بلند شرحوں کی وجہ سے مالی اخراجات میں 13.02 ملین کا اضافہ ہوا ہے۔

زیر غور سال کے لئے کمپنی کا فی حصص خسارہ 3.28 روپے ہے جبکہ پچھلے سال 2.94 روپے فی حصص کا نقصان ہوا تھا۔

مادی تبدیلیاں اور وعدے

06 جنوری 2022ء کو کمپنی کو نیشنل بینک کی جانب سے قرضے کی ری اسٹرکچرنگ کی نظر ثانی شدہ تجویز موصول ہوئی جسے بعد میں قبول کر لیا گیا اور آفر لیٹر نمبر 2کے ذریعے اس پر عمل درآمد کیا گیا۔ این بی پی / اے آر جی / اے آر ڈبلیو (ایس) / بی ایل پی ایل / 2022 / 08۔ مذکورہ خط کے مطابق طویل مدتی قرض اور طویل مدتی قرض پر حاصل شدہ مارک اپ کو ڈیمانڈ فنانس ون اور ڈیمانڈ فنانس ٹو کا نام دیا گیا ہے۔ بقیہ 154 ملین روپے کے واجب الادا قرضوں کو فنانس سہولت چلانے کے لئے ری اسٹرکچر کیا گیا ہے۔ ڈیمانڈ فنانس ون کے حوالے سے کمپنی نے 25.44 ملین روپے کی اصل ڈاؤن پیمنٹ کی ہے اور بقیہ 75 ملین روپے 30 ستمبر 2022 سے شروع ہونے والی 20 سہ ماہی قسطوں میں دوبارہ ادا کیے جائیں گے۔ یہ سہولت 3 ماہ کے کے آئی بی او آر + 2 فیصد کی شرح سے مارک اپ رکھتی ہے جو رعایتی مدت کے دوران بھی قابل ادائیگی ہوگی۔ ڈیمانڈ فنانس ٹو کے حوالے سے کمپنی نے 10.59 ملین روپے کی اصل ڈاؤن پیمنٹ اور 95.29 ملین روپے کی بقیہ رقم 30 ستمبر 2022 سے شروع ہونے والی 20 سہ ماہی قسطوں میں دوبارہ ادا کی جائے گی۔

ڈائریکٹوریٹ آف انویسٹی گیشن اینڈ انٹیلی جنس (ان لینڈ ریوینیو) (آئی اینڈ آئی – آئی آر) کی جانب سے 31 اگست 2020 کو کمپنی کے خلاف تقریبا 1.7 ارب روپے کی مبینہ ٹیکس چوری کی شکایت کسٹمز، ٹیکسیشن اور (انسداد اسمگلنگ) کی خصوصی عدالت میں دائر کی گئی تھی۔ اس شکایت کی بنیاد پر عدالت نے کمپنی اور اس کے کچھ ڈائریکٹروں کے خلاف 2 احکامات جاری کیے۔ یہ احکامات کمپنی کے 9 بینک اکاؤنٹس کو 90 دنوں کے لئے منجمد کرنے اور اس کے کچھ ڈائریکٹروں کے ناقابل ضمانت وارنٹ گرفتاری جاری کرنے سے متعلق تھے۔ کمپنی نے فوری طور پر ہائی کورٹ اور بعد میں خصوصی عدالت سے حفاظتی ضمانت حاصل کی جس کی بعد میں تصدیق کی گئی۔

کمپنی نے 9 بینک اکاؤنٹس منجمد کرنے کے خصوصی عدالت کے حکم کے خلاف ہائی کورٹ میں آئینی درخواست بھی دائر کی۔ تمام بینکوں نے 90 دن کی میعاد ختم ہونے پر کمپنی کے اکاؤنٹس پر سے منجمد پابندی ہٹا دی ہے۔

کمپنی کو انکم ٹیکس آرڈیننس 2001 کی دفعہ 177 (1) کے تحت ٹیکس سال 2018 اور 2019 کے آڈٹ سے متعلق نوٹس موصول ہوئے تھے۔ کمپنی نے ایف بی آر کو مختلف خطوط کے ذریعے متعلقہ تفصیلات اور دستاویزات بروقت جمع کرائی ہیں۔ کمپنی کو انکم ٹیکس آرڈیننس 2001 کے سیکشن 122 (5 اے) کے تحت ٹیکس سال 2018 اور 2019 کے لئے بالترتیب 609.79 ملین روپے اور 617.30 ملین روپے کی انکم ٹیکس ذمہ داری کا مطالبہ کیا گیا ہے۔ کمشنر ان لینڈ ریوینیو اپیل (سی آئی آر-اے) کے سامنے اپیل کو ترجیح دی گئی جس کے بعد سی آئی آر-اے نے معاملے کو متعلقہ افسر ان لینڈ ریونیو (او آئی آر) کو واپس بھیج دیا۔ اس کے بعد او آئی آر کی جانب سے دوبارہ ریمانڈ کی کارروائی شروع کی گئی جس کا اختتام آرڈیننس کی دفعہ 129/124 کے تحت ہوا جس کے تحت ٹیکس سال 2018 اور 2019 کے لیے 17 کروڑ 20 لاکھ 50 ہزار روپے اور 8 کروڑ 77 لاکھ 50 ہزار روپے کی ٹیکس ذمہ داری کا مطالبہ کیا گیا۔ ناراض ہونے کی وجہ سے کمپنی نے ایک بار پھر سی آئی آر-اے کے سامنے اپیل کو ترجیح دی، جو فی الحال زیر التوا ہے۔

کاروباری اخلاقیات

ہم سمجھتے ہیں کہ پائیدار ترقی صرف اسی صورت میں ممکن ہے جب ہم اپنے کاروباری اصولوں کی پاسداری کریں۔ برشین نے انہیں کمپنی کے تمام آپریشنز میں مضبوطی سے شامل کیا ہے اور ہم اپنے اسٹیک ہولڈرز میں ان اصولوں کو فروغ دینے کی مسلسل کوشش کرتے ہیں۔

کاروباری ترقی کے تناظر میں، ہم آپ کو یقین دلانا چاہتے ہیں کہ آپ کی کمپنی کی انتظامیہ اپنے اسٹیک ہولڈرز کے تئیں اپنی ذمہ داریوں سے مکمل طور پر آگاہ ہے اور کاروبار کی قدر کو بڑھانے کے لئے طویل مدتی کارپوریٹ منصوبوں کو تیار کرنے کے لئے پرعزم ہے۔ ہم مارکیٹ شیئر بڑھانے اور منافع بخش انداز میں برشین کے سرمائے پر مناسب منافع کمانے کے لئے تمام ممکنہ آپشنز پر غور کر رہے ہیں۔ لہذا، ہمیں یقین ہے کہ ہم آنے والے ادوار میں بہتر کارکردگی دکھائیں گے۔


Burshane
Safety
First
1253699
Man Hours Without LTI

HEALTH, SAFETY, SECURITY & ENVIRONMENT HSSE

They ensure that all HSSE policies are properly observed by providing support and resources for actions taken to operate safely and to protect health, environment and to exert a positive influence on the HSSE management of contractors as they play a major role in achieving a high level of HSSE performance. This is evident by the fact that the period under review is without any lost time injury (LTI). As a responsible cooperate citizen, we at Burshane always belief that the only way to sustainable development is through a strong commitment to Health, Safety, Security and Environment in all areas of our business.

In Burshane, HSSE is managed as the most critical business activity. The Management at Burshane demonstrates strong, visible leadership and commitment by allocating sufficient resources to operate and maintain HSSE Management System and lead by example in their personal actions and behaviors.

L

CORPORATE SOCIAL RESPONSIBILITY CSR

They ensure that all HSSE policies are properly observed by providing support and resources for actions taken to operate safely and to protect health, environment and to exert a positive influence on the HSSE management of contractors as they play a major role in achieving a high level of HSSE performance. This is evident by the fact that the period under review is without any lost time injury (LTI). As a responsible cooperate citizen, we at Burshane always belief that the only way to sustainable development is through a strong commitment to Health, Safety, Security and Environment in all areas of our business.

In Burshane, HSSE is managed as the most critical business activity. The Management at Burshane demonstrates strong, visible leadership and commitment by allocating sufficient resources to operate and maintain HSSE Management System and lead by example in their personal actions and behaviors.

CORPORATE GOVERNANCE

The Board is committed to maintain high standards of Corporate Governance. The Board is pleased to give the following specific statements to comply with the requirements of the Code of Corporate Governance:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the results of its operations, changes in equity and cash flows.

- Proper books of account of the Company have been maintained.

- Appropriate accounting policies have been consistently applied in preparation of the financial statements. Accounting estimates are based on reasonable and prudent judgment.

- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from have been adequately disclosed and explained.

- The system of internal control is sound in design and has been effectively implemented and monitored.

- There are no significant doubts upon the Company's ability to continue as a going concern.

- There are no material departures from the best practices of corporate governance, as detailed in the listing regulations except as disclosed in the Statement of Compliance with the Code of Corporate Governance.

- Key operating and financial data in summarized form is annexed.

- No trades in the shares of Burshane LPG(Pakistan) Limited were carried out by the Directors, CEO, CFO & Company Secretary and their spouses and minor children.

- Majority of the directors on the Board, have acquired the Directors' Training Program (DTP) certification while one director was appointed during the year and will acquire the DTP certification.

Board Meetings:

The number of Board and Committees' meetings held during the year and attendance by each Director is disclosed on page no. 184.

Board of Directors:

The Directors as on June 30, 2024 are Mr. Asad Alam Niazi, Mr. Ali Alam Niazi, Mr. Shaikh Abdus Sami, Ms. Shahbano Hameed, Mr. Saifee Zakiuddin, Maj. Gen Rafiullah Khan (R), Brig. Rashid Siddiqi (R) and Mr. Osman Malik.

Pattern of Shareholding:

The pattern of shareholding as of June 30, 2024 as required under section 227 of the Companies Act, 2017 is given on page no. 185.

Auditors:

The auditors M/s. BDO Ebrahim Co. Chartered Accountants, retire and being eligible offer themselves for re-appointment. Audit committee has recommended the appointment of retiring auditors.

On behalf of the Board

Mr. Asad Alam Niazi
Director and Cheif Executive Officer

Karachi
Dated: October 04, 2024

STATEMENT OF GENERAL BUSINESS PRINCIPLES

Value

Burshane LPG (Pakistan) Limited employees share a set of core values – honesty, integrity and respect for people. We also firmly believe in the fundamental importance of trust, openness, teamwork and professionalism, and pride in what we do.

Responsibilities

Burshane LPG (Pakistan) Limited recognize five areas of responsibility.

To Shareholders

To protect shareholders' investment, and provide a long-term return competitive with those of other leading companies in the industry.

To Customers

To win and maintain customers by developing and providing products and services which offer value in terms of price, quality, safety and environmental impact, which are supported by the requisite technological, environmental and commercial expertise.

To Those With Whom We Do Business

To seek mutually beneficial relationships with contractors, suppliers and in joint ventures and to promote the application of these Burshane LPG (Pakistan) limited general business principles or equivalent principles in such relationships. The ability to promote these principles effectively will be an important factor in the decision to enter into or remain in such relationships.

To Society

To conduct business as responsible corporate members of society, to comply with applicable laws and regulations, to support fundamental human rights in line with the legitimate role of business, and to give proper regard to health, safety, security and the environment.

To Employees

To respect the human rights of its employees and to provide them with good and safe working conditions, and competitive terms and conditions of employment To promote the development and best use of the talents of its employees; to create an inclusive work environment where every employee has an equal opportunity to develop his or her skills and talents. To encourage the involvement of employees in the planning and direction of their work; to provide them with channels to report concerns. We recognize that commercial success depends on the full commitment of all employees.

Sustainable Development

As part of the Business Principles, we commit to contribute to sustainable development. This requires balancing short-term and long-term interests, integrating economic, environmental and social considerations into business decision- making.

Economics

Long-term profitability is essential to achieving company's business goals and to its continued growth. It is a measure both of efficiency and of the value that customers place on Burshane LPG (Pakistan) Limited products and services. It supplies the necessary corporate resources for the continuing investment that is required to develop and produce future energy supplies to meet customer needs. Without profits and a strong financial foundation, it would not be possible to fulfil our responsibilities. Criteria for investment and divestment decisions include sustainable development considerations (economic, social and environmental) and an appraisal of the risks of the investment.

Health, Safety, Security Environment

Burshane LPG (Pakistan) Limited has a systematic approach to health, safety, security and environmental management in order to achieve continuous performance improvement. To this end, Burshane LPG (Pakistan) Limited manage these matters as critical business activities, set standards and targets for improvement, and measure, appraise and report performance. Burshane LPG (Pakistan) Limited continually look for ways to reduce the environmental impact of its operations, products and services.

STATEMENT OF GENERAL BUSINESS PRINCIPLES

Competition
Burshane LPG (Pakistan) Limited support free enterprise. It seeks to compete fairly and ethically and within the framework of applicable competition laws; the Company will not prevent others from competing freely with it.

Local Communities
Burshane LPG (Pakistan) Limited aim to be good neighbors by continuously improving the ways in which we contribute directly or indirectly to the general well-being of the communities within which it works. Burshane LPG (Pakistan) Limited manage the social impacts of its business activities carefully and work with others to enhance the benefits to local communities, and to mitigate any negative impacts from its activities. In addition, Burshane LPG (Pakistan) Limited take a constructive interest in societal matters, directly or indirectly related to its business.

Business Integrity
Burshane LPG (Pakistan) Limited insist on honesty, integrity and fairness in all aspects of its business and expect the same in its relationships with all those with whom it does business. The direct or indirect offer, payment, soliciting or acceptance of bribes in any form is unacceptable. Employees must avoid conflicts of interest between their private activities and their part in the conduct of company business. Employees must also declare to the company potential conflicts of interest. All business transactions on behalf of Burshane LPG (Pakistan) Limited must be reflected accurately and fairly in the accounts of the company in accordance with established.

Communication and Engagement
Burshane LPG (Pakistan) Limited recognize that regular dialogue and engagement with its stakeholders is essential. Burshane LPG (Pakistan) Limited is committed to reporting of its performance by providing full relevant information to legitimately interested parties, subject to any overriding considerations of business confidentiality. In its interactions with employees, business partners and local communities, the company seek to listen and respond to them honestly and responsibly.

Political Activities
Company: Burshane LPG (Pakistan) Limited act in a socially responsible manner within the laws of the countries in which it operates in pursuit of its legitimate commercial objectives. Burshane LPG (Pakistan) Limited do not make payments to political parties, organizations or their representatives. Burshane LPG (Pakistan) Limited do not take part in party politics. However, when dealing with government, Burshane LPG (Pakistan) Limited have the right and the responsibility to make its position known on any matters which affect itself, its employees, its customers its shareholders or local communities in a manner which is in accordance with its values and the Business Principles.

Employees: Where individuals wish to engage in activities in the community, including standing for election to public office, they will be given the opportunity to do so where this is appropriate in the light of local circumstances.

Compliance
Burshane LPG (Pakistan) Limited comply with all applicable laws and regulations of the country in which it operates. Living by the Principles. The shared core values of honesty, integrity and respect for people, underpin all the work the company does and are the foundation of its Business Principles.

The Business Principles apply to all transactions, large or small, and drive the behavior expected of every employee in Burshane LPG (Pakistan) Limited in the conduct of its business at all times. The Company encourage its business partners to live by them or by equivalent principles. Burshane LPG (Pakistan) Limited encourage its employees to demonstrate leadership, accountability and teamwork, and through these behaviors, to contribute to the overall success of the Company.

It is the responsibility of management to lead by example, to ensure that all employees are aware of these principles, and behave in accordance with the spirit of this statement. The application of these principles is underpinned by a comprehensive set of assurance procedures, which are designed to make sure that company employees understand the principles and confirm that they act in accordance with them.

As part of the assurance system, it is also the responsibility of management to provide employees with safe and confidential channels to raise concerns and report instances of non-compliance. In turn it is the responsibility of Burshane LPG (Pakistan) Limited employees to report suspected breaches of the Business Principles to the Company. The Business Principles have for many years been fundamental to how the company conduct its business and living by them is crucial to Its continued success.

Notice of 58th Annual General Meeting

NOTICE IS HEREBY given that the 58th Annual General Meeting (AGM) of Burshane LPG (Pakistan) Limited will be held on Monday, October 28, 2024 at 11:30 A.M. at our Korangi Plant (KP1) adjacent to Pakistan Refinery Limited, Korangi Creek, Karachi and the transport facility will be arranged and depart on 10:15A.M. from our head office: Horizon vista, Block 4, Scheme no. 5, Clifton to transact the following business:

Ordinary Business:

1. To confirm minutes of the 57th Annual General Meeting of the Company held on October 27, 2023.

2. To consider and approve the circulation of the Annual Audited Financial Statements together with Directors' Report and Auditors' Report thereon for the year ended June 30, 2024 to Members of the Company through QR enabled code and weblink, as allowed by the Securities and Exchange Commission of Pakistan vide S.R.O. 389(0)/2023 dated March 21, 2023.

3. To appoint auditors of the Company for the financial year ending June 30, 2025 and to fix their remuneration. The Board of Directors of the Company has recommended the name of retiring auditors M/s. BDO Ebrahim & Co., Chartered Accountants, for their appointment as external auditors for the year ending June 30, 2025. The retiring auditors, being eligible, have offered themselves for re-appointment for the year ending June 30, 2025.

4. To elect nine (09) Directors of the Company as fixed by the Board of Directors in their meeting held on September 23, 2024 in accordance with the Section 159(1) of the Companies Act, 2017 for a period of three years, commencing from October 28, 2024.

   The names of retiring Directors are listed as under:

   a) Mr. Shaikh Abdus Sami
   b) Mr. Asad Alam Niazi
   c) Mr. Saifee Zakiuddin
   d) Mr. Ali Alam Niazi
   e) Maj Gen. (R) Rafiullah Khan Niazi
   f) Brig. (R) Rashid Siddiqi
   g) Ms. Shahbano Hameed
   h) Mr. Osman Malik

5. To consider any other business with the permission of the chair.

By Order of the Board

(Daniyal Mughal)
Company Secretary

Karachi: October 04, 2024

Notes:

1. In accordance with the Section 223 of the Companies Act, 2017 and pursuant to SRO 389(I)/2023 dated March 21, 2023 of the Securities & Exchange Commission, the Company has obtained Shareholders' approval in the 57th Annual General Meeting of the Company held on October 27, 2023 to circulate the Annual Report of the Company to Members through QR enabled Code and Weblink. The Annual Report is available through following QR Code and Weblink.

https://burshane.com/annual-report/

2. The Share Transfer Books of the Company will remain closed from October 22 to October 28, 2024 (both days inclusive). Transfers received in order by our Share Registrar, M/s. THK Associates (Pvt.) Limited, Plot No.C-32, Jami Commercial Street-2, D.H.A., Phase-VII, Karachi by the close of business on October 21, 2024 will be considered in time for the determination of any entitlement, as recommended by the Board of Directors, attending the meeting and vote at the meeting.

3. In accordance with the provisions of the Companies Act, 2017, the Annual Report containing the Annual Audited Financial Statements for the year ended June 30, 2024 is available on the Company's website.

4. Shareholders interested in attending the AGM through the Zoom application are hereby requested to get themselves registered with the Company Secretary's office by providing the following details at the earliest but not later than 48 hours before the time of AGM (i.e., before 11:30 A.M. on October 26, 2024) through following means:

   i) Mobile/WhatsApp: 0340 0377682
   ii) E-mail: companysecretary@burhsane.com

   Shareholders are advised to mention Name, CNIC Number, Folio/CDC Account Number, cell number and email ID for identification.

   Upon receipt of the above information from the interested shareholders, the Company will send the login credentials at their e-mail address. On the date of AGM, shareholders will be able to login and participate in the AGM proceedings through their smartphone/computer devices.

   Shareholders can also provide their comments/suggestions for the proposed agenda item of the AGM by using the aforesaid means.

5. **Election of Directors**

The term of office of the current directors of the Company will expire on October 28, 2024. In accordance with Section 159(1) of the Act, the Board of Directors has fixed the number of directors to be elected at the AGM at nine (09) to hold the office of director for a period of three (3) years commencing from October 28, 2024.

Independent directors shall be selected in accordance with the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

Accordingly, in compliance with the provisions of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Election of Directors will be held in the following Categories:

Category of Director	Vacancies
Independent Directors	03
Other Directors	05
Female Directors	01

Any person who seeks to contest the election in the abovementioned categories, as the case may be, whether he/she is a retiring director or otherwise, shall file the following documents with the Company Secretary, at the Registered Office of the Company, situated at Suite 101, 1st floor, Horizon Vista, Plot No. Commercial – 10, Block-4, Scheme No. 5, Clifton, Karachi not later than 14 days before the date of the AGM:

a) Notice of his/her intention and selection of any one category in which he/she intends to contest for the election to the office of Director in terms of Section 159(3) of the Companies Act, 2017. Any member while submitting his/her Notice of intention shall select any one of the above categories and clearly mention in his/her Notice of intention for which category he/she seeks to contest the Election of Directors.

b) Consent to Act as Director (Appendix to Form-9), as prescribed under the Companies Regulations, 2024 and Section 167(1) of the Companies Act, 2017;

c) A detailed profile along with his/her office address;

d) Declaration in respect of being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria, as set out in Section 153 of the Companies Act, 2017 to act as director or an independent director of a listed company;

e) Attested copy of valid CNIC and NTN;

f) Independent Director(s) will be elected through the process of election of director in terms of Section 159 of the Act and they shall meet the criteria laid down in Section 166 of the Act, and the Companies (Manner and Selection of Independent Directors) Regulations, 2018, accordingly the following additional documents are to be submitted by the candidates intending to contest election of directors as an independent director:

- Declaration by Independent Director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019;
- Undertaking on non-judicial stamp paper that he/she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

The final list of contesting directors will be circulated not later than seven days before the date of said meeting, in terms of section 159(4). Further, the website of the Company will also be updated with the required information.

6. Procedure For E-Voting and Voting through Postal Ballot

In accordance with the Companies (Postal Ballot) Regulation, 2018, the right to vote through electronic voting facility will be provided if the number of persons who offer themselves to be elected is more than the number of directors fixed in each category under Section 159(1) of the Companies Act, 2017 and Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Details of e-voting facility will be shared through e-mail with those members of the Company who have their valid CNIC numbers, Cell Numbers and e-mail addresses available in the register of Members of the Company within due course.

E-Voting lines will start from October 23, 2024, 09:00 A.M. and shall close on October 27, 2024 at 05:00 P.M. Members can cast their votes any time in this period. Once the vote is cast by a member, he / she shall not be allowed to change it subsequently.

The member may alternatively opt for voting through postal ballot which will be circulated to them. The postal ballot paper will also be available for download from the website of the Company at www.burshane.com.

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address at Suite 101, 1st floor, Horizon Vista, Plot No. Commercial – 10, Block-4, Scheme No. 5, Clifton, Karachi one day before AGM i.e., on October 27, 2024 by 05:00 P.M.

A postal ballot received after this time/date shall not be considered for voting. The signature on the ballot paper shall match the signature on CNIC.

Once the vote is cast by a member/proxy holder, he/she shall not be allowed to change it subsequently.

Please note that in case of any dispute in voting including the casting of more than one vote, the decision of the Chairman of the meeting shall be final.

7. Appointment of Proxies and Attending AGM:

i) A member entitled to attend and vote at the meeting may appoint another member as his/her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.

ii) A duly completed instrument of proxy to be valid must be deposited at the registered office not less than 48 hours before the time of the meeting. Attested copies of valid CNIC or the passport of the member and the Proxy shall be furnished with the Proxy Form.

iii) The instrument of proxy should be duly signed, stamped and witnessed by two persons with their names, address, CNIC numbers and signatures.

iv) CDC account holders are also required to follow the guidelines as laid down in Circular No.1 dated 26, January 2000 issued by the Securities and Exchange Commission of Pakistan (SECP).

For Attending the Meeting:

i) In case of individual, the account holder or sub-account holder and/or the person, whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.

ii) Members registered on Central Depository Company (CDC) are also requested to bring their particulars, I.D. numbers and account numbers in CDS.

iii) In case of a corporate entity, the Board of Directors' resolution/Power of Attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.

For Appointing Proxies:

i) In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per requirement notified by the Company.

ii) The Proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.

v) Corporate entities shall submit the Board of Directors resolution/Power of Attorney with specimen signature along with proxy form.

8. **Change in Members Addresses:**

Members are requested to notify any changes in their addresses immediately to the Share Registrar M/s. THK Associates (Pvt.) Limited.

9. **Submission of Copies of Valid CNICs (mandatory):**

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

10. **Payment of Dividend through electronic mode (Mandatory):**

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Registrar of the Company, in case of physical shares.

In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker / participant / CDC account services.

11. **Conversion of Physical Shares into CDC Account**

The Securities and Exchange Commission of Pakistan (SECP) has issued a letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021 addressed to all listed companies drawing their attention towards the provision of Section 72 of the Companies Act, 2017 (Act) which requires them to replace shares issued by them in physical form with shares in the Book Entry Form within a period not exceeding four years from the date of the promulgation of the Act.

In order to ensure full compliance with the provisions of the aforesaid Section 72 and to benefit from the facility of holding shares in the Book Entry Form, the Shareholders who still hold shares in physical form are requested to convert their shares in the Book Entry Form.

12. **Unclaimed dividends & bonus shares:**

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact our Share Registrar M/s THK Associates (Pvt) Ltd. to collect/enquire about their unclaimed dividend or pending shares, if any.

Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan.

STATEMENT OF MATERIAL FACTS UNDER SECTION 166(3) OF THE COMPANIES ACT 2017

The Term of Office of the Retiring Directors will expire on October 28, 2024 and the Board of Directors of Burshane LPG (Pakistan) Limited (the Company) will be re-constituted for the next term of three years by electing nine (09) directors including three (03) independent directors and one (01) female director in Annual General Meeting to be held on October 28, 2024.

Section 166(3) of the Companies Act 2017 provides that a statement of material facts is annexed to the Notice of the General Meeting called for the purpose of Election of Directors which shall indicate the justification for choosing the appointee for appointment as Independent Director.

Pursuant to the above-mentioned provision, Independent Directors will be elected through the process of Election of Directors as laid down under Section 159 of the Companies Act, 2017.

The Company will ensure that the Independent Directors to be elected meet the criteria set out for independence under Section 166 of the Companies Act, 2017 and regulations issued thereunder and their names are listed on the data bank of Independent Directors maintained by Pakistan Institute of Corporate Governance. The Company while selecting Independent Directors shall assess respective competencies, diversity, skill, knowledge and experience of the Candidate.

The Candidates are requested to read the relevant provisions/requirements relating to the Appointment/Election of Directors, as mentioned in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 and ensure compliance with the same in letter and spirit.

مذکورہ دفعہ 72 کی شقوں کی مکمل تعمیل کو یقینی بنانے اور بک انٹری فارم میں حصص رکھنے کی سہولت سے فائدہ اٹھانے کے لئے ، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اب بھی فزیکل فارم میں حصص رکھتے ہیں وہ اپنے حصص کو بک انٹری فارم میں تبدیل کریں۔

2 1 . لاوارث منافع اور بونس حصص:

شیئر ہولڈرز، جو کسی بھی وجہ سے اپنے منافع یا بونس حصص کا دعوینہیں کر سکے یا اپنے فزیکل حصص جمع نہیں کر سکے، انہیں مشورہ دیا جاتا ہے کہ وہ ہمارے شیئر رجسٹرار میسرز ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ سے رابطہ کریں تاکہ ان کے لاوارث ڈیویڈنڈ یا زیر التوا حصص کے بارے میں پوچھ گچھ کی جاسکے۔

واضح رہے کہ کمپنیز ایکٹ 2017 کی شق 244 کی تعمیل میں مقررہ طریقہ کار مکمل کرنے کے بعد واجب الادا اور قابل ادائیگی تاریخ سے تین سال کی مدت کے لیے لاوارث تمام منافع وفاقی حکومت کے کریڈٹ میں جمع کرائے جائیں گے اور حصص کی صورت میں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کو فراہم کیے جائیں گے۔

کمپنیز ایکٹ 2017 کی دفعہ 166 (3) کے تحت مادی حقائق کا بیان

ریٹائر ہونے والے ڈائریکٹرز کی مدت 28 اکتوبر 2024 کو ختم ہو رہی ہے اور برشین ایل پی جی (پاکستان) لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کو 28 اکتوبر کو ہونے والے سالانہ جنرل اجلاس میں 9 (09) ڈائریکٹرز بشمول 3 (03) انڈیپینڈنٹ ڈائریکٹرز اور ایک (01) خاتون ڈائریکٹر ز کا انتخاب کرکے تین سال کی اگلی مدت کے لیے دوبارہ تشکیل دیا جائے گا۔ 2024.

کمپنیز ایکٹ 2017 کی دفعہ 166 (3) میں کہا گیا ہے کہ ڈائریکٹرز کے انتخاب کے مقصد سے بلائے گئے جنرل اجلاس کے نوٹس میں مادی حقائق کا بیان شامل کیا جاتا ہے جو آزاد ڈائریکٹر کی تقرری کے لئے مقرر کردہ شخص کے انتخاب کے جواز کی نشاندہی کرے گا۔

مذکورہ بالا شق کے مطابق کمپنیز ایکٹ 2017 کی دفعہ 159 کے تحت ڈائریکٹرز کے انتخاب کے عمل کے ذریعے آزاد ڈائریکٹرز کا انتخاب کیا جائے گا۔

کمپنی اس بات کو یقینی بنائے گی کہ منتخب ہونے والے آزاد ڈائریکٹرز کمپنیز ایکٹ 2017 کی دفعہ 166 اور اس کے تحت جاری کردہ قواعد و ضوابط کے تحت آزادی کے لئے مقرر کردہ معیار پر پورا اتریں اور ان کے نام پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس کے زیر انتظام انڈیپینڈنٹ ڈائریکٹرز کے ڈیٹا بینک میں درج ہوں۔ کمپنی آزاد ڈائریکٹرز کا انتخاب کرتے وقت امیدوار کی متعلقہ صلاحیتوں، تنوع، مہارت، علم اور تجربے کا جائزہ لے گی۔

امیدواروں سے درخواست کی جاتی ہے کہ وہ کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں بیان کردہ ڈائریکٹروں کی تقرری / انتخاب سے متعلق متعلقہ دفعات / ضروریات کو پڑھیں اور اس کی تعمیل کو یقینی بنائیں۔

أ) فرد کے معاملے میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور / یا وہ شخص، جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات قواعد کے مطابق اپ لوڈ کی گئی ہیں، اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کرے گا۔

ب) سینٹرل ڈپازٹری کمپنی (سی ڈی سی) میں رجسٹرڈ ممبران سے بھی درخواست کی جاتی ہے کہ وہ اپنی تفصیلات، شناختی نمبر اور اکاؤنٹ نمبر سی ڈی ایس میں لائیں۔

ج) کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی جس پر نامزد کے نمونے کے دستخط ہوں گے (جب تک کہ یہ پہلے فراہم نہ کیا گیا ہو) اجلاس کے وقت پیش کیا جائے گا۔

<u>پراکسیوں کی تقرری کے لئے:</u>

أ) فرد کے معاملے میں ، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور / یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور قواعد کے مطابق ان کی رجسٹریشن کی تفصیلات اپ لوڈ کی گئی ہیں ، کمپنی کی طرف سے مطلع کردہ ضرورت کے مطابق پراکسی فارم جمع کرائیں گے۔

ب) پراکسی فارم کو دو افراد دیکھیں گے جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج ہوں گے۔

ج) شناختی کارڈ کی تصدیق شدہ کاپیاں یا فائدہ اٹھانے والے مالکان اور پراکسی کے پاسپورٹ کو پراکسی فارم کے ساتھ پیش کیا جائے گا۔

د) پراکسی اجلاس کے وقت اپنا اصل شناختی کارڈ یا اصل پاسپورٹ پیش کرے گا۔

ہ) کارپوریٹ ادارے بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی کو پراکسی فارم کے ساتھ نمونہ دستخط کے ساتھ جمع کرائیں گے۔

8. ارکان کے پتوں میں تبدیلی:

ممبران سے درخواست کی جاتی ہے کہ وہ اپنے پتوں میں کسی بھی تبدیلی کو فوری طور پر شیئر رجسٹرار ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ کو مطلع کریں۔

9. درست شناختی کارڈ کی کاپیاں جمع کرانا (لازمی):

جن ممبران نے ابھی تک اپنے درست شناختی کارڈ کی تصدیق شدہ فوٹو کاپی فولیو نمبر کے ساتھ جمع نہیں کرائی ہے، ان سے درخواست کی جاتی ہے کہ وہ جلد از جلد اسے براہ راست کمپنی کے شیئر رجسٹرار کو بھیج دیں۔

10. الیکٹرانک موڈ کے ذریعے منافع کی ادائیگی (لازمی):

کمپنیز ایکٹ، 2017 کی دفعہ 242 کی دفعات کے تحت، ایک لسٹڈ کمپنی کے لئے یہ لازمی ہے کہ وہ اپنے شیئر ہولڈرز کو صرف الیکٹرانک طریقے سے براہ راست حقدار شیئر ہولڈرز کے ذریعہ نامزد بینک اکاؤنٹ میں نقد منافع ادا کرے۔

اپنے بینک اکاؤنٹ میں براہ راست منافع حاصل کرنے کے لئے، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ کمپنی کی ویب سائٹ پر دستیاب الیکٹرانک کریڈٹ مینڈیٹ فارم پر کریں اور جسمانی حصص کی صورت میں شناختی کارڈ کی ایک کاپی کے ساتھ باقاعدہ دستخط شدہ کمپنی کے رجسٹرار کو بھیجیں۔

اگر حصص سی ڈی سی میں رکھے جاتے ہیں تو الیکٹرانک کریڈٹ مینڈیٹ فارم براہ راست شیئر ہولڈر کے بروکر / شرکاء / سی ڈی سی اکاؤنٹ سروسز کو جمع کرنا ہوگا۔

11. جسمانی حصص کو سی ڈی سی اکاؤنٹ میں تبدیل کرنا

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) نے مراسلہ جاری کر دیا ہے۔ 26 مارچ، 2021 کو تمام لسٹڈ کمپنیوں کو مخاطب کرتے ہوئے سی ایس ڈی / ای ڈی / ایم آئی ایس سی / 2016-639-640 نے کمپنیز ایکٹ ، 2017 (ایکٹ) کی دفعہ 72 کی شق کی طرف ان کی توجہ مبذول کرائی جس کے تحت انہیں ایکٹ کے نفاذ کی تاریخ سے زیادہ چار سال کی مدت کے اندر بک انٹری فارم میں ان کے ذریعہ جاری کردہ حصص کو بک انٹری فارم میں حصص کے ساتھ تبدیل کرنے کی ضرورت ہوتی ہے۔

ح) آزاد ڈائریکٹروں کا انتخاب ایکٹ کی دفعہ 159 کے تحت ڈائریکٹر کے انتخاب کے عمل کے ذریعے کیا جائے گا اور وہ ایکٹ کی دفعہ 166 اور کمپنیز (آزاد ڈائریکٹرز کا طریقہ کار اور انتخاب) ریگولیشنز، 2018 میں طے کردہ معیار پر پورا اتریں گے، اس کے مطابق آزاد ڈائریکٹر کی حیثیت سے ڈائریکٹرز کے انتخاب میں حصہ لینے کے خواہشمند امیدواروں کو مندرجہ ذیل اضافی دستاویزات پیش کرنا ہوں گی:

- لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی شق 6 (3) کے تحت آزاد ڈائریکٹروں کا اعلان؛
- غیر عدالتی اسٹامپ پیپر پر یہ حلف نامہ کہ وہ کمپنیوں کے ریگولیشن 4 (آزاد ڈائریکٹرز کا طریقہ کار اور انتخاب) ریگولیشنز، 2018 کے ذیلی ریگولیشن (1) کے تقاضوں کو پورا کرتا ہے۔

سیکشن 159 (4) کے مطابق مقابلہ کرنے والے ڈائریکٹروں کی حتمی فہرست مذکورہ اجلاس کی تاریخ سے سات دن قبل جاری نہیں کی جائے گی۔ مزید برآں، کمپنی کی ویب سائٹ کو بھی مطلوبہ معلومات کے ساتھ اپ ڈیٹ کیا جائے گا۔

6. پوسٹل بیلٹ کے ذریعے ای ووٹنگ اور ووٹنگ کا طریقہ کار

کمپنیز (پوسٹل بیلٹ) ریگولیشن، 2018 کے مطابق، الیکٹرانک ووٹنگ کی سہولت کے ذریعے ووٹ دینے کا حق فراہم کیا جائے گا اگر خود کو منتخب ہونے کی پیش کش کرنے والے افراد کی تعداد کمپنیز ایکٹ، 2017 کی دفعہ 159 (1) اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز کے ریگولیشن 7 اے کے تحت ہر زمرے میں مقرر کردہ ڈائریکٹرز کی تعداد سے زیادہ ہے، 2019.

ای ووٹنگ کی سہولت کی تفصیلات کمپنی کے ان ممبروں کے ساتھ ای میل کے ذریعے شیئر کی جائیں گی جن کے درست شناختی کارڈ نمبر، سیل نمبر اور ای میل پتے مقررہ وقت میں کمپنی کے ممبران کے رجسٹر میں دستیاب ہوں گے۔

ای ووٹنگ لائنیں 23 اکتوبر 2024 سے صبح 9:00 بجے شروع ہوں گی اور 27 اکتوبر 2024 کو شام 05:00 بجے بند ہوں گی۔ ایک بار کسی رکن کی طرف سے ووٹ ڈالنے کے بعد، اسے بعد میں اسے تبدیل کرنے کی اجازت نہیں دی جائے گی۔

ممبر متبادل طور پر پوسٹل بیلٹ کے ذریعہ ووٹنگ کا انتخاب کرسکتے ہیں جو انہیں تقسیم کیا جائے گا۔ پوسٹل بیلٹ پیپر www.burshane.com پر کمپنی کی ویب سائٹ سے ڈاؤن لوڈ کے لئے بھی دستیاب ہوگا۔

ممبران اس بات کو یقینی بنائیں گے کہ کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) کی کاپی کے ساتھ باقاعدہ بھرے اور دستخط شدہ بیلٹ پیپر سویٹ 101، فرسٹ فلور، ہورائزن وسٹا، پلاٹ نمبر 101، ہورائزن وسٹا میں کمپنی کے رجسٹرڈ ایڈریس پر ڈاک کے ذریعے چیئرمین اجلاس تک پہنچیں۔ کمرشل – 10، بلاک 4، اسکیم نمبر 5، کلفٹن، کراچی اے جی ایم سے ایک دن پہلے یعنی 27 اکتوبر 2024 کو شام 05:00 بجے تک۔

اس وقت / تاریخ کے بعد موصول ہونے والے پوسٹل بیلٹ کو ووٹنگ کے لئے غور نہیں کیا جائے گا۔ بیلٹ پیپر پر دستخط شناختی کارڈ پر دستخط سے میل کھائیں گے۔

ایک بار جب کسی رکن / پراکسی ہولڈر کی طرف سے ووٹ ڈالا جاتا ہے تو، اسے بعد میں اسے تبدیل کرنے کی اجازت نہیں ہوگی۔

براہ مہربانی نوٹ کریں کہ ووٹنگ میں کسی بھی تنازعہ کی صورت میں بشمول ایک سے زیادہ ووٹ کاسٹ کرنے پر، اجلاس کے چیئرمین کا فیصلہ حتمی ہوگا۔

7. پراکسیز کی تقرری اور اے جی ایم میں شرکت:

أ) اجلاس میں شرکت اور ووٹ دینے کا حق رکھنے والا رکن کسی دوسرے رکن کو اپنے پراکسی کے طور پر مقرر کرسکتا ہے جسے اجلاس میں شرکت، بولنے اور ووٹ دینے کے ایسے حقوق حاصل ہوں گے جو کسی رکن کو دستیاب ہیں۔

ب) پراکسی کے درست ہونے کے لئے مناسب طور پر مکمل شدہ دستاویز کو میٹنگ کے وقت سے کم از کم 48 گھنٹے پہلے رجسٹرڈ دفتر میں جمع کروانا ضروری ہے۔ درست شناختی کارڈ یا ممبر اور پراکسی کے پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔

ج) پراکسی کے دستاویز پر دو افراد کے نام، پتہ، شناختی کارڈ نمبر اور دستخط کے ساتھ باقاعدہ دستخط، مہر اور گواہی دی جانی چاہئے۔

د) سی ڈی سی اکاؤنٹ ہولڈرز کو سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کی جانب سے 26 جنوری 2000 کو جاری کردہ سرکلر نمبر 1 میں طے کردہ ہدایات پر عمل کرنا ہوگا۔

اجلاس میں شرکت کے لئے:

2. کمپنی کی شیئر ٹرانسفر بکس 22 اکتوبر سے 28 اکتوبر 2024 (دونوں دن بشمول) تک بند رہیں گی۔ ہمارے شیئر رجسٹرار، میسرز ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، پلاٹ نمبر سی 32، جامی کمرشل اسٹریٹ-2، ڈی ایچ اے، فیز 7، کراچی کی جانب سے 21 اکتوبر 2024 کو کاروبار کے اختتام پر موصول ہونے والی ٹرانسفرز کو بورڈ آف ڈائریکٹرز کی سفارشات کے مطابق کسی بھی حق کے تعین کے لیے بروقت غور کیا جائے گا۔

3. کمپنیز ایکٹ، 2017 کی دفعات کے مطابق، 30 جون، 2024 کو ختم ہونے والے سال کے لئے سالانہ آڈٹ شدہ مالیاتی بیانات پر مشتمل سالانہ رپورٹ کمپنی کی ویب سائٹ پر دستیاب ہے۔

4. زوم ایپلی کیشن کے ذریعے اے جی ایم میں شرکت کے خواہشمند شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ مندرجہ ذیل طریقوں سے اے جی ایم کے وقت سے 48 گھنٹے قبل (یعنی 26 اکتوبر 2024 کو صبح 11:30 بجے سے پہلے) درج ذیل تفصیلات فراہم کرکے کمپنی سیکریٹری کے دفتر میں اپنا اندراج کروائیں:

موبائل / واٹس ایپ: 0340 0377682
2) ای میل: companysecretary@burhsane.com

شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ شناخت کے لئے نام ، شناختی کارڈ نمبر ، فولیو / سی ڈی سی اکاؤنٹ نمبر ، سیل نمبر اور ای میل آئی ڈی کا ذکر کریں۔

دلچسپی رکھنے والے شیئر ہولڈرز سے مذکورہ معلومات کی وصولی پر ، کمپنی ان کے ای میل ایڈریس پر لاگ ان اسناد بھیجے گی۔ اے جی ایم کی تاریخ پر شیئر ہولڈرز لاگ ان کرسکیں گے اور اپنے اسمارٹ فون / کمپیوٹر ڈیوائسز کے ذریعے اے جی ایم کی کارروائی میں حصہ لے سکیں گے۔

شیئر ہولڈرز مذکورہ ذرائع کا استعمال کرتے ہوئے اے جی ایم کے مجوزہ ایجنڈا آئٹم کے لئے اپنے تبصرے / تجاویز بھی فراہم کرسکتے ہیں۔

5. ڈائریکٹرز کا انتخاب

کمپنی کے موجودہ ڈائریکٹرز کے عہدے کی مدت 28 اکتوبر 2024 کو ختم ہوگی۔ ایکٹ کی دفعہ 159 (1) کے مطابق بورڈ آف ڈائریکٹرز نے 28 اکتوبر 2024 سے شروع ہونے والے تین (3) سال کی مدت کے لئے ڈائریکٹر کے عہدے پر فائز رہنے کے لئے اے جی ایم میں منتخب ہونے والے ڈائریکٹروں کی تعداد نو (09) مقرر کی ہے۔

آزاد ڈائریکٹرز کا انتخاب ایکٹ، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 اور کمپنیز (آزاد ڈائریکٹرز کا طریقہ کار اور انتخاب) ریگولیشنز ، 2018 کی دفعات کے مطابق کیا جائے گا۔

اس کے مطابق، لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ، 2019 کے ریگولیشن 7 اے کی دفعات کی تعمیل میں، ڈائریکٹرز کا انتخاب مندرجہ ذیل زمروں میں منعقد کیا جائے گا:

خالی آسامیاں	ڈائریکٹر کا زمرہ
03	آزاد ڈائریکٹرز
05	دیگر ڈائریکٹرز
01	خواتین ڈائریکٹرز

کوئی بھی شخص جو مذکورہ بالا زمروں میں الیکشن لڑنا چاہتا ہے، چاہے وہ ریٹائرڈ ڈائریکٹر ہو یا کوئی اور، کمپنی کے رجسٹرڈ آفس میں، سویٹ 101، پہلی منزل، ہورائزن وسٹا، پلاٹ نمبر 101، ہورائزن وسٹا، پلاٹ نمبر 101 میں واقع کمپنی کے رجسٹرڈ آفس میں درج ذیل دستاویزات جمع کرائے گا۔ کمرشل – 10، بلاک 4، اسکیم نمبر 5، کلفٹن، کراچی اے جی ایم کی تاریخ سے 14 دن قبل:

أ) کمپنیز ایکٹ 2017 کی دفعہ 159 (3) کے تحت ڈائریکٹر کے عہدے کے لئے انتخاب لڑنے کا ارادہ رکھنے والے کسی بھی ایک زمرے کے ارادے اور انتخاب کا نوٹس۔ کوئی بھی رکن اپنی نیت کا نوٹس جمع کرواتے وقت مندرجہ بالا زمروں میں سے کسی ایک کا انتخاب کرے گا اور اپنے نوٹس آف ارادے میں واضح طور پر ذکر کرے گا کہ وہ کس زمرے کے لئے ڈائریکٹر کا انتخاب لڑنا چاہتا ہے۔

ب) کمپنیز ریگولیشنز ، 2024 اور کمپنیز ایکٹ، 2017 کی دفعہ 167 (1) کے تحت مقرر کردہ ڈائریکٹر (فارم -9 کے ضمیمہ) کی حیثیت سے کام کرنے کی رضامندی؛

ت) اس کے دفتر کے پتے کے ساتھ ایک تفصیلی پروفائل؛

ث) لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ، 2019 کی ضروریات اور کمپنیز ایکٹ، 2017 کی دفعہ 153 میں طے کردہ اہلیت کے معیار کے مطابق کسی لسٹڈ کمپنی کے ڈائریکٹر یا آزاد ڈائریکٹر کے طور پر کام کرنے کا اعلان؛

ج) درست شناختی کارڈ اور این ٹی این کی تصدیق شدہ کاپی؛

58 ویں سالانہ جنرل میٹنگ کا نوٹس

برشین ایل پی جی (پاکستان) لمیٹڈ کا 58 واں سالانہ جنرل اجلاس (اے جی ایم) پیر 28 اکتوبر 2024 کو صبح 11:30 بجے پاکستان ریفائنری لمیٹڈ، کورنگی کریک، کراچی سے متصل ہمارے کورنگی پلانٹ (کے پی 1) میں منعقد ہوگا اور ٹرانسپورٹ کی سہولت کا انتظام کیا جائے گا اور ہمارے ہیڈ آفس سے صبح 10:15 بجے روانہ ہوگا: ہورائزن وسٹا، بلاک 4، اسکیم نمبر 5، کلفٹن مندرجہ ذیل کاروبار کرنے کے لئے:

عام کاروبار:

1. 27 اکتوبر، 2023 کو منعقد ہونے والی کمپنی کی 57 ویں سالانہ جنرل میٹنگ کے منٹس کی تصدیق کرنے کے لئے.

2. سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے 21 مارچ 2023 کو ایس آر او 389(0)/2023 کے ذریعے اجازت دی گئی ہے کہ 30 جون 2024ء کو ختم ہونے والے سال کے لیے ڈائریکٹرز کی رپورٹ اور آڈیٹرز کی رپورٹ کے ساتھ سالانہ آڈٹ شدہ مالیاتی گوشواروں کو کیو آر فعال کوڈ اور ویب لنک کے ذریعے کمپنی کے ممبران تک پہنچانے پر غور کیا جائے اور اس کی منظوری دی جائے۔ 2023.

3. 30 جون 2025 کو ختم ہونے والے مالی سال کے لئے کمپنی کے آڈیٹرز مقرر کرنا اور ان کا معاوضہ مقرر کرنا. کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2025 کو ختم ہونے والے سال کے لئے بیرونی آڈیٹرز کی حیثیت سے تقرری کے لئے ریٹائر ہونے والے آڈیٹرز میسرز بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کے نام وں کی سفارش کی ہے۔ ریٹائر ہونے والے آڈیٹرز نے اہل ہونے کی وجہ سے 30 جون 2025 کو ختم ہونے والے سال کے لئے دوبارہ تقرری کے لئے خود کو پیش کیا ہے۔

4. 28 اکتوبر 2024 سے شروع ہونے والے کمپنیز ایکٹ 2017 کی دفعہ 159 (1) کے مطابق 23 ستمبر 2024 کو ہونے والے اپنے اجلاس میں بورڈ آف ڈائریکٹرز کی جانب سے مقرر کردہ کمپنی کے 9 (09) ڈائریکٹرز کا انتخاب تین سال کی مدت کے لیے کیا جائے گا.

   ریٹائر ہونے والے ڈائریکٹرز کے نام درج ذیل ہیں:

   أ) جناب شیخ عبدالسمیع

   ب) جناب اسد عالم نیازی

   ت) جناب سیفی ذکی الدین

   ث) جناب علی عالم نیازی

   ج) میجر جنرل (ر) رفیع اللہ خان نیازی

   ح) بریگیڈیئر (ر) راشد صدیقی

   خ) محترمہ شاہ بانو حمید

   د) جناب عثمان ملک

5. کرسی کی اجازت سے کسی دوسرے کاروبار پر غور کرنا.

بورڈ کے حکم سے

(دانیال مغل)

کراچی: اکتوبر 04, 2024

نوٹ:

1. کمپنیز ایکٹ 2017 کی دفعہ 223 کے مطابق اور سیکیورٹیز اینڈ ایکسچینج کمیشن کے 21 مارچ 2023 کے ایس آر او 389 (آئی)/2023 کے مطابق کمپنی نے 27 اکتوبر 2023 کو ہونے والے کمپنی کے 57 ویں سالانہ جنرل اجلاس میں شیئر ہولڈرز کی منظوری حاصل کی ہے تاکہ کمپنی کی سالانہ رپورٹ کو کیو آر فعال کوڈ اور ویب لنک کے ذریعے ممبران تک پہنچایا جاسکے۔ سالانہ رپورٹ درج ذیل کیو آر کوڈ اور ویب لنک کے ذریعے دستیاب ہے۔

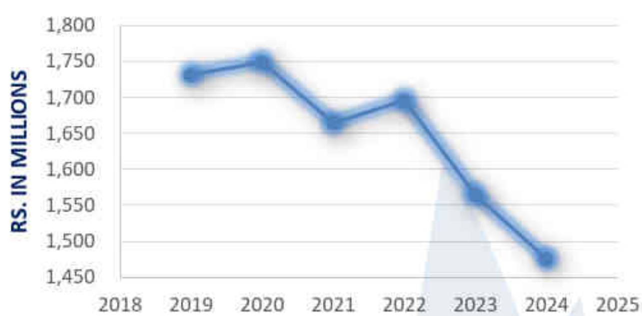
/https://burshane.com/annual-report

SIX YEARS SUMMARY

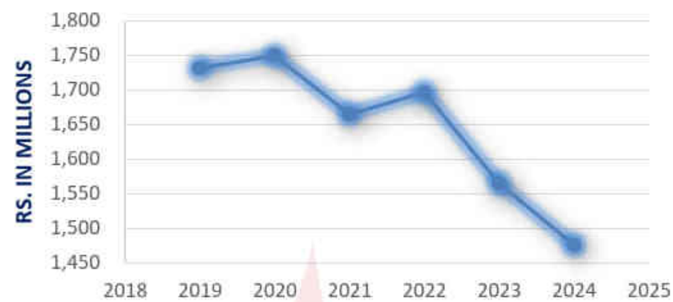
	2024	2023	2022	2021	2020	2019
	(Rupees in '000)					
Trading Results						
Net turnover	2,377,502	3,533,606	4,494,627	2,591,297	2,582,454	3,249,870
Gross profit	137,944	151,100	166,150	33,489	133,816	215,355
Operating profit / (loss)	(429)	(7,341)	40,311	(137,139)	(26,008)	69,866
Earnings before interest, taxes, depreciation and amortisation	58,462	53,710	95,293	(43,951)	75,146	177,939
Earnings / (loss) after tax	(73,677)	(66,151)	26,839	(119,754)	(109,469)	25,857
Interim dividend	-	-	-	-	-	-
Final dividend	-	-	-	-	22,640	16,980
Earnings / (loss) before tax	(70,253)	(64,148)	26,653	(164,128)	(70,559)	64,974
Financial Position						
Share capital	224,888	224,888	224,888	224,888	224,888	224,888
Reserves and Retained Earnings	245,036	318,713	384,564	351,679	464,268	594,556
Property, plant and equipment and intangibles	862,959	873,531	850,427	833,791	902,887	867,229
Long-term/deferred liabilities	570,142	589,735	608,758	466,572	431,771	388,579
Inventory	8,197	26,348	44,925	19,134	43,901	75,422
Debtor	76,722	101,847	87,747	87,665	24,776	23,422
Creditor	64,795	103,715	112,827	108,026	138,743	91,342
Total Assets	1,475,463	1,564,802	1,696,427	1,664,543	1,749,450	1,731,847
Total current assets	306,239	385,006	539,735	524,134	420,223	437,872
Total current liabilities	435,397	431,466	478,217	621,404	628,523	523,824
Number of issued shares	22,489	22,489	22,489	22,489	22,489	22,489
Cash & Cash equuivalents	3,615	20,154	96,296	92,822	265,197	173,732
Investors Information						
Profitability Ratios						
Gross profit ratio	5.80%	4.28%	3.70%	1.29%	5.18%	6.63%
Profit / (loss) before tax to sales	-2.95%	-1.82%	0.59%	-6.33%	-2.73%	2.00%
Profit / (loss) after tax in percent of sales	-3.10%	-1.87%	0.60%	-4.62%	-4.24%	0.80%
EBITDA Margin to sales	2.46%	1.52%	2.12%	-1.70%	2.91%	5.48%
Return on equity/ capital employed	-15.68%	-12.17%	4.40%	-20.77%	-15.88%	3.16%
Activity / Turnover Ratios						
Inventory turnover ratio (in times)	129.66	94.92	135.14	81.16	41.04	35.54
Inventory turnover ratio (no. of days)	3	4	3	4	9	10
Debtor turnover ratio (in times)	26.63	37.28	51.25	46.09	107.16	158.24
Debtor turnover ratio(no.ofdays)	14	10	7	8	3	2
Creditor turnover ratio (in times)	26.58	31.24	39.20	20.73	21.28	22.42
Creditor turnover ratio (no. of days)	14	12	9	18	17	16
Operating cycle (no. of days)	3	2	1	(5)	(5)	(4)
Total assets turnover ratio (in times)	1.56	2.17	2.67	1.52	1.48	1.87
Total assets turnover ratio (in days)	233.37	168.43	136.47	240.44	246.02	195.54
Liquidity Ratios						
Current ratio	0.70	0.89	1.13	0.84	0.67	0.84
Quick/ acid test ratio	0.68	0.83	1.03	0.81	0.60	0.69
Cash to Current Liabilities	0.01	0.05	0.20	0.15	0.42	0.33
Investment/Market Ratios						
Earnings / (loss) per share	(3.28)	(2.94)	1.19	(5.33)	(4.87)	1.15
Break-up value per share	20.90	24.17	27.10	25.64	30.64	36.44
Cash Flows						
Net cash flows (used in) / from operating activities	23,651	85,945	(107,251)	(144,436)	153,889	99,849
Net cash used in investing activities	(19,207)	(80,298)	(45,839)	(20,224)	(48,003)	(29,067)
Net cash flows from / (used in) financing activities	(21,282)	(84,429)	5,503	(7,715)	(14,421)	(7,972)
Net (decrease) / increase in cash and cash equivalents	(16,838)	(78,782)	(147,587)	(172,375)	91,465	62,810

FINANCIAL HIGHLIGHTS

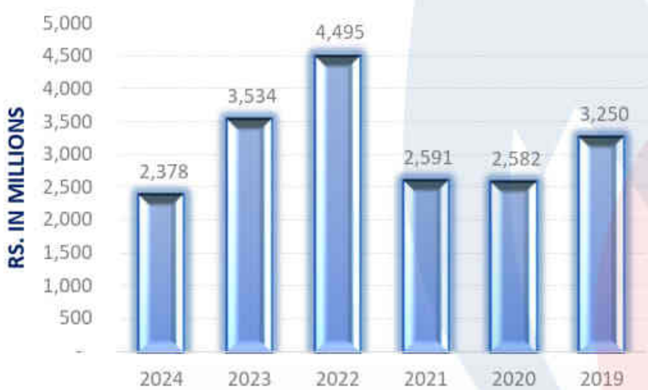
TOTAL ASSETS



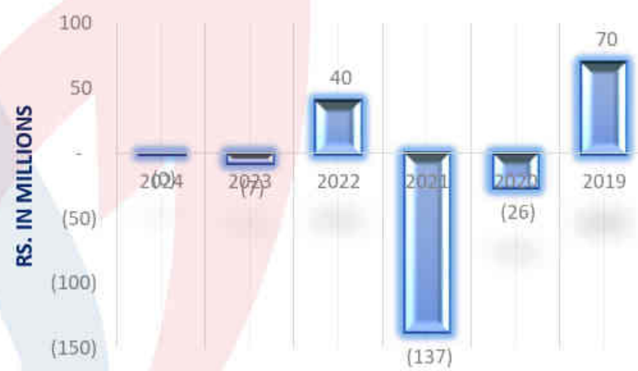
TOTAL EQUITY AND LIABILITIES



NET SALES



OPERATING PROFIT



GROSS PROFIT

CASH AND CASH EQUIVALENTS

Horizontal Analysis of Financial Statements

	2024	2023	2022	2021	2020	2019
		(Rupees in '000)				
Balance Sheet						
Non-current assets	1,169,224	1,179,796	1,156,692	1,140,409	1,329,227	1,293,975
Current assets	306,239	385,006	539,735	524,134	420,223	437,872
Total assets	1,475,463	1,564,802	1,696,427	1,664,543	1,749,450	1,731,847
Equity	133,209	206,886	272,737	240,152	352,741	544,679
Surplus on revaluation of fixed assets	336,715	336,715	336,715	336,415	336,415	274,765
Non-current liabilities	570,142	589,735	608,758	466,572	431,771	388,579
Current Liabilities	435,397	431,466	478,217	621,404	628,523	523,824
Total equity and liabilities	1,475,463	1,564,802	1,696,427	1,664,543	1,749,450	1,731,847
Profit or Loss						
Net sales	2,377,502	3,533,606	4,494,627	2,591,297	2,582,454	3,249,870
Cost of product sold	(2,239,558)	(3,382,507)	(4,328,477)	(2,557,808)	(2,448,638)	(3,034,515)
Gross profit	137,944	151,099	166,150	33,489	133,816	215,355
Administrative expenses	(117,647)	(116,028)	(115,922)	(124,738)	(111,555)	(106,575)
Distribution and marketing expenses	(64,197)	(65,880)	(68,977)	(66,446)	(70,600)	(68,780)
Other income	65,674	30,411	67,122	29,454	34,996	42,645
Other expenses	(22,203)	(6,943)	(8,062)	(8,898)	(12,665)	(12,779)
	(138,373)	(158,440)	(125,839)	(170,628)	(159,824)	(145,489)
Operating profit	(429)	(7,341)	40,311	(137,139)	(26,008)	69,866
Finance costs	(69,824)	(56,807)	(13,658)	(26,989)	(44,191)	(4,892)
Profit / (loss) before taxation	(70,253)	(64,148)	26,653	(164,128)	(70,199)	64,974

	2024	2023	2022	2021	2020	2019
		% increase / (decrease) over preceeding year				
Balance Sheet						
Non-current assets	-0.90%	2.00%	1.43%	-14.21%	2.72%	-4.00%
Current assets	-20.46%	-28.67%	2.98%	24.73%	-4.03%	8.84%
Total assets	-5.71%	-7.76%	1.92%	-4.85%	1.02%	-1.05%
Equity	-35.61%	-24.14%	13.57%	-31.92%	-35.24%	9.45%
Non-current liabilities	-3.32%	-3.12%	30.47%	8.06%	11.12%	3.06%
Current Liabilities	0.91%	-9.78%	-23.04%	-1.13%	19.99%	-12.81%
Total equity and liabilities	-5.71%	-7.76%	1.92%	-4.85%	1.02%	-1.05%
Profit or Loss						
Net sales	-32.72%	-21.38%	73.45%	0.34%	-20.54%	11.07%
Cost of product sold	-33.79%	-21.85%	69.23%	4.46%	-19.31%	12.66%
Gross profit	-8.71%	-9.06%	396.13%	-74.97%	-37.86%	-7.38%
Administrative expenses	1.40%	0.09%	-7.07%	11.82%	4.67%	-1.95%
Distribution and marketing expenses	-2.55%	-4.49%	3.81%	-5.88%	2.65%	7.09%
Other operating income	115.95%	-54.69%	127.89%	-15.84%	-17.94%	20.04%
Other operating expenses	219.79%	-13.88%	-9.40%	-29.74%	-0.89%	10.48%
Operating profit	-94.16%	-118.21%	-129.39%	427.30%	-137.23%	-16.39%
Finance costs	22.91%	315.92%	-49.39%	-38.93%	803.33%	-83.68%
Profit before taxation	-9.52%	340.68%	116.24%	-133.80%	-208.04%	21.26%

Vertical Analysis of Financial Statements

	2024		2023		2022		2021		2020		2019	
	---Rupee 000---	%	---Rupee 000---	%	---Rupee 000---	%	---Rupee 000---	%	---Rupee 000---	%	---Rupee 000---	%
Balance Sheet												
Non-current assets	1,169,224	79%	1,179,796	75%	1,156,692	68%	1,140,409	69%	1,329,227	80%	1,293,975	74%
Current assets	306,239	21%	385,006	25%	539,735	32%	524,134	31%	420,223	25%	437,872	26%
Total assets	1,475,463	100%	1,564,802	100%	1,696,427	100%	1,664,543	100%	1,749,450	100%	1,731,847	100%
Equity	133,209	9%	206,886	13%	272,737	16%	240,152	14%	352,741	20%	544,679	31%
Surplus on revaluation of fixed assets	336,715	22%	336,715	22%	336,715	20%	336,415	20%	336,415	19%	274,765	16%
Non-current liabilities	570,142	36%	589,735	38%	608,758	36%	466,572	28%	431,771	25%	388,579	22%
Current Liabilities	435,397	28%	431,466	28%	478,217	28%	621,404	37%	628,523	36%	523,824	30%
Total equity and liabilities	1,475,463	100%	1,564,802	100%	1,696,427	100%	1,664,543	100%	1,749,450	100%	1,731,847	100%
Net sales	2,377,502	100%	3,533,606	100%	4,494,627	100%	2,591,297	100%	2,582,454	100%	3,249,870	100%
Cost of product sold	(2,239,558)	-94%	(3,382,507)	-96%	(4,328,477)	-96%	(2,557,808)	-99%	(2,448,638)	-95%	(3,034,515)	-93%
Gross profit	137,944	6%	151,099	4%	166,150	4%	33,489	1%	133,816	5%	215,355	7%
Administrative expenses	(117,647)	-5%	(116,028)	-3%	(115,922)	-3%	(124,738)	-5%	(111,555)	-4%	(106,575)	-3%
Distribution and marketing expenses	(64,197)	-3%	(65,880)	-2%	(68,977)	-2%	(66,446)	-3%	(70,600)	-3%	(68,780)	-2%
Other operating income	65,674	3%	30,411	1%	67,122	1%	29,454	1%	34,996	1%	42,645	1%
Other operating expenses	(22,203)	-1%	(6,943)	0%	(8,062)	0%	(8,898)	-0.3%	(12,665)	-0.5%	(12,779)	-0.4%
	(138,373)	-6%	(158,440)	-4%	(125,839)	-3%	(170,628)	-7%	(159,824)	-6%	(145,489)	-4%
Operating profit	(429)	0.0%	(7,341)	-0.2%	40,311	0.9%	(137,139)	-5%	(26,008)	-1%	69,866	2%
Finance costs	(69,824)	-2.9%	(56,807)	-1.6%	(13,658)	-0.3%	(26,989)	-1.0%	(44,191)	-1.7%	(4,892)	-0.2%
Profit / (loss) before taxation	(70,253)	-3%	(64,148)	-2%	26,653	1%	(164,128)	-6%	(70,199)	-3%	64,974	2%

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Burshane LPG (Pakistan) Limited
Year Ending June 30, 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are eight (08) as per the following:

   a) Male - 7
   b) Female - 1

2. The composition of board is as follows:

Category	Name
Independent Director	Mr. Shaikh Abdus Sami Maj. Gen (R) Rafiullah Khan (R) Brig. Rashid Siddiqi (R)
Non-Executive Directors	Mr. Ali Alam Niazi Ms. Shahbano Hameed Mr. Osman Malik
Executive Directors	Mr. Asad Alam Niazi Mr. Saifee Zakiuddin

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

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ Shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;

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

9. Majority of the directors on the Board, have acquired the Directors Training Program (DTP) certification while one director was appointed during the year and will acquire the DTP certification within a period of one year from the date of appointment as a director on the Board;

10. No new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit has been made. However, the Board has approved their annual remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief financial officer and Chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed following Committees comprising of members given below:

a) Audit Committee

Maj. Gen Rafiullah Khan (R)	-	Chairman
Mr. Shaikh Abdus Sami	-	Member
Mr. Ali Alam Niazi	-	Member

b) Human Resource and Remuneration Committee

Maj. Gen Rafiullah Khan (R)	-	Chairman
Mr. Asad Alam Niazi	-	Member
Mr. Saifee Zakiuddin	-	Member
Mr. Ali Alam Niazi	-	Member
Brig. Rashid Siddiqi (R)	-	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance;

14. The frequency of meetings of the Committees were as per following:

a)	Audit Committee	-	04 meetings were held during the year
b)	HR and Remuneration Committee	-	01 meeting was held during the year

15. The Board has set up an effective internal audit function, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of the regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with.

Shaikh Abdus Sami
Chairman

Asad Alam Khan
Director / CEO

Dated: October 04, 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BURSHANE LPG (PAKISTAN) LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Burshane LPG (Pakistan) Limited** for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

KARACHI

DATED: October 04, 2024

UDIN: CR202410067WwsqQPZIL

CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer

Unconsolidated Financial Statements

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURSHANE LPG (PAKISTAN) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **Burshane LPG (Pakistan) Limited** (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2024, and the unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, the unconsolidated statement of cash flows, the unconsolidated statement of changes in equity for the year then ended, and notes to the unconsolidated financial statements, including material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us,the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of cash flows, the unconsolidated statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss and other comprehensive income, its cash flows and the changes in equity for the year then ended.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the unconsolidated financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following:

1. Note 31.1.1 to the unconsolidated financial statements which provide details regarding transactions with the Roots International Brands Private Limited (RIBS) and investigation order passed by Securities and Exchange Commission of Pakistan.

2. Note 31.1.5 to the unconsolidated financial statements which provide details regarding complaint filed by Directorate of Intelligence and Investigation, Inland Revenue, Karachi with the Court of Special Judge (Customs, Taxation and Anti-Smuggling), Karachi, (Trial Court) against the Company and its Directors alleging tax evasion. The company has been demanded tax liability of Rs. 172.05 million and Rs. 87.75 million for the tax year 2018 and 2019.The company again preferred an appeal before Commissioner Inland Revenue - Appeal (CIR-A) that is currently pending.

Our opinion is not modified in respect of these matters.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1	**Contingencies**	
	As disclosed in note 31 of the unconsolidated financial statements, the Company has contingencies and litigations in respect of legal, sales tax and income tax matters, which are pending adjudication with respective authorities at various legal forums available. Contingencies require management to make judgments and estimates in relation to the interpretation of relevant laws, rules and regulations, probability of outcome and financial impact, if any, for recognition, measurement and disclosure of any related provision or any other element of unconsolidated financial statements. Due to significance of amounts involved, inherent uncertainties with respect to the outcome of such matters and use of significant management judgments and estimates to assess the same including any related financial impacts, we considered contingencies and litigations in respect of legal, sales tax and income tax matters, a key audit matter.	We have undertaken a number of procedures to verify the contingencies and their consequential impact on the unconsolidated financial statements. This included, among others: • We obtained and reviewed the details of pending legal, sales tax and income tax matters and discussed the same with the management; • We checked orders by relevant authority on previous lawsuits / cases appearing in the unconsolidated financial statements; • We followed the progress of each case and the Company's estimate of the cost to be incurred; • We obtained confirmations from legal advisors for current status on pending previous cases and any new case filed during the year; • We reviewed the key elements of the methodology employed by management in challenging reasonableness of the cost estimates; and • We also assessed the adequacy of the disclosures made in respect of contingencies in accordance with the financial reporting standards.

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S. No	Key audit matters	How the matter was addressed in our audit
2.	**Revenue**	
	The Company's total revenue is amounting to Rs. 2,377 million, which is predominantly generated from sales of liquefied petroleum gas (LPG) and low-pressure regulators (LPR) revenue which reflect an decrease of 33% from the previous year, representing a significant element of the unconsolidated financial statements as disclosed in note 32. Revenue is generated from trading and storing of Liquefied Petroleum Gas (LPG) throughout Pakistan and trading of Low Pressure Regulators (LPR). Revenue from contracts with customers is recognized when control of goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. As such, revenue recognition is not an area of significant risk for our audit but does require significant time and resource to audit due to its magnitude. The risk of material misstatement was considered significant due to high control risk on completeness and accuracy of revenue and high inherent risk of fraud on recognition of revenue. In view of the significance of revenue	We performed a range of audit procedures in relation to revenue including the following: • We considered the appropriateness of the Company's revenue recognition accounting policies; • We obtained understanding of the revenue related processes; • We perform test of details on revenue recognized during the year, on a sample basis, including review of order receipt, invoicing and delivery; • We performed cut-off procedures on transactions occurring either immediately before or after the year end to assess the recording of revenue in correct accounting period; and • We also assessed the adequacy of the disclosures made in respect of revenue in accordance with the financial reporting standards.

S. No	Key audit matters	How the matter was addressed in our audit
	and high assessed risk of material misstatement revenue is considered as key audit matter.	
3	**Impairment of goodwill**	
	The goodwill arose upon the amalgamation with Holding company as disclosed in note 8.2. The Company's assessment of impairment of goodwill is a judgmental process which requires estimates concerning the forecast future cash flows associated with the goodwill held, the discount rates and the growth rate of revenue and costs to be applied in determining the value in use. At the year end, the Company, for the purpose of impairment testing on goodwill, has calculated recoverable amount (value-in-use) of Cash Generating Unit amounting to Rs. 868.395 million. The carrying amount of net assets (including goodwill) as of the valuation date is Rs. 469.924 million. As a result, value-in-use exceeds the carrying amount of net assets (including goodwill) hence, no impairment in goodwill has been identified as a result of this review. In view of the estimates and judgements used by the management for the calculation of impairment of goodwill, it is therefore considered as key audit matter. The Company's assessment of impairment of goodwill is a judgmental process which requires estimates concerning the forecast future cash flows associated with the goodwill held, the discount rates and the growth rate of revenue and costs	Our work involved the following: • We have assessed the design and implementation of the Company's controls relating to Management's impairment review of goodwill. • We have tested the accuracy of the underlying model to assess whether the processes are applied to the correct input data and the outputs are mapped accurately. • We challenged each of the key assumptions employed in the annual goodwill impairment test. This included reference to our internal valuation specialists' benchmarking of the weighted average cost of capital rate ('WACC') employed as the discount rate employed, including its methodology and constituent inputs and an assessment of the Company's historic forecasting accuracy. • We have tested management's sensitivity analysis in relation to the key inputs to the goodwill impairment test model, as well as performing our own sensitivity analysis which included changes to volume, margin, incentives and the discount rate applied. • We have reviewed the appropriateness of the disclosures provided in accordance with IAS 36 'Impairment of Assets'.

S. No	Key audit matters	How the matter was addressed in our audit
	to be applied in determining the value in use. There was no impairment in the current year	

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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b) Except for the matter as disclosed in basis for qualified opinion, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of cash flows and the unconsolidated statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: **October 04, 2024**

UDIN: **AR202410067mQcufkhde**

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	816,745	817,215
Intangible assets	8	299,305	309,407
Long-term investment	9	50,000	50,000
Long-term deposits		3,174	3,174
		1,169,224	1,179,796
CURRENT ASSETS			
Stores and spares	10	6,038	4,321
Stock-in-trade	11	8,197	26,348
Trade debts	12	76,722	101,847
Loans and advances	13	19,746	36,170
Deposits, prepayments and other receivables	14	29,509	43,529
Taxation - net	15	162,412	152,637
Cash and bank balances	16	3,615	20,154
		306,239	385,006
TOTAL ASSETS		1,475,463	1,564,802
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	17	900,000	900,000
Issued, subscribed and paid-up capital	18	224,888	224,888
Capital reserves			
Revaluation surplus of property	19	336,715	336,715
Other reserves	19	123,281	123,281
Revenue reserve	20	(214,960)	(141,283)
		469,924	543,601
NON-CURRENT LIABILITIES			
Long-term loan	21	68,710	91,729
Lease liabilities	22	23,364	15,889
Deferred taxation - net	23	-	2,660
Cylinder and regulator deposits	24	478,068	479,457
		570,142	589,735
CURRENT LIABILITIES			
Loan from a subsidiary company	25	50,000	50,000
Trade and other payables	26	64,795	103,715
Short-term loan	27	13,388	-
Short-term borrowings	28	154,000	153,701
Unclaimed dividends	29	83,050	83,050
Accrued mark-up	30	26,953	11,886
Current portion of long-term loan	21	33,165	24,948
Current portion of lease liabilities	22	10,046	4,166
		435,397	431,466
TOTAL EQUITY AND LIABILITIES		1,475,463	1,564,802
CONTINGENCIES AND COMMITMENTS	31		

The annexed notes from 1 to 54 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Sales - net	32	2,377,502	3,533,606
Cost of sales	33	(2,239,558)	(3,382,507)
Gross profit		137,944	151,099
Administrative expenses	34	(117,647)	(116,028)
Distribution and marketing expenses	35	(64,197)	(65,880)
Other income	36	65,674	30,411
Other expenses	37	(22,203)	(6,943)
		(138,373)	(158,440)
Operating loss		(429)	(7,341)
Financial costs	38	(69,824)	(56,807)
Loss before minimum tax differential and income tax		(70,253)	(64,148)
Minimum tax differential	39	(6,084)	(8,810)
Loss before income tax		(76,337)	(72,958)
Taxation	40	2,660	6,807
Loss for the year after taxation		(73,677)	(66,151)
		------------ (In Rupees) ------------	
Loss per share - basic and diluted	41	(3.28)	(2.94)

The annexed notes from 1 to 54 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Loss for the year after taxation		(73,677)	(66,151)
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit or loss:			
Actuarial gain on remeasurement of retirement and other service benefits		-	422
Less: deferred taxation thereon		-	(122)
		-	300
Total comprehensive loss for the year		(73,677)	(65,851)

The annexed notes from 1 to 54 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

UNCONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	45	55,498	124,514
Retirement and other service benefits - net		-	3,101
Taxes paid		(15,859)	(36,790)
Finance costs paid		(40,721)	(40,271)
Cylinder and regulator deposits - net		24,733	35,391
Net cash flows generated from operating activities		23,651	85,945
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(32,556)	(33,667)
Purchases of intangible asset		-	(50,150)
Proceeds from property, plant and equipment		13,349	3,519
Net cash used in investing activities		(19,207)	(80,298)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loan repaid		(21,792)	(29,293)
Short-term loan received		128,820	172,000
Short-term loan paid	27	(115,432)	(217,000)
Payment of lease liabilities		(12,878)	(10,136)
Net cash flows used in financing activities		(21,282)	(84,429)
Net decrease in cash and cash equivalents		(16,838)	(78,782)
Cash and cash equivalents at beginning of the year		(133,547)	(54,765)
Cash and cash equivalents at end of the year		(150,385)	(133,547)
Cash and cash equivalents at end of the year comprise of:			
Cash and bank balances	16	3,615	20,154
Short-term borrowings	28	(154,000)	(153,701)
		(150,385)	(133,547)

The annexed notes from 1 to 54 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2024

	Note		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, 2022		224,888	153,458	336,715	(30,477)	459,696	90,000	(165,132)	(75,132)	609,452
Total comprehensive income for the year										
Loss for the year		-	-	-	-	-	-	(66,151)	(66,151)	(66,151)
Other comprehensive income for the year - net of tax		-	-	-	300	300	-	-	-	300
		-	-	-	300	300	-	(66,151)	(66,151)	(65,851)
Balance as at June 30, 2023		224,888	153,458	336,715	(30,177)	459,996	90,000	(231,283)	(141,283)	543,601
Balance as at July 01, 2023		224,888	153,458	336,715	(30,177)	459,996	90,000	(231,283)	(141,283)	543,601
Total comprehensive income for the year										
Loss for the year		-	-	-	-	-	-	(73,677)	(73,677)	(73,677)
Other comprehensive income for the year - net of tax		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	(73,677)	(73,677)	(73,677)
Balance as at June 30, 2024		224,888	153,458	336,715	(30,177)	459,996	90,000	(304,960)	(214,960)	469,924

The annexed notes from 1 to 54 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

1 LEGAL STATUS AND OPERATIONS

1.1 Burshane LPG (Pakistan) Limited (the Company) is a limited liability company incorporated on October 12, 1966 under the Companies Ordinance, 1984 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 These 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 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 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

Geographical location and addresses of major business units of the Company are as under:

Karachi:	Purpose:
Plot No. 70, Sector 7-D, Korangi Filling Plant-1, Adjacent to Pakistan Refinery Limited, Korangi Creek	LPG Storage & filling plant
Faisalabad:	
Square No. 94, Killa no. 1,2,3,4,5,6 & 7, Tehsil Faisalabad, Near Abbaspur Railway Station.	LPG Storage & filling plant

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Act differ from the IFRS Standards, the provisions of and directives issued under the Act, have been followed.

3.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention, unless stated otherwise in accounting policy.

3.3 Separate financial statements

These unconsolidated financial statements represent the separate financial statements of the Company. The consolidated financial statements of the Company and its subsidiary are presented separately.

3.4 Functional and presentation currency

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

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023

	Effective date (annual periods beginning on or after)
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The Company adopted the narrow-scope amendments to the International Accounting Standard (lAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and updates to the information disclosed in "Note 5 - Material Accounting Policies" in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

4.2 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 significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

5 MATERIAL ACCOUNTING POLICIES INFORMATION

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

5.1 Property, plant and equipment

5.1.1 Owned

These are stated at cost less accumulated depreciation and accumulated impairment losses if any, except for freehold land and leasehold land, which are stated at revalued amount.

Depreciation is charged to profit or loss using straight-line method whereby the cost of an asset is allocated over its estimated useful life at the rates given in note 8.1. Depreciation on additions is charged from the month in which the asset is available for use, while no depreciation is charged in the month in which the asset is disposed off. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. Maintenance and normal repairs are charged to profit or loss as and when incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in the profit or loss in the period of disposal.

Revaluations are conducted every three years. When done, a revaluation surplus is recorded in other comprehensive income (OCI) and credited to the asset revaluation surplus in equity. However, the increase is recorded in the profit or loss to the extent it reverses a revaluation deficit of the same asset previously. A decrease as a result of revaluation is recognized in the profit or loss however, a decrease is recorded in other comprehensive income to the extent of any credit balance entry in revaluation surplus in respect of same asset.

5.1.2 Right of use assets

The right-of-use asset is initially measured at the amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using straight line method from the date of commencement date to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

5.1.3 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred in respect of tangible assets in the course of their construction and installation, including financial charges on borrowings, if any, for financing the project until such projects are completed or become operational. Transfers are made to relevant asset category as and when assets are available for use.

5.2 Intangible assets

An intangible asset is recognized if it is probable that the future economic benefits attributable to the asset will flow to the Company and that the cost of such asset can also be measured reliably.

Intangible assets, where applicable, are amortized from the month when such assets are available for use on straight line method whereby the cost of an intangible asset is allocated over its estimated useful life, at the rates given in note 8.

The useful lives of intangible assets are reviewed at each reporting date to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset.

a) Software

Costs that are directly associated with identifiable computer software and have probable economic benefits exceeding one year, are recognized as an intangible asset. Costs include the purchase cost of software, implementation cost and related overhead cost. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment losses thereon.

Expenditure which enhances or extends the performance of computer software beyond its original specification and useful life is recognized as a capital improvement and added to the original cost of the software.

b) Goodwill

This represents excess of cost of acquisition over fair value of the identifiable assets and liabilities of the Company at the time of amalgamation by HTPL.

Goodwill on acquisition is not amortised but tested annually for impairment and carried at cost less accumulated impairment losses, if any.

c) Trademarks

This represents separately acquired trade marks with indefinite useful life. These are stated at cost less accumulated impairment losses, if any. Carrying amounts of trademarks are subject to impairment review at each reporting date.

5.3 Investment in a subsidiary company

Investment in subsidiary is initially recognized and subsequently stated at cost. At subsequent reporting dates, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of the investment is adjusted accordingly.

5.4 Stores and spares

Stores and spares to be consumed in the ordinary course of business are valued at First in First Out (FIFO) basis and net realizable value (NRV) except for those in transit, if any, which are stated at cost. Cost comprises of invoice value plus other direct costs incurred thereon. Provision is made for slow moving and obsolete items wherever necessary and is recognized in profit or loss.

5.5 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value (NRV). Cost is determined using the weighted average method for both Liquefied Petroleum Gas (LPG) and Low Pressure Regulators (LPR). Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.Net realizable value represents the estimated selling price in the ordinary course of business less estimated cost necessary to be incurred to make the sale.

5.6 Trade debts and other receivables

Trade debts and other receivables are stated initially at fair value and subsequently measured at amortized cost using the effective interest rate method less provision for impairment, if any. A provision for impairment is established under expected credit loss approach. Trade debts and other receivables are written-off when considered irrecoverable.

5.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash with banks on current, collection, deposit and saving accounts and short-term running finance. Running finances under mark-up arrangements are shown with short term borrowings in current liabilities on the statement of financial position.

5.8 Retirement and other service benefits

5.8.1 Defined contribution plan

The Company operates a recognized contributory provident fund for all permanent employees. Equal monthly contributions are made, both by the Company and the employees at the rate of 8.33% per annum of the basic salary for management and non-management employees, respectively.

5.9 Lease liabilities

The lease liability is initially measured at the present value of the future lease payments over the lease term, discounted using the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

5.10 Short term loans and borrowings

Short term loans and borrowings are initially recognized at fair value, net of transaction costs incurred. They are subsequently stated at amortized cost using the effective interest rate method.
Short tern loans and borrowings are classified as current liabilities, unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

5.11 Trade and other payables

These are stated initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

5.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

5.13 Taxation

5.13.1 Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or Minimum Tax on Turnover or Alternate Corporate Tax, whichever is higher in accordance with the provisions of Income Tax Ordinance, 2001.

5.13.2 Deferred

Deferred tax is recognized using the liability method, on all temporary differences arising at the reporting date between the tax base of asset and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax asset are recognized for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the asset may be utilized. Deferred tax asset are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recognized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

5.13.3 Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in Statement of Profit or Loss. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy.

5.14 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

5.15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

5.16 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL).

The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of a equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price, determined under IFRS 15) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at FVTPL - The Company has not designated any financial asset as fair value through profit or loss;

- Financial assets at amortized cost - The Company subsequently measures financial assets at amortized cost using effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the profit or loss when the asset is derecognized, modified or impaired;

- Debt instruments at FVTOCI - The Company has not designated any financial asset at fair value through OCI with or without recycling of cumulative gains and losses; and upon recognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's unconsolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment / expected credit losses on financial assets

The Company recognizes an allowance for expected credit losses ("ECL") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Company considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Company uses the IFRS 9's simplified approach and calculates ECL based on life-time ECL on its trade debt and contract assets, where as for other financial assets loss allowance is measured at 12 months ECL under general approach of measuring ECL. For trade debts, the Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to such financial assets and the economic environment.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in future. The expected credit losses are recognized in the profit or loss.

ii) Financial liabilities

Financial liabilities are generally classified at initial recognition, as financial liabilities at amortized cost.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company financial liabilities include long-term loan, accrued mark-up on long-term loan, Lease Liability, cylinder and regulator deposits, trade and other payables and loan from subsidiary company.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the profit or loss. This category generally applies to interest-bearing loans and borrowings and trade and other payables.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

5.17 Revenue from contracts with customers

The Company is in the business of storing, marketing and trading of Liquefied Petroleum Gas (LPG) throughout Pakistan and trading of Low Pressure Regulators (LPR). Revenue from contracts with customers is recognized when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Sale of LPG and LPR

The performance obligation is satisfied upon delivery of LPG and LPR at LPG pump stations. Payment is generally due at the time of delivery. The revenue from sale of these products is recognized at the point in time when control of the asset is transferred to the customer i.e. on delivery of products.

The Company recognizes an account receivable when the performance obligations have been met, recognizing the corresponding revenue. Moreover, the consideration received before satisfying the performance obligations are recognized as advances from customer.

Others

- Return on saving account is recorded using effective interest rate method.
- Other revenues including recovery of storage and handling charges and rental income from storage tank are accounted for on accrual basis.
- Income from dividend, if any, is recognized when right to receive dividend is established.

5.18 Change in accounting policy

During the year, the Company changed its accounting policy of recognizing the portion of income tax paid or payable for the year under the Ordinance, not based on the taxable profits of the Company, as a Levy under IFRIC-21/IAS-37 instead of the current income tax for the year under IAS-12.

The management believes that the new policy provides reliable and more relevant information to the users of the financial statements.

The change in accounting policy has been accounted for retrospectively in accordance with International Accounting Standard 8: "Accounting Policies, Changes in Accounting Estimates and Errors'. There is, however, no material impact on the unconsolidated financial statements of the prior years.

6 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with approved accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to these unconsolidated financial statements:

6.1 Property, plant and equipment

The Company reviews appropriateness of the rates of depreciation, useful lives and residual values used in the calculation of depreciation. Further, where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis.

6.2 Intangible assets

The Company reviews appropriateness of the rate of amortization and useful life used in the calculation for amortization. Further, where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis.

6.3 Taxation

In making the estimates for current income taxes payable by the Company, the management considers the applicable laws and the decisions / judgements of appellate authorities on certain issues in the past. Accordingly, the recognition of deferred tax is also made, taking into account these judgements and the best estimates of future results of operations of the Company.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

7 PROPERTY, PLANT AND EQUIPMENT

The following is the statement of operating fixed assets:

Description	Owned Assets												Right of Use Asset			Total
	Leasehold land (note 7.4 & 7.7)	Freehold land (note 7.7)	Building on leasehold land	Plant and machinery	Cylinders and regulators (note 7.3)	Fire fighting equipment	Furniture, fittings, electrical and other equipment	Vehicles	Office equipment	Computer and related accessories	Tanks, pipelines and fittings	sub total	Building	Vehicles	sub total	
	(Rupees in '000)															
Net carrying value basis year ended June 30, 2024																
Opening net book value	569,288	16,800	12,610	8,018	175,474	255	3,592	1,415	659	298	7,763	796,172	1,679	19,364	21,043	817,215
Addition (at cost)	-	-	-	185	31,703	-	289	-	155	224	-	32,556	17,237	1,950	19,187	51,743
Disposal (NBV)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charged (refer note 7.2)	-	-	(2,675)	(1,649)	(33,774)	(75)	(940)	(942)	(185)	(202)	(1,904)	(42,346)	(3,224)	(6,643)	(9,867)	(52,213)
Closing net book value	569,288	16,800	9,935	6,554	173,403	180	2,941	473	629	320	5,859	786,382	15,692	14,671	30,363	816,745
Gross carrying value basis year ended June 30, 2024																
Cost / revalued amount	569,288	16,800	61,764	47,922	671,638	954	37,053	19,798	3,331	4,218	58,800	1,491,566	33,921	30,082	64,003	1,555,569
Accumulated depreciation	-	-	(51,829)	(41,368)	(498,235)	(774)	(34,112)	(19,325)	(2,702)	(3,898)	(52,941)	(705,184)	(18,229)	(15,411)	(33,640)	(738,824)
Closing net book value	569,288	16,800	9,935	6,554	173,403	180	2,941	473	629	320	5,859	786,382	15,692	14,671	30,363	816,745
Depreciation rate (% per annum)	-	-	5%	5%	10%	15%	10% to 15%	20% to 25%	15%	33.33%	10%	-	25%	25%	-	-
Net carrying value basis year ended June 30, 2023																
Opening net book value	569,288	16,800	15,397	9,488	174,964	359	4,043	2,645	808	350	10,225	804,367	3,908	25,868	29,776	834,143
Addition (at cost)	-	-	-	171	32,471	-	630	106	64	225	-	33,667	2,016	-	2,016	35,683
Disposal (NBV)	-	-	-	-	(359)	-	(51)	-	(36)	-	-	(446)	(1,232)	-	(1,232)	(1,678)
Depreciation charged (refer note 7.2)	-	-	(2,787)	(1,641)	(31,602)	(104)	(1,030)	(1,336)	(177)	(277)	(2,462)	(41,416)	(3,013)	(6,504)	(9,517)	(50,933)
Closing net book value	569,288	16,800	12,610	8,018	175,474	255	3,592	1,415	659	298	7,763	796,172	1,679	19,364	21,043	817,215
Gross carrying value basis year ended June 30, 2023																
Cost / revalued amount	569,288	16,800	61,764	47,737	641,879	954	36,783	41,409	3,176	3,994	58,800	1,482,584	16,684	28,132	44,816	1,527,400
Accumulated depreciation	-	-	(49,154)	(39,719)	(466,405)	(699)	(33,191)	(39,994)	(2,517)	(3,696)	(51,037)	(686,412)	(15,005)	(8,768)	(23,773)	(710,185)
Closing net book value	569,288	16,800	12,610	8,018	175,474	255	3,592	1,415	659	298	7,763	796,172	1,679	19,364	21,043	817,215
Depreciation rate (% per annum)	-	-	5%	5%	10%	15%	10% to 15%	20% to 25%	15%	33.33%	10%		25%	25%		

7.1 As at June 30, 2024, the cost of full depreciated property and equipment is Rs. 513.34 million (2023: Rs. 502.97 million).

	Note	2024	2023
		--------- (Rupees in '000) ---------	
7.2 The depreciation charge for the year has been allocated as follows:			
Cost of sales	33	7,243	8,024
Administrative expenses	34	11,196	11,307
Distribution and marketing expenses	35	33,774	31,602
		52,213	50,933

7.3 These are in custody of distributors / customers owing to the nature of business of the Company. The particulars of these assets have not been disclosed due to a large number of customers.

7.4 The Company possess leasehold lands in Karachi of measuring 5.875 acres. However, the legal title is in the name of H.A.K.S Trading (Private) Limited (HTPL), the former Holding Company. The Company is in the process of transferring the legal title in their name.

7.5 The Company's freehold land and leasehold land was revalued on February 15, 2022 by M/s. K. G. Traders (Private) Limited and on June 14, 2022 by M/s. Luckyhiya Associates (Private) Limited, an independent valuer, on the basis of their professional assessment of present market value for similar sized plots in the near vicinity of land. The revaluation has resulted in surplus for freehold and leasehold land amounting to Rs. 0.30 million and Rs. Nil respectively.

7.6 Had the revaluation not been carried out, the carrying value of freehold land and leasehold land would have been Rs. 5.62 million (2023: Rs. 5.62 million) and Rs. 243.75 million (2023: Rs. 243.75 million), respectively.

7.7 The forced sales value as per the revaluation report as of February 15, 2022 and June 14, 2022 is as follows:

Class of asset	2024	2023
	(Rupees in '000)	
Freehold	16,800	16,800
Leasehold land	569,288	569,288

Particulars of immovable assets of the Company are as follows:

Particulars	Usage of property		Covered Area (Square feet)
Freehold land	For future business expansion	Chak No. 245, Near Railway Station, Abbaspur, Faisalabad	104,544
Leasehold	For future business expansion	Commercial - cum- Residential Land Deh Okewari, Shahrah - e - Faisal Survey # 47	107,811

Particulars	Usage of property		Covered Area (Square feet)
Leasehold	For future business expansion	Commercial - cum- Residential Land Deh Okewari, Shahrah - e - Faisal Survey # 74	40,293
Building on leasehold land	Plant site	Plot No. 70, Sector 7-D,Korangi Filling Plant-1, Adjacent to Pakistan Refinery Limited, Korangi Creek, Karachi	9,710
Leasehold	Plant site	LPG Storage & Filling Plant, Near Railway Station, Abbaspur, Faisalabad	6,380

8 INTANGIBLE ASSETS

	Cost				Accumulated Amortisation				Net Book Value	
	As at July 01, 2023	Additions	Disposals	As at June 30, 2024	As at July 01, 2023	Charge for the year (note 8.5)	Reversal	As at June 30, 2024	As at June 30, 2024	Rate of amortisation
	(Rupees in '000)									
Goodwill	253,091	-	-	253,091	-	-	-	-	253,091	Nil
Computer software	4,272	-	-	4,272	4,200	72	-	4,272	-	20%
Rights under										
Supply contracts (notes 8.2)	50,150	-	-	50,150	2,506	10,030	-	12,536	37,614	20%
Trademarks (note 8.3)	8,600	-	-	8,600	-		-	-	8,600	Nil
2024	316,113	-	-	316,113	6,706	10,102	-	16,808	299,305	

	Cost				Accumulated Amortisation				Net Book Value	
	As at July 01, 2022	Additions	Disposals	As at June 30, 2023	As at July 01, 2022	Charge for the year (note 8.5)	Reversal	As at June 30, 2023	As at June 30, 2023	Rate of amortisation
	(Rupees in '000)									
Goodwill	253,091	-	-	253,091	-	-	-	-	253,091	Nil
Computer software	4,272	-	-	4,272	4,112	88	-	4,200	72	20%
Rights under										
Supply contracts (notes 8.2)	50,150	50,150	(50,150)	50,150	42,626	10,030	50,150	2,506	47,644	20%
Trademarks (note 8.3)	8,600	-	-	8,600	-		-	-	8,600	Nil
2023	316,113	50,150	(50,150)	316,113	46,738	10,118	50,150	6,706	309,407	

8.1 At June 30, 2024, the cost of fully amortized intangible assets are Rs. 4.27 million (2023: Rs. 3.84 million).

8.2 Impairment review of goodwill and trademarks:

The carrying amount of goodwill has been allocated to Burshane LPG (Pakistan) Limited, which is the cash generating unit (CGU) and also the only operating and reportable segment for impairment review.

	2024	2023
	(Rupees in '000)	
Carrying amount of goodwill	253,091	253,091
Carrying amount of trademarks	8,600	8,600

The Company performed its annual impairment review in June 2024 and June 2023. The Company considers the relationship between its recoverable amount and its book value, among other factors, when reviewing for indicators of impairment. At June 30, 2024, the recoverable amount of the CGU was above the book value of its net assets, indicating no potential impairment of goodwill and impairment of the assets of the operating segment. The result of this impairment test depends to a large extent on Management's assessment of future cash inflows and the discount rate used, and is therefore subject to considerable uncertainty. The recoverable amount is the higher of the 'fair value less cost to sell' and the 'value-in-use'. The assumptions are assessed at each reporting date and adjusted when appropriate.

The Company uses a Discounted Cash Flow model (DCF) to determine the value in use. Cash flow projections for the first five years are based on budgeting and forecasting models endorsed by the Company's Management. After five years a terminal value calculation is applied. Within the DCF techniques the terminal value is determined by applying a perpetual growth rate to the perpetual free cash flows. With respect to the appropriateness of the future cash inflows used in the calculation management used budgets of five-year plan adopted by Management and approved by the Board of Directors, as well as by comparison with general and sector-specific market expectations.

The Company applied a discount rate of 19.75% to the forecasted free cash flow based on a WACC of the Company. The WACC is an average cost of capital consisting of two parts - cost of debt and cost of equity.

As the Company's capital consists of 34.47% debt and 65.53% equity. Calculating the cost of equity was done by applying the capital asset pricing model ("CAPM"). The assumptions applied in the CAPM included the following: a risk-free rate of 14% a beta of 0.93 for the Company and an equity risk premium of 8.54%. The risk-free rate was based on the yield of ten-year Pakistan Investment Bonds on the Date of Valuation as per the State Bank of Pakistan. Combining these assumptions yielded a cost of equity of 22.01%

The recoverable amount of CGU as at June 30, 2024 has been determined based on a value-in-use. The Value in Use of the Company indicated by the Discounted Cash Flow (DCF) method approximates to Rs. 868.935 million. The carrying value of net assets (including goodwill) as of the valuation date is Rs. 469.924 million. As the recoverable amount exceeds the carrying value of net assets (including goodwill), no impairment in goodwill has been identified as a result of this review.

The Company tested its trademark "Burshane" as at June 30, 2024 and June 30, 2023 for impairment. Value-in-use of Rs. 243.582 million as at June 30, 2024 of the trademarks has been calculated using Relief from Royalty Method. This method considers the royalties saved by owning the intellectual property rather than licensing it. It is commonly used in the valuation of similar assets and, from a valuation perspective, appears reasonable in this case.

Key assumptions used in value in use calculations:

The calculation of value-in-use for both CGU and trademarks, is most sensitive to the following assumptions:

Sales volume growth
Discount rates
Market share during the forecast period
Royalty rate used for the forecast period
Growth rate used to extrapolate cash flows beyond the forecast period

Sales volume growth

Value in use is sensitive to sales volume growth. Sales volume growth has been assumed to increase in line with management's expectations of market share.

Discount rates

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings the Company is obliged to service.

Market share during the forecast period

When using industry data for growth rates (as described below), these assumptions are important because management assesses how the unit's position, relative to its competitors, might change over the forecast period. Management expects the Company's market share in the LPG industry to be stable over the forecast period.

Royalty rate used for the forecast period

The cash flows have been estimated using a royalty rate of 1% and have been discounted at the WACC. The royalty rate is based on that used by similar businesses.It was concluded that the carrying amount did not exceed the value-in-use. As a result of this analysis, no impairment has been identified by the Company against the trademark with a carrying amount of Rs. 8.600 million as at June 30, 2024.

The implications of the key assumptions for the recoverable amount are discussed below:

Sales volume growth

Value in use is sensitive to price and cost per ton of local and imported LPG and cost pass-through. The value in use was tested at various sales volume growth levels. A decline of 3.88% or more in sales volume growth would result in impairment of the CGU.

Discount rate assumptions

A rise in pre-tax discount rate by 4.71% would result in the impairment of the CGU.

Market share during the forecast period assumptions

Management expects the company to maintain its market share based on the expected demand of the product and the ready supply base it has to service the demand.

Royalty rate assumptions

The cash flows have been estimated using a royalty rate of 1%, and have been discounted at the WACC. The royalty rate is based on that used by similar businesses.It was concluded that the carrying value did not exceed the value in use. As a result of this analysis, no impairment has been identified by the Company against trademark with a carrying amount of Rs. 8.60 million as at June 30, 2024.

Growth rate assumptions

Cashflow beyond the forecast period have been extrapolated using 3% growth based on that used by the management and long term real GDP growth forecast.

8.2 The Company participated in a tender offer by Oil & Gas Development Company Limited (OGDCL) in respect of purchase of LPG from Kunnar Pasaki Deep - Tando Allahyar Gas Field District Hyderabad. On successful submission of the highest signature bonus bid of Rs. 50.15 million, the Company has been allotted one lot of LPG of five metric tons per day for five years from the Kunnar Pasaki Deep - Tando Allahyar.

8.3 This represents consideration paid to OPI Gas (Private) Limited in 2011 for acquisition of rights and title to "Burshane" trademarks. These trademarks are considered to have an indefinite useful life, and therefore have not been amortized. Further, no impairment has been identified in this regard.

	Note	2024	2023
		--------- (Rupees in '000) ---------	

8.4 The amortization for the year has been allocated as follows:

	Note	2024	2023
Cost of sales	33	10,030	10,030
Administrative expenses	34	72	88
		10,102	10,118

9 LONG-TERM INVESTMENT

	Note	2024	2023
Investment in a subsidiary company - at cost			
Burshane Auto Gas (Private) Limited	9.1	50,000	50,000

9.1 This represents investment in Burshane Auto Gas (Private) Limited (BAL), a company incorporated in Pakistan. The Company owns 4,999,997 (2023: 4,999,997) ordinary shares of Rs. 10 each representing 99.99% of the share capital as at the reporting date.

At the reporting date, the subsidiary company has not yet started its business operations, however, the net assets of the subsidiary company at year end amounted to Rs. 49.85 million (2023: Rs. 49.98 million). Investment in the subsidiary has been made in accordance with the provisions of the Section 199 of the Companies Act, 2017 and the rules promulgated for this purpose.

9.2 Burshane Trading (Private) Limited (BTPL) is also the subsidiary of Burshane LPG (Pakistan) Limited which was incorporated on October 13, 2014 under the Companies Ordinance, 1984 (Companies Act, 2017). No share capital has been issued and no transactions were undertaken by BTPL during the year. At the reporting date BTPL is having 'inactive' status in the SECP records.

10 STORES AND SPARES

	2024	2023
Stores	6,254	4,795
Spares parts	1,104	846
	7,358	5,641
Provision for obsolete items	(1,320)	(1,320)
	6,038	4,321

11 STOCK-IN-TRADE

	Note	2024	2023
Liquefied Petroleum Gas (LPG)	11.1	7,733	25,814
Low Pressure Regulators (LPR)		464	534
		8,197	26,348

11.1 This includes stock amounting to Rs. Nil (2023: Rs. 3.07 million) held with the following parties under hospitality arrangements:

	Note	2024	2023
		--------- (Rupees in '000) ---------	
OPI Jamber Plant		-	41
Ravi Sahiwal		-	17
Sadiq Gas Company		-	1,875
Lite Gas Plant		-	1,002
Terra Energy (Private) Limited		-	89
Baba Fareed Gas		-	9
Bashir Gas		-	13
Ali Akbar Energy		-	21
		-	3,067

11.2 At June 30, 2024, stock of LPG held on behalf of third parties amounted to Rs. Nil (2023: Rs. 4.51 million).

12 TRADE DEBTS

	Note	2024	2023
Unsecured - considered good			
Trade debtors		99,214	107,835
Allowance for expected credit losses	12.1	(22,492)	(5,988)
		76,722	101,847

12.1 Allowance for expected credit losses

	Note	2024	2023
Balance as at July 01		5,988	4,617
Allowance for the year	37	16,504	1,371
Balance as at June 30		22,492	5,988

12.2 Ageing analysis of these trade debts as at the reporting date is as follows:

	2024	2023
Up to 1 month	41,448	60,173
1 to 6 months	29,452	25,907
More than 6 months	28,314	21,755
	99,214	107,835

13 LOANS AND ADVANCES

	Note	2024	2023
Loans - secured - considered good			
Staff loan		1,231	150
Advances to (unsecured - considered good)			
Chief executive officer	13.1 &13.2	-	2,555
Contractors and suppliers		18,515	33,465
		18,515	36,020
		19,746	36,170

13.1 This amount pertains to amount paid for travelling to Chief executive officer.

13.2 The maximum aggregate amount due from Chief executive officer against advance from travelling at the end of any month was Rs. 2.68 million (2023: Rs. 2.56 million).

	Note	2024	2023
		--------- (Rupees in '000)	---------
14 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Deposits	14.1	995	19,621
Prepayments		8,772	5,928
Other receivables	14.2	19,742	17,980
		29,509	43,529

14.1 This represents short term deposits in the normal course of business and does not carry any interest or mark-up.

14.2 Other receivables

OPI Gas (Private) Limited	14.3	3,642	3,642
Burshane Petroleum (Private) Limited	14.4	9,000	9,000
Others	14.5 &14.6	12,205	10,443
		24,847	23,085
Credit loss allowance		(5,105)	(5,105)
		19,742	17,980

14.3 This represents receivable against reimbursement of expenses incurred for rebranding activities, which has not been acknowledged by the counter party, thus fully provided.

14.4 This represents amount receivable from Burshane Petroleum (Private) Limited (formerly Darian International (Private) Limited),an associate company, amounting to Rs. 9 million (2023: Rs. 9 million), as consideration against use of the Company's name under an arrangement entered in the year 2016.

14.5 This includes receivable against cylinder deposits of Rs. 3.72 million (2023: Rs. 3.36 million).

14.6 This includes receivable from Burshane Auto Gas (Private) Limited, a subsidiary, amounting to Rs. 0.82 million (2023: Rs. 0.60 million).

14.6.1 The maximum aggregate amount outstanding at the end of any month are as follows:

	Note	2024	2023
		(Rupees in '000)	
Other related party			
Burshane LPG (Pakistan) Limited Provident Fund		760	3,151
Subsidiary Company			
Burshane Autogas (Private) Limited		821	596
Associated Company			
Burshane Petroleum (Private) Limited		9,000	9,000
		10,581	12,747

14.6.2 The ageing analysis of receivable balances due from a subsidiary ,an associate company and other related party are as follows:

	2024	2023
More than 6 months	-	-
More than 12 months	9,000	9,000
	9,000	9,000

15 TAXATION - NET

	2024	2023
Advance tax	15,859	36,790
Provision for taxation	(6,084)	(8,810)
	9,775	27,980
Income tax refundable	152,637	124,657
	162,412	152,637

16 CASH AND BANK BALANCES

	Note	2024	2023
Cash in hand		188	78
Cash at banks			
saving accounts	16.1	2,129	5,046
current accounts		1,298	15,030
		3,427	20,076
		3,615	20,154

16.1 These carry profit at rates range from 7.51% to 20.50% per annum (2023: 6.83% to 22.55% per annum). These balances are held in accounts maintained under conventional banking.

17 AUTHORIZED SHARE CAPITAL

2024	2023		2024	2023
(Number of shares)			(Rupees in '000)	
90,000,000	90,000,000	Ordinary shares of Rs. 10/- each	900,000	900,000

18 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Number of ordinary shares of Rs. 10/- each			2024	2023
2024	2023		(Rupees in '000)	
19,881,766	19,881,766	Fully paid in cash	198,817	198,817
76,820	76,820	Fully paid for consideration other than cash	768	768
2,530,304	2,530,304	Fully paid bonus shares	25,303	25,303
22,488,890	22,488,890		224,888	224,888

18.1 As a result of arrangement (the Scheme), the authorized share capital of the Company enhanced to Rs. 900 million divided into 90 million ordinary shares of Rs. 10 each. Further, pursuant to the effects of amalgamation, the paid-up share capital of the Company reduced by 151,154 shares.

18.2 The Company has completed legal formalities for cancellation of 151,154 shares and issued of new share certificates, which were appearing in the name of HTPL to the shareholders of HTPL (former Holding Company) in accordance with the Scheme. Post completion of legal formalities, Chief Executive, holds 12,327,129 [2023: 54.81% (2023: 54.81%)] ordinary shares of the Company of Rs. 10 each and other directors holds 2,000 [2023: 0.01% (2023: 1.39%)] ordinary shares of the Company of Rs. 10 each.

18.3 At June 30, 2024, institutions held 14.21% (2023: 14.21%) and individuals and others held the balance of 30.97% (2023: 29.59%) voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

19 CAPITAL RESERVES

	Note	2024	2023
		(Rupees in '000)	
Revaluation surplus of property	19.1	336,715	336,715
Other reserves			
Reserve for Amalgamation		153,458	153,458
Actuarial loss on remeasurement of retirement and other service benefits		(30,177)	(30,177)
		306,538	306,538

19.1 The revaluation surplus on property is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
20 REVENUE RESERVE			
General reserve		90,000	90,000
Accumulated loss		(304,960)	(231,283)
		(214,960)	(141,283)
21 LONG-TERM LOAN			
Secured :			
National Bank of Pakistan (NBP)	21.1	101,875	116,677
Current portion of long-term loan		(33,165)	(24,948)
		68,710	91,729

21.1 In year 2015, long-term finance obtained, under conventional banking terms, by HTPL had been transferred to the Company at the time of amalgamation (the scheme). This loan was obtained as a demand finance facility under the agreement dated April 08, 2013 from National Bank of Pakistan (NBP) and was repayable in 9 semi-annual installments of Rs. 44.44 million latest by April 01, 2018 with a grace period of six months. The loan carried mark-up at rate of 6 months KIBOR plus 2.5% to 6% per annum. This loan was secured by way of mortgage on leasehold land and charge on the Company's present and future current and fixed assets as well as personal guarantee of Chief executive officer (CEO) of the Company. In previous years, the Company negotiated several offer letters from NBP.

On September 20, 2021, the Company received a proposal via offer letter No. NBP/ARG/ARW(S)/BLPL/2021/770 supplemented by offer letter for the restructuring / rehabilitation scheme No. NBP/ARG/ARW(S)/BLPL/2022/08 dated January 06, 2022 and addendum to offer letter for the restructuring / rehabilitation scheme dated June 03, 2022 for the restructuring of loan from NBP which was accepted on June 08, 2022 by the Company's management.

However, the competent authority of NBP approved the acceptance of this offer by the Company and executed restructuring of long-term loan amounting to Rs. 254.44 million and its related accrued mark-up amounting to Rs. 119.39 million into three different facilities with effect from June 09, 2022, as mentioned below:

In respect Demand Finance-I (DF-I) facility:

- The part of long-term loan amounted to Rs. 100.44 million restructured as DF-I.
- Upfront payment of Rs. 25.44 million to be made immediately.
- Remaining balance of Rs. 75 million to be re-paid in 20 quarterly installments starting from September 30, 2022 with a grace period of 1 year.
- The facility carries mark-up at the rate of 3 month KIBOR + 2%, which will also be payable during the grace period.

In respect Demand Finance-II (DF-II) facility:

- Frozen accrued mark-up amounted to Rs. 119.39 million on long-term loan restructured as DF-II.
- The Company to pay an amount of Rs. 113.82 million towards frozen mark-up.
- Upfront payment of Rs. 18.52 million (including accrued mark-up amounting to Rs. 7.90 million for the period from January 01, 2022 to June 09, 2022) to be made immediately.
- Remaining amount of Rs. 95.29 million to be re-paid in 20 quarterly installments starting from September 30, 2022.
- The facility carries no mark-up.

In respect Running Finance facility:

- Another part of long term loan amounted to Rs. 154 million restructured as running finance.
- The facility carries mark-up of 3 month KIBOR + 1.75%.

The restructuring / rehabilitation scheme of Burshane LPG (Pakistan) Limited has resulted in a loan restructuring gain, on original long term loan and accrued mark-up thereon, of Rs. 37.76 million on effective date of loan restructuring i.e. June 09, 2022 as described below:

Carrying amount of long term loan before restructuring	**Note**	**Rupees in '000'**
Long-term loan	21	254,439
Accrued mark-up	30	119,392
		373,831
Loan restructured:		
Long-term loan	21	138,115
Short-term borrowings (running finance)	28	154,000
		292,115
		81,716
Less: upfront payment on account of long-term loan and frozen mark-up		43,960
Gain on loan restructuring	36	37,756

In addition, this restructuring arrangements are secured by way of the following;

- 1st charge on present and future current and fixed assets of the company of Rs. 750 million already registered at SECP;

- 1% registered mortgage of land and building of both project locations i.e. Karachi and Faisalabad mentioned in latest statement of financial position , to be created as per the original offer letter by NBP for the restructuring / rehabilitation scheme No. NBP/ARG/ARW-S/BLPL/2021/770 dated September 20, 2021. However, as per the revised offer letter by NBP for the restructuring / rehabilitation scheme No. NBP/ARG/ARW-S/BLPL/2022/08 dated January 06, 2022, the existing collateral is replaced by 1% Registered mortgage and 99% equitable mortgage of Freehold Land (i.e. Chak no. 245 Near Railway Station, Abbaspur, Faisalabad, forced sales value of the said location is Rs. 50 million dated December 02, 2021);

- 1% registered mortgage and balance by way of equitable mortgage on Company's owned following properties situated in Karachi by Rs. 660 million registered at SECP;
- residential / commercial land bearing No. 74 measuring 37 Ghuntas situated at Deh Okewari, Shahra-e-Faisal, Karachi valuation conducted by Luckyhiya Associates (Pvt). Ltd having market value of Rs. 89.63 million and forced sales value amounting to Rs. 71.71 million dated June 30, 2020;
- residential / commercial land bearing No. 47 measuring 2 Acre and 19 Ghuntas situated at Deh Okewari, Shahra-e-Faisal, Karachi valuation conducted by Luckyhiya Associates (Pvt). Ltd having market value of Rs. 239.83 million and forced sales value amounting to Rs. 191.86 million dated June 30, 2020;
- personal guarantee of CEO of the Company;
- undertaking for routing all sales through Company's account with NBP cash management system;
- assignment of long term deposits lying with various refineries (on best efforts);
- replacement of 16,834,434 shares of HAKS Trading (Pvt). Ltd (held by NBP) with shares of Burshane LPG (Pakistan) Limited to be completed in three months under the supervision / guidance of NBP legal division as a result of name change of the organization. Further, after the conversion of said shares, shares of Burshane LPG (Pakistan) Limited to be held with NBP.

There are certain other terms and conditions attached in the aforementioned letter dated September 20, 2021 in respect of restructuring / rehabilitation of loan which the Company have to comply with, some of which are mentioned below:

- Adjusted Debt to EBITDA not to exceed 4 times.
- Debt Service Coverage Ratio not to fall below 1.1.
- No new dividend to be paid / announced during rescheduling period or prior approval from NBP to be obtained.
- NBP's prior approval to be obtained for the payment of unclaimed dividend amount to the sponsoring directors.

	Note	2024	2023
		--------- (Rupees in '000) ---------	

22 LEASE LIABILITIES

	Note	2024	2023
Balance as at July 01	22.1	20,055	28,175
Addition		19,187	2,016
Disposal		-	(2,922)
Interest expense		7,046	4,575
		46,288	31,844
Payments made during the year		(12,878)	(11,789)
		33,410	20,055
Current portion of lease liabilities		(10,046)	(4,166)
Balance as at June 30		23,364	15,889

22.1 For determining, lease liabilities, the Company discounted lease payments using its incremental borrowing rate 28.48% per annum (2023: 22.25% per annum).

22.2 This represents finance lease entered into with a leasing company for vehicles. Total lease rentals due under lease agreement aggregated to Rs. 22.12 million (2023: Rs. 25.66 million) and are payable in equal monthly installments latest by September 2028. Taxes, charges, demands and levies, repair and maintenance are to be borne by the Company.

22.3 Maturity analysis-contractual cash flow

	2024	2023
Less than one year	10,046	4,166
One to five year	23,364	15,889
Total lease liability	33,410	20,055

23 DEFERRED TAXATION - NET

	2024	2023
Taxable temporary differences		
Accelerated tax depreciation and amortization	17,541	20,856
Post employment benefits	-	122
Deductible temporary differences		
Lease liabilities	(9,689)	(5,816)
Minimum turnover tax	(6,084)	(8,902)
Provisions	(8,386)	(3,600)
	(6,618)	2,660
Deferred tax asset not recognized	6,618	-
	-	2,660

23.1 Deferred tax asset have not been recognized in respect of deductible temporary differences, because the Company is subject to minimum tax under section 113 of the Income Tax Ordinance (ITO), 2001.

24 CYLINDER AND REGULATOR DEPOSITS

This represents non-interest bearing deposits which are refundable on termination of distributorship agreements and / or return of cylinders and ancillary equipment as per the Company policy.

25 LOAN FROM A SUBSIDIARY COMPANY

25.1 This represents loan received from Burshane Autogas (Private) Limited, having a period of 12 months and could be extended for a period as voluntary agreed. This loan is interest free, and received to meet the working capital requirement of the company .These loans are unsecured and are considered good.

Clause no. 4 is being amended and affective as follows:

It is mutually agreed that the entire amount of loan will be repaid within the next 12 months or any extended period, if so mutually agreed.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
26 TRADE AND OTHER PAYABLES			
Creditors		14,145	54,767
Accrued liabilities		2,987	3,768
Advances from distributors / customers - unsecured		17,704	16,770
Workers' Welfare Fund		3,017	3,017
Withholding tax payable		5,487	5,102
Sales tax payable		2,590	249
Others		18,865	20,042
		64,795	103,715
27 SHORT-TERM LOAN			
Related party - unsecured			
Loan from Burshane Petroleum (Private) Limited	27.1	-	-
Loan from Director	27.1	13,388	-
		13,388	-

27.1 The loan was obtained from Burshane Petroleum (Private) Limited and Director amounting to Rs. 31.50 million (2023: Rs. 155 million) and Rs. 97.32 million (2023: 17) for purchase of LPG. During the reporting period, loan amounting to Rs. 106.91 million (2023: Rs. 217 million) was repaid and Rs. 8.51 million (2023: Nil) was adjusted against the sale of vehicle during the year. Loan carries rate of return of KIBOR + 2%.

28 SHORT-TERM BORROWINGS

The Company has an arrangement for running finance facility under mark-up arrangement from National Bank of Pakistan (NBP) amounting to Rs. 154 million along with an import LC sight.

The rate of mark-up on running finance facility is 3 months KIBOR + 1.75% per annum. The arrangements are secured by way of mortgage on leasehold land and charge on the Company's present and future current and fixed assets as well as personal guarantee of Chief Executive of the Company.

29 UNCLAIMED DIVIDENDS

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Opening balance		83,050	83,050
Dividend paid during the year		-	-
Closing balance		83,050	83,050

29.1 These includes an amount of Rs. 59.08 million payable to the directors of the Company (2023: Rs. 60.59 million payable to the beneficial owners of HTPL). However, NBP's prior approval to be obtained for the payment of unclaimed dividend amount to the sponsoring directors as disclosed in note 21.

30 ACCRUED MARK-UP

	Note	2024	2023
Mark-up accrued on:			
Short-term loan	30.1	2,657	-
Long-term loan		6,319	3,801
Short-term borrowings		17,977	8,085
		26,953	11,886

30.1 This represents accrued mark-up payable to Director.

31 CONTINGENCIES AND COMMITMENTS

31.1 Contingencies

31.1.1 An inspection order dated August 04, 2020 under Section 221 of Companies Act, 2017 was issued by SECP against complaint received by the Commission wherein it was alleged that the CEO and Director Finance of the Company are involved in financial irregularities of the Companies Act, 2017, which include advance made to Roots International Brands Private Limited (RIBS), an associate company, and that the bank account was being used for illegal activities by CEO and Company's Director Finance who appears to have concealed the existence of such financial transactions.

On the conclusion of inspection, a report was issued on October 23, 2020 mentioning cognizance of offences under sections 204, 199(1), 199(2), 183(2), CEO and Director Finance of the Company, during the period July 1, 2018 to June 30, 2020 and suggested that they are liable with regard to all the above non-compliances as the Board of Directors did not discuss or approve transactions with RIBS until June 26, 2020 and the predecessor auditors are liable for proceedings to be initiated under section 249 read with section 253 of the Act as they failed to highlight lack of disclosure of transactions with RIBS in notes to these unconsolidated financial statements for year ended June 30, 2019 especially in related parties note as required under IAS 24. The Auditor also failed to highlight the unsecured interest free loans extended without any agreement to a related party i.e., RIBS before June 03, 2019.

The Company has provided the comments on findings to SECP, that the non-compliance was not intentional but was omission by mistake. The Company had advanced certain amount to RIBS, However, the Company has received all the monies back with mark up and therefore there is no financial loss to the Company. The Board has subsequently ratified all these transactions with RIBS, and therefore to an extent the non-compliance has been addressed. It was merely an oversight of SECP compliance regulations. It has further been resolved in the Board that extra care shall be taken in future to ensure that non-compliance should not takes place.

The SECP has imposed penalty of Rs. 2 million on October 11, 2022. However, the management has initiated an appeal in the Honorable Sindh High Court (SHC) in respect of the matter. The case is still pending in SHC.

31.1.2 The Special Sales Tax Reference Application (STRA) has been filed by the Commissioner Inland Revenue, Zone-IV, Large Taxpayers Unit Karachi in the High Court of Sindh at Karachi on December 18, 2019. During the year ended June 30, 2018, tax authorities issued Order dated May 25, 2018 and charged sales tax under section 8B of Sales Tax Act, 1990, raising sales tax demand and imposing penalties aggregating to Rs. 133.11 million and also default surcharge for tax periods from July 2014 to March 2018. Against the said Order, the Company filed appeal before Commissioner (Appeals–I), Karachi who vide Order dated July 03, 2018 vacated the whole principal amount of sales tax of Rs. 65.57 million and reduced the imposition of penalties from Rs. 67.54 million to Rs. 0.50 million only. However, the liability on account of default surcharge was maintained.

The Order of the Commissioner (Appeal) was challenged before the Hon'ble Appellate Tribunal Inland Revenue, Karachi who vide Order dated August 28, 2019 reduced the substantial amount of default surcharge to Rs. 1.34 million and maintained the amount of penalty Rs. 0.50 million. The Company has paid the reduced amount of default surcharge and penalty without pursuing the matter before the High Court.

31.1.3 The captioned Special Sales Tax Reference Application (STRA) is filed by the Commissioner Inland Revenue, Zone-IV, Large Taxpayers Unit Karachi in the High Court of Sindh at Karachi. On September 28, 2018, tax authorities levied sales tax under section 8B of Sales Tax Act, 1990, raising sales tax demand along with the levy of penalty aggregating to Rs. 7.90 million for tax periods from April 2018 to May 2018.

Against the Order, the Company filed appeal before Commissioner (Appeals–I), Karachi, who vide Order dated October 31, 2018 vacated the whole principal amount of sales tax of Rs. 7.67 million. However, the liability on account of default surcharge and penalty was maintained.

The Order of the Commissioner (Appeal) was challenged before the Hon'ble Appellate Tribunal Inland Revenue, Karachi who vide Order dated August 28, 2019 reduced the substantial amount of default surcharge to Rs. 0.16 million and maintained the amount of penalty Rs. 0.23 million. The Company has paid the reduced amount of default surcharge and penalty without pursuing the matter further.

31.1.4 The Company has filed Special Federal Excise Duty (FED) Ref. Application before the Honorable Sindh High Court (SHC) against the Appellate order dated April 02, 2012 of the Appellate Tribunal IR. The tax authorities at Large Taxpayers Office established a demand towards FED on the payment of license fee paid/payable by the Company in relation with the software / IT services acquired from the non-resident parent company under the tariff heading "franchise service" as per First Schedule to Federal Excise Act, 2005. At that time, Burshane LPG (Pakistan) Limited was a subsidiary of Shell Group, operating under the name of Shell LPG Pakistan Limited.

The scope of services under the head 'franchise services' was not clear when the Federal Excise Act was promulgated in the year 2005 and then the jurisdictional issues also made the matter more complicated when the franchise services were subjected to Provincial sales tax by promulgation of Sindh Sales Tax on Services Act, 2011 effective July 01, 2011.

Software licensing does not fall under the service classification "franchise services" and this aspect has been settled at the Appellate Tribunal level in reported judgments, also. Hence, the Company has a strong arguable case to defend its position that the impugned demand of FED may not be warranted. However ,the Company has filed an appeal to the SHC and the matter is still pending.

31.1.5 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 Rs. 1.78 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 the 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 Honorable Sindh High Court (SHC) and subsequently from the Special Court which was later confirmed.

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

The Company had received notices under section 177(1) of Income Tax Ordinance (ITO), 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 under section 122(5A) of the ITO, 2001 demanded income tax liability amounting to Rs. 609.79 million and Rs. 617.30 million for the tax year 2018 and 2019. An appeal was preferred before the Commissioner Inland Revenue – Appeal (CIR-A) whereby the CIR-A remanded back the case to the concerned Officer Inland Revenue (OIR). Thereafter, remanded back proceeding was initiated by the learned OIR, that culminated on an order under section 124/129 of the Ordinance, whereby the demanded tax liability of Rs. 172.05 million and Rs. 87.75 million for the tax year 2018 and 2019 was created. Being aggrieved, the taxpayer again preferred an appeal before CIR-A, that is currently pending.

31.1.6 The Director of Intelligence and Investigation, Inland Revenue had appeared on TV in Kamran Khan's News show on September 23, 2020, and there he discussed the case in a manner whereby Company's reputation was damaged. He tried to conduct a media trial of the Company and its Directors. Additionally, the Director of Intelligence and Investigation, Inland Revenue also disclosed our tax and assets details, hence breached privacy and confidentiality laws.

The Company has filed a law suit in Honorable Sindh High Court (SHC) for damages against the Director General, the Director of South Region and the Deputy Director, (the Complainant) of the Directorate of I&I, Inland Revenue for a sum of Rs. 1 billion. Nevertheless, the issue remained pending in Honorable Sindh High Court (SHC).

31.1.7 On July 31, 2015, the Company received a show cause notice under Punjab Rented Premises Act, 2009, by the landlords of the property measuring 51-Kanals-03-Marlas, or thereabouts bearing Square No. 94, Killa no. 1, 2, 3, 4, 5, 6 & 7, tehsil Faisalabad, near Abbaspur railway station. The Company uses this land for LPG storage and filing plant of Faisalabad. The landlords filed an ejectment petition against the Company and the Company has filed defending argument in the rent tribunal Faisalabad and case is under hearing stage.

31.1.8 For the tax year 2016, a notice dated June 25, 2018 was issued to the Company to provide certain information / details for audit proceedings. The notice was duly complied.

Show cause notice dated June 13, 2019 was issued to amend assessment u/s 122(9) read with section 214C of the Income Tax Ordinance, 2001 which was duly responded on all the points. Subsequently, order dated August 29, 2019 passed by the DCIR raising null tax demand due to applicability of minimum tax.

The Company filed appeal to the Commissioner (Appeals) against the aforesaid order dated August 29, 2019. The said appeal was heard and order passed wherein the Commissioner (Appeals) has confirmed the certain additions made by the DCIR, whereas, he has annulled / deleted certain additions i.e. (rent, advertising expenses and financial charges - profit on debt) as such. Further, the Commissioner (Appeals) has also directed the Officer to allow credit of actual taxes paid of Rs. 23.45 million subject to due verification. Appeal effect under section 124 to be filed.

Monitoring of WHT was conducted by the DCIR by issuing a notice under section 176 dated March 28, 2018 which was duly responded. Thereafter, a show-cause notice dated February 13, 2019 was issued under section 161(1A) confronting on non-withholding of taxes on certain payments. Response was duly filed and accordingly order dated March 15, 2019 was passed under section 161 / 205 by the ACIR wherein the total tax demand of Rs. 2.05 million was raised which comprised the defaulted amount of Rs. 1.552 million; default surcharge of Rs. 0.49 million.

Against the order, the Company filed an appeal before the Commissioner (Appeals-I) which was heard and appellate order passed dated May 15, 2019 wherein Commissioner (Appeals-I) remanded back the order of DCIR with the directions to verify supporting documentary evidences in respect of expenses claimed to be furnished by appellant company within seven days time. Following the underlying directions of Commissioner (Appeals-I) the Company has filed the details of expenses / payments in question vide our letter no. KT-AA-3707 dated May 22, 2019 to the DCIR for onward proceedings.

The Company filed application dated March 25, 2021 for approval for revision of return under clause (ba) of sub-section 6 of section 114 of Income Tax Ordinance, 2001, for charging minimum tax u/s 113 at the rate 0.2% instead of 1%. The Commissioner Audit vide his letter dated May 07, 2021 rejected the request of the Company for granting permission for revision of return. The Company has filed a petition in the Honorable Sindh High Court (SHC) with prayer to direct the Commissioner Inland Revenue to allow revision of return of income for the tax year 2016.Nonetheless,no adverse order has been passed and the matter is still pending in the SHC.

		Note	2023	2022
			--------- (Rupees in '000)	---------
31.2	**Commitments**			
	Post-dated cheques		22,122	25,660
32	**SALES - NET**			
	Gross sales			
	Liquefied petroleum gas (LPG)		2,728,960	4,039,886
	Low pressure regulators (LPR)		238	550
			2,729,198	4,040,436
	Sales return		(13,121)	(4,907)
	Sales tax		(338,575)	(501,923)
			2,377,502	3,533,606

32.1 Revenue recognized from amounts included in advance from customers at the beginning of the year amounted to Rs. 12.76 million (2023: Rs. 5.92 million).

33 COST OF SALES

	Note	2023	2022
Salaries, wages and other employees benefits	33.1	27,799	29,963
Cost of low pressure regulators sold		70	182
Stores and spares consumed	33.3	2,632	1,284
Repairs and maintenance		2,629	4,587
Travelling, conveyance and vehicle maintenance		2,222	1,690
Depreciation	7.2	7,243	8,024
Amortization	8.4	10,030	10,030
Rent, rates and utilities		19,862	21,521
Communication charges		763	875
Printing and stationery		374	170
Legal and professional charges		2,741	384
Insurance		4,958	3,914
Signature bonus		3,718	17,165
Security		4,563	4,208

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Sundry expenses		491	1,461
Manufacturing cost		90,095	105,458
Opening stock		25,814	44,370
Purchases	33.2	2,131,382	3,258,493
Closing stock	11	(7,733)	(25,814)
		2,149,463	3,277,049
		2,239,558	3,382,507

33.1 Salaries and other benefits include Rs. Nil (2023: Rs. 0.62 million) in respect of retirement and other service benefits.

33.2 This include amount of Rs. 202.47 million (2023: Rs 247.87 million) related to purchases of LPG from Byco Petroleum Pakistan Limited (BPPL) and amount of Rs. 5.96 million (2023:Rs 6.54 million) paid to ADEPT (Private) Limited (APL) for purchasing rights of LPG quota.

On May 13, 2019, the Company entered in to agreement with Byco Petroleum Pakistan Limited (BPPL) for purchase of LPG through an arrangement. On June 6, 2019, the Company entered into a joint venture agreement (the Agreement) with APL being engaged in oil and gas related business with a quota of 35 MT per day by BPPL. As per the agreement, APL consented and assigned LPG quota to the Company for marketing and distribution of LPG including management of operations, maintaining of books of accounts and records under the agreement. The Board discussed these arrangements and the agreement and on September 19, 2019, the Board approved the agreement.

As per the revised agreement effective from August 16, 2020, APL is entitled to a fixed profit amounting to Rs. 4,500 (2023: Rs. 4,500) for each MT net of all taxes of LPG procured through BPPL while any other profit or loss from marketing and distribution of that LPG is accrued to the Company.

33.3 Stores and spares consumed

	Note	2024	2023
Opening stock		4,321	4,673
Purchases		4,349	932
		8,670	5,605
Closing stock	10	(6,038)	(4,321)
		2,632	1,284

	Note	2024	2023
		--------- (Rupees in '000) ---------	

34 ADMINISTRATIVE EXPENSES

	Note	2024	2023
Salaries, wages and other employees	34.1	66,286	69,796
Depreciation	7.2	11,196	11,307
Amortization	8.4	72	88
Repairs and maintenance		2,954	1,823
Travelling, conveyance and vehicle maintenance		6,260	5,517
Rent, rates and utilities		3,352	1,929
Communication charges		1,651	2,347
Printing and stationery		924	1,059
Legal and professional charges		11,978	16,939
Insurance		3,361	1,804
Advertisement and publicity		-	285
Security		2,677	2,043
Donation	34.2	4,787	500
Sundry expenses		2,149	591
		117,647	116,028

34.1 Salaries and other benefits include Rs. Nil (2023: Rs. 4.39 million) in respect of retirement and other service benefits.

34.2 This includes Rs. 4.77 million (2023: Nil) paid to Baitussalam Welfare Trust.

35 DISTRIBUTION AND MARKETING EXPENSES

	Note	2024	2023
Salaries, wages and other employees	35.1	12,830	13,798
Depreciation	7.2	33,774	31,602
Repairs and maintenance		106	776
Travelling, conveyance and vehicle maintenance		1,005	393
Rent, rates and taxes		1,259	784
Communication charges		339	641
Printing and stationery		68	101
Insurance		381	347
Hospitality charges		3,209	8,705
Freight and octroi		10,860	7,938
Advertisement and publicity		-	339
Security		128	165
Sundry expenses		238	291
		64,197	65,880

35.1 Salaries and other benefits include Rs. Nil (2023: Rs. 0.38 million) in respect of retirement and other service benefits.

	Note	2024	2023
		--------- (Rupees in '000) ---------	

36 OTHER INCOME

	Note	2024	2023
Income from financial assets			
Profit on saving accounts	36.1	726	1,017
Income from non-financial assets			
Rental income from storage tanks-cylinders		1,731	1,192
Gain on disposal of property, plant and equipment		13,349	1,841
Liability for cylinder deposits and regulator deposits written back	36.2	26,122	22,131
Old liabilities written back		457	3,018
Recoveries against cylinder replacement		2,367	810
Hospitality income		4,898	402
Storage income		6,988	-
Others		9,036	-
		65,674	30,411

36.1 This represents profit on bank accounts under conventional banking relationship.

36.2 This represents cylinder and regulator deposits pertaining to cylinders issued for 10 years and above, which relates to inactive distributors / customers who are not in business with the Company.

37 OTHER EXPENSES

	Note	2024	2023
Directors' fees		3,300	3,050
Auditors' remuneration	37.1	2,399	2,522
Credit loss allowance	12.1	16,504	1,371
		22,203	6,943

37.1 Auditors' remuneration

	2024	2023
Statutory audit	1,320	1,200
Half yearly review	600	600
Other certification	320	490
Out of pocket expenses and others	159	232
	2,399	2,522

	Note	2024	2023
		--------- (Rupees in '000) ---------	
38 FINANCIAL COSTS			
Mark-up / interest on:			
Short-term loan	38.1	4,866	2,219
Short-term borrowings		36,991	27,732
Long-term loan		20,572	21,411
Lease liabilities		7,046	4,575
Workers' Profits Participation Fund		-	38
		69,475	55,975
Bank charges and commission		349	832
		69,824	56,807

38.1 This includes mark-up of Rs. 0.55 million (2023: 2.03 million) and Rs. 4.31 million (2023: 0.19 million) at KIBOR+2% on short-term loan obtained from Director and Burshane Petroleum (Private) Limited amounting to Rs. 31.50 million (2023: Rs. 155 million) and Rs. 97.32 million (2023: 17 million).

39 MINIMUM TAX DIFFERENTIAL

This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO), 2001, representing levy in terms of requirements of IFRIC 21/IAS 37 as disclosed in note 5.18.

40 TAXATION

	2024	2023
Deferred	2,660	6,807

40.1 The numerical reconciliation between average tax rate and the applicable tax rate has not been presented during the year in these unconsolidated financial statements as the total tax liability of the Company during the year is covered under section 113 Minimum Tax of ITO, 2001 as it is a higher of Corporate rate tax and Alternate Corporate Tax.

41 LOSS PER SHARE - BASIC AND DILUTED

	2024	2023
Loss for the year after taxation	(73,677)	(66,151)
	--------- (Number in '000) ---------	
Weighted average number of ordinary shares outstanding	22,489	22,489
	2024	**2023**
	----------- (Rupees) -----------	
Loss per share - basic and diluted	(3.28)	(2.94)

42 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these unconsolidated financial statements for remunerations, including all benefits to Chief Executive, Directors and Executives of the Company were as follows:

	2024				2023			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	(Rupees in '000)				(Rupees in '000)			
Managerial remuneration	27,099	10,587	19,337	57,023	27,324	10,587	18,905	56,816
Meeting fees	50	250	650	950	150	250	600	1,000
Bonus	2,252	882	1,589	4,723	3,416	1,323	2,384	7,123
Retirement benefits	1,800	-	1,328	3,128	1,960	-	1,410	3,370
Travelling and conveyance	-	-	39	39	-	-	63	63
Medical allowance	-	100	808	908	-	100	467	567
Total	31,201	11,819	23,751	66,771	32,850	12,260	23,829	68,939
Number of persons	1	1	9	11	1	1	8	10

42.1 In addition, the Chief Executive, the Directors and certain Executives were also provided with free use of the Company's maintained cars.

42.2 Fee amounting to Rs. 2.15 million (2023: Rs. 1.80 million) was paid to nine (2023: seven) non-executive directors for attending Board meetings during the year.

43 RETIREMENT AND OTHER SERVICE BENEFITS

43.1 Provident Fund

The following information is based upon the latest audited unconsolidated financial statements of the provident fund as at June 30, 2024 and June 30, 2023:

	2024	2023
	(Rupees in '000)	
Size of the fund - total assets	10,053	6,006
Fair value of investments	9,899	5,899
Cost of investments	9,885	5,156
Percentage of investments	98.33%	85.85%

	2024		2023	
	Rupees in '000	%	Rupees in '000	%
Bank deposits	6,301	64	2,025	34
Mutual funds	3,598	36	3,874	66
	9,899		5,899	

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

44 TRANSACTIONS WITH RELATED PARTIES

44 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.

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

Transactions with related parties

Nature of relationship	Nature of transactions	2024	2023
		---(Rupees in '000)---	
Subsidiary Company			
Burshane Auto Gas (Private) Limited	Expense paid on behalf of subsidiary company	225	369
Staff retirement benefit / contribution plans			
Burshane LPG (Pakistan) Limited Management Staff Pension Fund	Benefits paid	-	715
	Received on account of excess benefits paid	-	3,275
	Amount received against loan	-	541
Burshane LPG (Pakistan) Limited Provident Fund	Contribution paid	8,921	9,934
	Loan provided	-	2,400
	Amount received against loan	-	2,900
Associated Companies			
Burshane Petroleum (Private) Limited [Formerly Darian International (Private) Limited]	Short term loan - received *	31,500	155,000
	Short term loan - paid *	31,500	200,000
	Interest expense on short term loan	553	2,026
	Interest paid on short term loan	553	2,026
Director	Sale of vehicle	8,514	-
	Short term loan - received *	97,320	17,000
	Short term loan - paid *	72,742	17,000
	Short term loan adjusted against sale	8,514	-
	Interest expense on short term loan	4,313	193
	Interest paid on short term loan	1,656	193
	Advance against expenses	121	3,085
	Amount received against advance	-	530

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Nature of relationship	Nature of transactions	2024	2023
		---(Rupees in '000)---	
Key management personnel	Loan disbursed	2,002	650
	Amount received against loan	1,075	868
	Managerial remuneration	57,023	56,816
	Bonus	4,723	7,123
	Retirement benefits	3,128	3,370
	Travelling and conveyance	39	63
	Medical	908	567

* During the year, the Company obtained a loan amounting to Rs. 31.50 million (2023: Rs. 155 million) and Rs. 97.32 million (2023: 17 million) at a markup of KIBOR plus 2% from Burshane Petroleum (Private) Limited, an associate company and Director, for purchase of LPG and other terms. The loan amounting to Rs. 106.91 million (2023: Rs. 217 million) was repaid and Rs. 8.51 million (2023: Nil) was adjusted against the sale of vehicle during the year.

Balances with related parties

		2024	2023
Director	Dividend payable	59,082	59,082
	Short-term loan	24,578	-
	Markup payable	2,657	-
	Receivable against expenses	2,676	2,555
Subsidiary			
Burshane Auto Gas (Private) Limited	Investment held in subsidiary	50,000	50,000
	Loan payable to subsidiary	50,000	50,000
	Receivable against expenses	821	596
Associated Companies			
Burshane Petroleum (Private) Limited (Formerly Darian International (Private) Limited)	Receivable against use of name "Burshane"	9,000	9,000
Key management personnel			
Key management personnel	Short-term loan	1,077	150

44 Following are the related parties with whom the Company had entered in to transactions or has arrangement / agreement in place.

Name	Basis of Relation	% of shareholding in the company
Burshane Auto Gas (Private) Limited	Subsidiary Company	99.99
Burshane Trading (Private) Limited *	Subsidiary Company	Nil
AAK Commodities (Private) Limited (Formerly ALSAA & AAK Commodities (Private) Limited)	Common directorship	Nil
A&S Corporation (Private) Limited	Common directorship	Nil
Khan International Brands (Private) Limited	Common directorship	Nil
Norinco International Thatta Power (Private) Limited	Common directorship	Nil
Burshane Petroleum (Private) Limited (Formerly Darian International (Private) Limited)	Common directorship	Nil
AN Developers (Private) Limited	Common directorship	Nil
AN Energy (Private) Limited	Common directorship	Nil
Roots International Brands (Private) Limited	Common directorship	Nil
Pakistan LPG Marketers Association	Common directorship	Nil
N Petrochem (Private) Limited	Common directorship	Nil
Macter International Limited	Common directorship	Nil
Sana Industries Limited	Common directorship	Nil
Leather Up Limited	Common directorship	Nil
Agritech Limited	Common directorship	Nil
Pakistan Corporate Restructuring Company Limited	Common directorship	Nil
Burshane LPG (Pakistan) Limited Gratuity Fund	Staff Retirement Benefit Plan	Nil
Burshane LPG (Pakistan) Limited Management Staff Pension Fund	Staff Retirement Contribution Plan	Nil
Burshane LPG (Pakistan) Limited Provident Fund	Staff Retirement Contribution Plan	Nil

* No share capital has been issued since incorporation and no transactions were undertaken by Burshane Trading (Private) Limited during the year.

	Note	2024	2023
		--------- (Rupees in '000) ---------	

45 CASH GENERATED FROM OPERATIONS

	Note	2024	2023
Loss before minimum tax differential and income tax		(70,253)	(64,148)
Adjustment for non-cash and other items:			
Gain on disposal of property, plant and equipment	36	(13,349)	(1,841)
Financial charges	38	69,824	56,807
Depreciation	7.2	52,213	50,933
Amortization	8.4	10,102	10,118
Provision for retirement and other service benefits		-	454
Allowance for the year	12.1	16,504	1,371
Liability for cylinder deposits written back	36	(26,122)	(22,131)
		109,172	95,711
Profit before working capital changes		38,919	31,563
Working capital changes	45.1	16,579	92,951
		55,498	124,514

45.1 Working capital changes

	2024	2023
Increase/(decrease) in current assets:		
Stores and spares	(1,717)	352
Stock-in-trade	18,151	18,577
Trade debts	8,621	(15,471)
Loans and advances	16,424	20,359
Deposits, prepayments and other receivables	14,020	78,246
	55,499	102,063
Decrease in current liabilities:		
Trade and other payables	(38,920)	(9,112)
	16,579	92,951

46 FINANCIAL INSTRUMENTS BY CATEGORY

	2024	2023
Financial assets as per statement of financial position		
Amortized cost		
Long-term loans including current portion	1,231	150
Long-term deposits	3,174	3,174
Trade debts	76,722	101,847
Deposits and other receivables	20,737	37,601
Bank balances	3,427	20,076
Long-term investment	50,000	50,000
	155,291	212,848

	2024	2023
	--------- (Rupees in '000) ---------	
Financial liabilities as per statement of financial position		
Amortized cost		
Long-term loan including current maturity	101,875	116,677
Trade and other payables	35,997	78,577
Loan from a subsidiary company	50,000	50,000
Cylinder and regulator deposits	478,068	479,457
Accrued mark-up	26,953	11,886
Lease liabilities	33,410	20,055
Short-term loan	13,388	-
Short-term borrowings	154,000	153,701
	893,691	910,353

47 CHANGE IN LIABILITIES ARISING FROM FINANCIAL ACTIVITIES

Description	As at July 01, 2023	Additions	Disposals	Others	Cashflows	As at June 30, 2024
	----------	----------	(Rupees in '000)	----------	----------	----------
Long-term loan	91,729	-	-	(23,019)	-	68,710
Current portion of long-term loan	24,948	-	-	30,009	(21,792)	33,165
Lease liabilities	15,889	19,187	-	(11,712)	-	23,364
Current portion of lease liabilities	3,996	-	-	18,928	(12,878)	10,046
Short-term loan	-	128,820	-	-	(115,432)	13,388
Short-term borrowings	153,701	1,247	-	-	(948)	154,000
Accrued mark-up	11,886	-	-	55,788	(40,721)	26,953
2024	302,149	149,254	-	69,994	- 191,771	329,626

Description	As at July 01, 2022	Additions	Disposals	Others	Cashflows	As at June 30, 2023
	----------	----------	(Rupees in '000)	----------	----------	----------
Long-term loan	114,345	-	-	(22,616)	-	91,729
Current portion of long-term loan	23,770	-	-	30,471	(29,293)	24,948
Lease liabilities	18,871	2,016	-	(4,998)	-	15,889
Current portion of lease liabilities	9,304	-	(2,922)	9,403	(11,789)	3,996
Short-term loan	45,000	172,000	-	-	(217,000)	-
Short-term borrowings	151,061	-	-	2,640	-	153,701
Accrued mark-up	3,205	45,674	-	-	(36,993)	11,886
2023	365,556	219,690	(2,922)	14,900	(295,075)	302,149

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

48.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders. Risk management is carried out by the Company's finance and treasury department under policies approved by the Board of Directors.

(a) Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other prices will effect the Company's income or the value of its holdings of financial instruments.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. It mainly arises when receivables and payables exist due to transactions in foreign currency.

As majority of the Company's financial assets and liabilities are denominated in Pakistani Rupees, therefore, the Company, at present, is not exposed to foreign currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is primarily exposed to interest rate risk arising from long-term loan, short term loans & borrowings from bank and bank deposits. Borrowing at variable rate exposes the Company to cash flow interest rate risk.

	2024	2023	2024	2023
	Effective rate		Carrying amount	
	-------- (In percent) --------		--------- (Rupees in '000) ---------	
Financial liabilities				
Variable rate instruments				
Long-term loan including current maturity	25.74%	23.98%	101,875	116,677
Short-term loan	25.74%	23.98%	13,388	-
Short-term borrowings	25.49%	23.73%	154,000	153,701
			269,263	270,378

The 1% increase / decrease in the market interest rate, with all of the factors remaining constant would increase /decrease the profit before tax by Rs. 2.72 million (2023: 2.7 million).

iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not materially exposed to other price risk at the reporting date.

(b) Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counter parties and continually assessing the creditworthiness of counter parties.

Credit risk of the Company arises from trade debts, loans, deposits and other receivables, deposits with banks and financial institutions. The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying amount of financial assets expose to credit risk is as follows:

	2024	2023
	--------- (Rupees in '000)	---------
Long-term loans including current portion	1,231	150
Long-term deposits	3,174	3,174
Trade debts	76,722	101,847
Deposits and other receivables	20,737	37,601
Bank balances	3,427	20,076
	105,291	162,848

For trade debts, the credit risk exposure is net of credit loss allowance as disclosed in note 12.1.

The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

Name	Rating agency	Rating			
		Short term		Long term	
		2024	2023	2024	2023
Habib Bank Limited	VIS	A1+	A1+	AAA	A1+
MCB Bank Limited	PACRA	A1+	A1+	AAA	A1+
National Bank of Pakistan	PACRA	A1+	A1+	AAA	A1+
Faysal Bank Limited	PACRA	A1+	A1+	AA	A1+
Sindh Bank Limited	VIS	A1	A1+	A+	A1+
JS Bank Limited	PACRA	A1+	A1+	AA-	A1+
Meezan Bank Limited	VIS	A1+	A1+	AAA	A1+
Bank Makramah Limited	VIS	Not rated	Not rated	Not rated	Not rated

c) Liquidity risk

Liquidity risk is that the risk the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Following are the contractual maturities of the Company's financial liabilities:

	2024			2023		
	Maturity upto one year	Maturity after one year	Total	Maturity upto one year	Maturity after one year	Total
	-------- Rupees in '000 -------					
Financial liabilities						
Long-term loan including current maturity	33,165	68,710	101,875	24,948	91,729	116,677
Lease Liability	10,046	23,364	33,410	4,166	15,889	20,055
Cylinder and regulator deposits	-	478,068	478,068	-	479,457	479,457
Trade and other payables	-	35,997	35,997	-	78,577	78,577
Short-term loan	13,388	-	13,388	-	-	-
Short-term borrowings	154,000	-	154,000	153,701	-	153,701
Accrued mark-up	26,953	-	26,953	11,886	-	11,886
Loan from a subsidiary company	50,000	-	50,000	50,000	-	50,000
	287,552	606,139	893,691	244,701	665,652	910,353

48.2 Fair value of hierarchy

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction. As of the reporting date, Company's all assets and liabilities are carried at amortized cost except for those mentioned below:

The Company's freehold land and leasehold land are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent impairment losses, if any. The fair value measurement of the Company's freehold land at February 15, 2022 and leasehold land as at June 14, 2022 was carried out by M/s. K. G. Traders (Private) Limited and M/s. Luckyhiya Associate (Private) Limited (refer note 7.5).

The valuation techniques and inputs used to develop fair value measurement of aforementioned assets are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;
Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
Level 3: Those whose inputs for the asset or liability that are not based on observable market date (unobservable inputs).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

Details of fair value hierarchy and information relating to fair value of the Company's freehold land and leasehold land are as follows:

	Fair value measurement using			
	Quoted price in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)	Total
	Rupees in '000			
Assets measured at fair value				
Property, plant and equipment				
Freehold land	-	16,800	-	16,800
Leasehold land	-	569,288	-	569,288
2024	-	586,088	-	586,088
Assets measured at fair value				
Property, plant and equipment				
Freehold land	-	16,800	-	16,800
Leasehold land	-	569,288	-	569,288
2023	-	586,088	-	586,088

49 CAPITAL MANAGEMENT

The Company finances its operations through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. The Company monitors capital using a debt equity ratio as follows:

	2024	2023
	(Rupees in '000)	
Lease liability	33,410	20,055
Cylinder and regulator deposits	478,068	479,457
Loan from a subsidiary company	50,000	50,000
Short-term loan	13,388	-
Short-term borrowings	154,000	153,701
Long-term loan including current maturity	101,875	116,677
Trade and other payables	64,795	103,715
Unclaimed dividends	83,050	83,050
Deferred taxation - net	-	2,660
Accrued mark-up	26,953	11,886
Total debt	1,005,539	1,021,201
Cash and bank balances	3,615	20,154
Net debt	1,009,154	1,041,355

	2024	2023
	--------- (Rupees in '000) ---------	
Share capital	224,888	224,888
Revenue reserves	(214,960)	(141,283)
Reserve for Amalgamation	153,458	153,458
Actuarial loss on remeasurement of retirement and other service benefits	(30,177)	(30,177)
Revaluation surplus on property	336,715	336,715
Total equity	469,924	543,601
Capital	1,479,078	1,584,956
Gearing ratio	68.23%	65.70%

50 CORRESPONDING FIGURES

These corresponding figures have been reclassified and rearranged where necessary to facilitate comparison, however there has been no significant reclassification except for the following:

Description	Note	From	To	(Rupees in '000)
Reclassification of current and prior year tax expense to final taxes - levy	40	Taxation	Minimum tax differential	(8,810)

51 CAPACITY

	Note	2024	2023
		(Quantity in metric ton)	
Installed annual filling capacity		37,500	37,500
Actual utilization	51.1	30,960	30,960

51.1 This include storage and filling capacity of hospitality locations utilization. The variations are due to change in market demand.

52 NUMBER OF EMPLOYEES

	2024	2023
	No. of employees	
As at the reporting date	80	79
Average number of employees during the year	77	74

53 GENERAL

These unconsolidated financial statements have been rounded to the nearest thousand rupee, unless stated otherwise.

54 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on **October 04, 2024** by the Board of Directors of the Company.

DIRECTOR	CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER

Consolidated Financial Statements

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURSHANE LPG (PAKISTAN) LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of **Burshane LPG(Pakistan) Limited** and its subsidiary **Burshane Autogas (Private) Limited**(the Group), which comprise the consolidated statement of financial position as at June 30, 2024, and consolidated statement of profit or loss, consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss and other comprehensive income, its cash flows and the changes in equity for the year then ended

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to the following;

1. Note 28.1.1 to the consolidated financial statements which provide details regarding transactions with the Roots International Brands Private Limited (RIBS) and investigation order passed by Securities and Exchange Commission of Pakistan.

2. Note 28.1.5 to the consolidated financial statements which provide details regarding complaint filed by Directorate of Intelligence and Investigation, Inland Revenue, Karachi with the Court of Special Judge (Customs, Taxation and Anti-Smuggling), Karachi, (Trial Court) against the Company and its Directors alleging tax evasion. The company has been demanded tax liability of Rs. 172.05 million and Rs. 87.75 million for the tax year 2018 and 2019.The company again preferred an appeal before Commissioner Inland Revenue - Appeal (CIR-A) that is currently pending

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the

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context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S.No	Key audit matters	How the matter was addressed in our audit
1	**Contingencies**	
	As disclosed in note 28 of the consolidated financial statements, the Holding Company has contingencies and litigations in respect of legal, sales tax and income tax matters, which are pending adjudication with respective authorities at various legal forums available. Contingencies require management to make judgments and estimates in relation to the interpretation of relevant laws, rules and regulations, probability of outcome and financial impact, if any, for recognition, measurement and disclosure of any related provision or any other element of consolidated financial statements. Due to significance of amounts involved, inherent uncertainties with respect to the outcome of such matters and use of significant management judgments and estimates to assess the same including any related financial impacts, we considered contingencies and litigations in respect of legal, sales tax and income tax matters, a key audit matter.	We have undertaken a number of procedures to verify the contingencies and their consequential impact on the consolidated financial statements. This included, among others: • We obtained and reviewed the details of pending legal, sales tax and income tax matters and discussed the same with the management; • We checked orders by relevant authority on previous lawsuits / cases appearing in the unconsolidated financial statements; • We followed the progress of each case and the Company's estimate of the cost to be incurred; • We obtained confirmations from legal advisors for current status on pending previous cases and any new case filed during the year; • We reviewed the key elements of the methodology employed by management in challenging reasonableness of the cost estimates; and • We also assessed the adequacy of the disclosures made in respect of contingencies in accordance with the financial reporting standards.
2	**Revenue**	
	The Holding Company's total revenue is amounting to Rs. 2,377 million, which is predominantly generated from sales of liquefied petroleum gas (LPG) and low-	We performed a range of audit procedures in relation to revenue including the following:

S.No	Key audit matters	How the matter was addressed in our audit
	pressure regulators (LPR) revenue which reflect an decrease of 33% from the previous year, representing a significant element of the consolidated financial statements as disclosed in note 29. Revenue is generated from trading and storing of Liquefied Petroleum Gas (LPG) throughout Pakistan and trading of Low Pressure Regulators (LPR). Revenue from contracts with customers is recognized when control of goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. As such, revenue recognition is not an area of significant risk for our audit but does require significant time and resource to audit due to its magnitude. The risk of material misstatement was considered significant due to high control risk on completeness and accuracy of revenue and high inherent risk of fraud on recognition of revenue. In view of the significance of revenue and high assessed risk of material misstatement revenue is considered as key audit matter.	• We considered the appropriateness of the Company's revenue recognition accounting policies; • We obtained understanding of the revenue related processes; • We perform test of details on revenue recognized during the year, on a sample basis, including review of order receipt, invoicing and delivery; • We performed cut-off procedures on transactions occurring either immediately before or after the year end to assess the recording of revenue in correct accounting period; and • We also assessed the adequacy of the disclosures made in respect of revenue in accordance with the financial reporting standards.
3	**Impairment of goodwill**	
	The goodwill arose upon the amalgamation of Holding company with HTPL as disclosed in note 8.2. The Holding Company's assessment of impairment of goodwill is a judgmental process which requires	Our work involved the following: • We have assessed the design and implementation of the Company's controls relating to Management's impairment review of goodwill.

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S.No	Key audit matters	How the matter was addressed in our audit
	estimates concerning the forecast future cash flows associated with the goodwill held, the discount rates and the growth rate of revenue and costs to be applied in determining the value in use. At the year end, the Holding Company, for the purpose of impairment testing on goodwill, has calculated recoverable amount (value-in-use) of Cash Generating Unit amounting to Rs. 868.395 million. The carrying amount of net assets (including goodwill) as of the valuation date is Rs. 469.924 million. As a result, value-in-use exceeds the carrying amount of net assets (including goodwill) hence, no impairment in goodwill has been identified as a result of this review. In view of the estimates and judgements used by the management for the calculation of impairment of goodwill, it is therefore considered as key audit matter. The Holding Company's assessment of impairment of goodwill is a judgmental process which requires estimates concerning the forecast future cash flows associated with the goodwill held, the discount rates and the growth rate of revenue and costs to be applied in determining the value in use. There was no impairment in the current year	• We have tested the accuracy of the underlying model to assess whether the processes are applied to the correct input data and the outputs are mapped accurately. • We challenged each of the key assumptions employed in the annual goodwill impairment test. This included reference to our internal valuation specialists' benchmarking of the weighted average cost of capital rate ('WACC') employed as the discount rate employed, including its methodology and constituent inputs and an assessment of the Company's historic forecasting accuracy. • We have tested management's sensitivity analysis in relation to the key inputs to the goodwill impairment test model, as well as performing our own sensitivity analysis which included changes to volume, margin, incentives and the discount rate applied. • We have reviewed the appropriateness of the disclosures provided in accordance with IAS 36 'Impairment of Assets'.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

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Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: **October 04, 2024**

UDIN: **AR202410067UFmsuBhvy**

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024	2023
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	816,745	817,215
Intangible assets	7	299,305	309,407
Long-term deposits		3,174	3,174
		1,119,224	1,129,796
CURRENT ASSETS			
Stores and spares	8	6,038	4,321
Stock-in-trade	9	8,197	26,348
Trade debts	10	76,722	101,847
Loans and advances	11	19,746	36,170
Deposits, prepayments and other receivables	12	28,696	42,933
Taxation - net	13	162,520	152,705
Cash and bank balances	14	4,407	20,853
		306,326	385,177
TOTAL ASSETS		1,425,550	1,514,973
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	15	900,000	900,000
Issued, subscribed and paid-up capital	16	224,888	224,888
Capital reserves			
Revaluation surplus of property	17	336,715	336,715
Other reserves	17	123,287	123,287
Revenue reserve	18	(215,122)	(141,310)
		469,768	543,580
NON-CURRENT LIABILITIES			
Long-term loan	19	68,710	91,729
Lease liabilities	20	23,364	15,889
Deferred taxation - net	21	-	2,660
Cylinder and regulator deposits	22	478,068	479,457
		570,142	589,735
CURRENT LIABILITIES			
Trade and other payables	23	65,038	103,907
Short-term loan	24	13,388	-
Short-term borrowings	25	154,000	153,701
Unclaimed dividends	26	83,050	83,050
Accrued mark-up	27	26,953	11,886
Current portion of long-term loan	19	33,165	24,948
Current portion of lease liabilities	20	10,046	4,166
		385,640	381,658
TOTAL EQUITY AND LIABILITIES		1,425,550	1,514,973
CONTINGENCIES AND COMMITMENTS	28		

The annexed notes from 1 to 51 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Sales - net	29	2,377,502	3,533,606
Cost of sales	30	(2,239,558)	(3,382,538)
Gross profit		137,944	151,068
Administrative expenses	31	(117,647)	(116,148)
Distribution and marketing expenses	32	(64,197)	(65,880)
Other income	33	65,816	30,490
Other expenses	34	(22,479)	(7,135)
		(138,507)	(158,673)
Operating loss		(563)	(7,605)
Financial costs	35	(69,824)	(56,807)
Loss before minimum tax differential and income tax		(70,387)	(64,412)
Minimum tax differential	36	(6,085)	(8,810)
Loss before income tax		(76,472)	(73,222)
Taxation	37	2,660	6,807
Loss for the year after taxation		(73,812)	(66,415)
		------------ (In Rupees) ------------	
Loss per share - basic and diluted	38	(3.28)	(2.95)

The annexed notes from 1 to 51 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Loss for the year after taxation		(73,812)	(66,415)
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit or loss:			
Actuarial gain on remeasurement of retirement and other service benefits		-	422
Less: deferred taxation thereon		-	(122)
		-	300
Total comprehensive loss for the year		(73,812)	(66,115)

The annexed notes from 1 to 51 form an integral part of these financial statements.

DIRECTOR	CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		--------- (Rupees in '000) ---------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from /(used in) operations	42	55,632	124,606
Retirement and other service benefits - net		-	3,100
Taxes paid		(15,900)	(36,818)
Finance costs paid		(40,721)	(40,271)
Cylinder and regulator deposits - net		24,733	35,391
Net cash flows generated from operating activities		23,744	86,008
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(32,556)	(33,667)
Purchases of intangible asset		-	(50,150)
Proceeds from property, plant and equipment		13,349	3,519
Net cash used in investing activities		(19,207)	(80,298)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loan repaid		(21,792)	(29,293)
Short-term loan received		128,820	172,000
Short-term loan paid		(115,432)	(217,000)
Payment of lease liabilities		(12,878)	(10,136)
Net cash flows used in financing activities		(21,282)	(84,429)
Net decrease in cash and cash equivalents		(16,745)	(78,719)
Cash and cash equivalents at beginning of the year		(132,848)	(54,129)
Cash and cash equivalents at end of the year		(149,593)	(132,848)
Cash and cash equivalents at end of the year comprise of:			
Cash and bank balances	14	4,407	20,853
Short-term borrowings	25	(154,000)	(153,701)
		(149,593)	(132,848)

The annexed notes from 1 to 51 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

	Issued, subscribed and paid-up capital	Capital reserves				Revenue Reserves		Total
		Reserve on amalgamation	Revaluation surplus of property	Actuarial loss on remeasurement of retirement and other service benefits	Sub total	General Reserve	Accumulated loss	
	(Rupees in ' 000)							
Balance as at July 01, 2022	224,888	153,458	336,715	(30,471)	459,702	90,000	(164,895)	609,695
Total comprehensive income for the year								
Loss for the year	-	-	-	-	-	-	(66,415)	(66,415)
Other comprehensive income for the year - net of tax	-	-	-	300	300	-	-	300
	-	-	-	300	300	-	(66,415)	(66,115)
Balance as at June 30, 2023	224,888	153,458	336,715	(30,171)	460,002	90,000	(231,310)	543,580
Balance as at July 01, 2023	224,888	153,458	336,715	(30,171)	460,002	90,000	(231,310)	543,580
Total comprehensive income for the year								
Loss for the year	-	-	-	-	-	-	(73,812)	(73,812)
Other comprehensive income for the year - net of tax	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(73,812)	(73,812)
Balance as at June 30, 2024	224,888	153,458	336,715	(30,171)	460,002	90,000	(305,122)	469,768

The annexed notes from 1 to 51 form an integral part of these financial statements.

DIRECTOR **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

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. Burhsane 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 Holding Company) is a limited liability Company incorporated on October 12,1966 under the Companies Ordinance,1984 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 Holding Company is storing, trading and marketing of Liquefied Petroleum Gas (LPG) throughout Pakistan and trading of Low Pressure Regulators (LPR).

The Holding 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% shareholding 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 Holding Company by the High Court of Sindh (the Court), HTPL was amalgamated with the Holding Company on February 20, 2015, as more fully explained in note 6.

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.

1.3 Geographical location and addresses of major business units of the Holding Company are as under:

Location:	Purpose:
Plot No. 70, Sector 7-D, Korangi Filling Plant-1, Adjacent to Pakistan Refinery Limited, Korangi Creek, Karachi	LPG Storage & filling plant
Square No. 94, Killa no. 1,2,3,4,5,6 & 7, tehsil Faisalabad, Near Abbaspur railway station.	LPG Storage & filling plant

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Act differ from the IFRS Standards, the provisions of and directives issued under the Act, have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, unless stated otherwise in accounting policy.

2.3 Separate financial statements

These consolidated financial statements comprise the financial statements of the Holding Company and the Subsidiary Company as at the reporting date, here-in-after referred to as 'the Group'.

2.3.1 Subsidiaries

Subsidiaries are those entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).

- exposure, or rights, to variable returns from its involvement with the investee.

- the ability to use its power over the investee to affect its returns.

The Holding Company meets all the above conditions and hence has power over the subsidiary.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated profit and loss account from the date the Group gains control until the date the Group ceases to control the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition is recorded as goodwill. If the cost of acquisition is less than fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill acquired in a business combination is, on the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination. Goodwill is tested annually or whenever there is an indication of impairment exists. Impairment loss in respect of goodwill is recognised in profit or loss and is not reversed in future periods.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and the carrying value of investments held by the Holding Company is eliminated against the subsidiaries' shareholders' equity in the consolidated financial statements.

All intra-group transactions, balances, income, expenses and unrealised gains and losses on transactions between Group companies are eliminated in full.

Burshane Auto Gas (Private) Limited (the Subsidiary Company) has same reporting period as that of the Holding Company. The accounting policies of the subsidiary are consistent with the accounting policies of the Group.

2.4 Functional and presentation currency

These consolidated financial statements have been presented in Pakistani ('Rupees') or 'Rs.', which is the Group's functional and presentation currency.

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant or did not have significant impact on the consolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 1 'Presentation of Financial Statements' and IFRS Practice	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The Holding Company adopted the narrow-scope amendments to the International Accounting Standard (lAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Holding Company to provide useful entity-specific accounting policy information that users need to understand other information in the consolidated financial statements.

Management reviewed the accounting policies and updates to the information disclosed in "Note 5 - Material Accounting Policies" in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

3.2 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 or are not expected to have significant impact on the consolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendmends to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendmends to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued byIASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies adopted in the presentation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented.

4.1 Property, plant and equipment

4.1.1 Owned

These are stated at cost less accumulated depreciation and accumulated impairment losses if any, except for freehold land and leasehold land, which are stated at revalued amount.

Depreciation is charged to profit or loss using straight-line method whereby the cost of an asset is allocated over its estimated useful life at the rates given in note 6.1. Depreciation on additions is charged from the month in which the asset is available for use, while no depreciation is charged in the month in which the asset is disposed off. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Maintenance and normal repairs are charged to profit or loss as and when incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as an income or expense in the profit or loss in the period of disposal.

A revaluation surplus is recorded in consolidated statement of other comprehensive income (OCI) and credited to the asset revaluation surplus in equity. However, the increase is recorded in profit or loss to the extent it reverses a revaluation deficit of the same asset previously. A decrease as a result of revaluation is recognised in profit or loss however, a decrease is recorded in consolidated statement of other comprehensive income to the extent of any credit balance entry in revaluation surplus in respect of same asset.

4.1.2 Right of use assets

The right-of-use asset is initially measured at the amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using straight line method from the date of commencement date to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

4.1.3 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. It consists of expenditure incurred in respect of tangible assets in the course of their construction and installation, including financial charges on borrowings, if any, for financing the project until such projects are completed or become operational. Transfers are made to relevant asset category as and when assets are available for use.

4.2 Intangible assets

An intangible asset is recognised if it is probable that the future economic benefits attributable to the asset will flow to the Group and that the cost of such asset can also be measured reliably.

Intangible assets, where applicable, are amortised from the month when such assets are available for use on straight line method whereby the cost of an intangible asset is allocated over its estimated useful life, at the rates given in note 7.

The useful lives of intangible assets are reviewed at each reporting date to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset.

a) Software

Costs that are directly associated with identifiable computer software and have probable economic benefits exceeding one year, are recognised as an intangible asset. Costs include the purchase cost of software, implementation cost and related overhead cost. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses thereon.

Expenditure which enhances or extends the performance of computer software beyond its original specification and useful life is recognised as a capital improvement and added to the original cost of the software.

b) Goodwill

This represents excess of cost of acquisition over fair value of the identifiable assets and liabilities of the Company at the time of amalgamation by HTPL.

Goodwill on acquisition is not amortised but tested annually for impairment and carried at cost less accumulated impairment losses, if any.

c) Trademarks

This represents separately acquired trade marks with indefinite useful life. These are stated at cost less accumulated impairment losses, if any. Carrying amounts of trademarks are subject to impairment review at each reporting date.

4.3 Stores and spares

Stores and spares to be consumed in the ordinary course of business are valued at First in First Out (FIFO) basis and net realizable value (NRV) except for those in transit, if any, which are stated at cost. Cost comprises of invoice value plus other direct costs incurred thereon. Provision is made for slow moving and obsolete items wherever necessary and is recognised in profit or loss.

4.4 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realisable value (NRV). Cost is determined using the weighted average method for both Liquefied Petroleum Gas (LPG) and Low Pressure Regulators (LPR). Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

Net realizable value represents the estimated selling price in the ordinary course of business less estimated cost necessary to be incurred to make the sale.

4.5 Trade debts and other receivables

Trade debts and other receivables are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method less provision for impairment, if any. A provision for impairment is established under expected credit loss approach. Trade debts and other receivables are written-off when considered irrecoverable.

4.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash with banks on current, collection, deposit and saving accounts and short-term running finance. Running finances under mark-up arrangements are shown with short term borrowings in current liabilities on the statement of financial position.

4.7 Retirement and other service benefits

4.7.1 Defined contribution plan

The Group operates a recognised contributory provident fund for all permanent employees. Equal monthly contributions are made, both by the Group and the employees at the rate of 8.33% per annum of the basic salary for management and non-management employees, respectively.

4.8 Lease liabilities

The lease liability is initially measured at the present value of the future lease payments over the lease term, discounted using the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

4.9 Loans and borrowings

Loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Loan and borrowings are subsequently stated at amortised cost using the effective interest rate method.

Loans and borrowings are classified as current liabilities, unless the Holding Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

4.10 Trade and other payables

These are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Exchange gains and losses arising in respect of liabilities in foreign currency are added to the carrying amount of the respective liability.

4.11 Provisions

Provisions are recognised when the Holding Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.12 Taxation

4.12.1 Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or Minimum Tax on Turnover or Alternate Corporate Tax, whichever is higher in accordance with the provisions of Income Tax Ordinance, 2001.

4.12.2 Deferred

Deferred tax is recognized using the liability method, on all temporary differences arising at the reporting date between the tax base of asset and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset are recognized for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the asset may be utilised. Deferred tax asset are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recognised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

4.12.3 Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in Statement of Profit or Loss. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy.

4.13 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the consolidated financial statements in the period in which these are approved.

4.14 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

4.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL).

The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of a equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price, determined under IFRS 15) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at FVTPL - The Group has not designated any financial asset as fair value through profit or loss;
- Financial assets at amortised cost - The Group subsequently measures financial assets at amortised cost using Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired;
- Debt instruments at FVOCI - The Group has not designated any financial asset at fair value through OCI with / without recycling of cumulative gains and losses; and upon derecognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment / expected credit losses on financial assets

The Group recognises an allowance for expected credit losses ("ECL") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Group uses the IFRS 9's simplified approach and calculates ECL based on life-time ECL on its trade debts and contractual assets, where as for other financial assets loss allowance is measured at 12 months ECL under general approach of measuring ECL. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. For trade debts, the Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The expected credit losses are recognised in profit or loss.

ii) Financial liabilities

Financial liabilities are generally classified at initial recognition, as financial liabilities at amortized cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group financial liabilities include long-term loan, accrued mark-up on long-term loan, liabilities under finance lease, cylinder and regulator deposits and trade and other payables.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss. This category generally applies to interest-bearing loans and borrowings and trade and other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.16 Revenue from contracts with customers

The Holding Company is in the business of storing, marketing and trading of Liquefied Petroleum Gas (LPG) throughout Pakistan and trading of Low Pressure Regulators (LPR). Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Holding Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Holding Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Performance obligations

Information about the Holding Company performance obligations are summarised below:

Sale of LPG and LPR

The performance obligation is satisfied upon delivery of LPG and LPR at LPG pump stations. Payment is generally due at the time of delivery. The revenue from sale of these products is recognised at the point in time when control of the asset is transferred to the customer i.e. on delivery of products.

Others

- Return on saving account is recorded using effective interest rate method.
- Other revenues including recovery of storage and handling charges and rental income from storage tank are accounted for on accrual basis.
- Income from dividend, if any, is recognised when right to receive dividend is established.

The Group recognises an account receivable when the performance obligations have been met, recognising the corresponding revenue. Moreover, the consideration received before satisfying the performance obligations are recognised as advances from customer.

4.17 Change in accounting policy

During the year, the Group changed its accounting policy of recognizing the portion of income tax paid or payable for the year under the Ordinance, not based on the taxable profits of the Group, as a Levy under IFRIC-21/IAS-37 instead of the current income tax for the year under IAS-12.

The management believes that the new policy provides reliable and more relevant information to the users of the consolidated financial statements.

The change in accounting policy has been accounted for retrospectively in accordance with International Accounting Standard 8: "Accounting Policies, Changes in Accounting Estimates and Errors'. There is, however, no material impact on the consolidated financial statements of the prior years.

5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with approved accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In the process of applying the Group's accounting policies, management has made the following estimates and judgments which are significant to these consolidated financial statements:

5.1 Property, plant and equipment

The Group reviews appropriateness of the rates of depreciation, useful lives and residual values used in the calculation of depreciation. Further, where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis.

5.2 Intangible assets

The Group reviews appropriateness of the rate of amortisation and useful life used in the calculation for amortisation. Further, where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis.

5.3 Taxation

In making the estimates for current income taxes payable by the Group, the management considers the applicable laws and the decisions / judgements of appellate authorities on certain issues in the past. Accordingly, the recognition of deferred tax is also made, taking into account these judgements and the best estimates of future results of operations of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

6 PROPERTY, PLANT AND EQUIPMENT

The following is the statement of operating fixed assets:

Description	Owned Assets											Right of Use Asset			Total
	Leasehold land (note 6.4 & 6.7)	Freehold land (note 6.7)	Building on leasehold land	Plant and machinery	Cylinders and regulators (note 6.3)	Fire fighting equipment		Vehicles	Computer and related accessories	Tanks, pipelines and fittings	sub total	Building	Vehicles	sub total	
	(Rupees in '000)														
Net carrying value basis year ended June 30, 2024															
Opening net book value	569,288	16,800	12,610	8,018	175,474	255	3,592	1,415	298	7,763	796,172	1,679	19,364	21,043	817,215
Addition (at cost)	-	-	-	185	31,703	-	289	-	224	-	32,556	17,237	1,950	19,187	51,743
Disposal (NBV)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charged (refer note 6.2)	-	-	(2,675)	(1,649)	(33,774)	(75)	(940)	(942)	(202)	(1,904)	(42,346)	(3,224)	(6,643)	(9,867)	(52,213)
Closing net book value	569,288	16,800	9,935	6,554	173,403	180	2,941	473	320	5,859	786,382	15,692	14,671	30,363	816,745
Gross carrying value basis year ended June 30, 2024															
Cost / revalued amount	569,288	16,800	61,764	47,922	671,638	954	37,053	19,798	4,218	58,800	1,491,566	33,921	30,082	64,003	1,555,569
Accumulated depreciation	-	-	(51,829)	(41,368)	(498,235)	(774)	(34,112)	(19,325)	(3,898)	(52,941)	(705,184)	(18,229)	(15,411)	(33,640)	(738,824)
Closing net book value	569,288	16,800	9,935	6,554	173,403	180	2,941	473	320	5,859	786,382	15,692	14,671	30,363	816,745
Depreciation rate (% per annum)	-	-	5%	5%	10%	15%	10% to 15%	20% to 25%	33.33%	10%	-	25%	25%	-	-
Net carrying value basis year ended June 30, 2023															
Opening net book value	569,288	16,800	15,397	9,488	174,964	359	4,043	2,645	350	10,225	804,367	3,908	25,868	29,776	834,143
Addition (at cost)	-	-	-	171	32,471	-	630	106	225	-	33,667	2,016	-	2,016	35,683
Disposal (NBV)	-	-	-	-	(359)	-	(51)	-	-	-	(446)	(1,232)	-	(1,232)	(1,678)
Depreciation charged (refer note 6.2)	-	-	(2,787)	(1,641)	(31,602)	(104)	(1,030)	(1,336)	(277)	(2,462)	(41,416)	(3,013)	(6,504)	(9,517)	(50,933)
Closing net book value	569,288	16,800	12,610	8,018	175,474	255	3,592	1,415	298	7,763	796,172	1,679	19,364	21,043	817,215
Gross carrying value basis year ended June 30, 2023															
Cost / revalued amount	569,288	16,800	61,764	47,737	641,879	954	36,783	41,409	3,994	58,800	1,482,584	16,684	28,132	44,816	1,527,400
Accumulated depreciation	-	-	(49,154)	(39,719)	(466,405)	(699)	(33,191)	(39,994)	(3,696)	(51,037)	(686,412)	(15,005)	(8,768)	(23,773)	(710,185)
Closing net book value	569,288	16,800	12,610	8,018	175,474	255	3,592	1,415	298	7,763	796,172	1,679	19,364	21,043	817,215
Depreciation rate (% per annum)	-	-	5%	5%	10%	15%	10% to 15%	20% to 25%	33.33%	10%		25%	25%		

6.1 As at June 30, 2024, the cost of full depreciated property and equipment is Rs. 513.34 million (2023: Rs. 502.97 million).

	Note	2024	2023
		-------- (Rupees in '000) --------	
6.2 The depreciation charge for the year has been allocated as follows:			
Cost of sales	30	7,243	8,024
Administrative expenses		11,196	11,307
Distribution and marketing expenses	32	33,774	31,602
		52,213	50,933

6.3 These are in custody of distributors / customers owing to the nature of business of the Holding Company. The particulars of these assets have not been disclosed due to a large number of customers.

6.4 The Holding Company possess leasehold lands of measuring 5.875 acres in Karachi. However, the legal title is on the name of H.A.K.S Trading (Private) Limited (HTPL), the former Holding Company.

6.5 The Holding Company's freehold land and leasehold land was revalued on February 15, 2022 by M/s. K. G. Traders (Private) Limited and on June 14, 2022 by M/s. Luckyhiya Associates (Private) Limited, an independent valuer, on the basis of their professional assessment of present market value for similar sized plots in the near vicinity of land. The revaluation has resulted in surplus for freehold and leasehold land amounting to Rs. 0.30 million and Rs. Nil respectively.

6.6 Had the revaluation not been carried out, the related figures of freehold land and leasehold land would have been Rs. 5.62 million (2023: Rs. 5.62 million) and Rs. 243.75 million (2023: Rs. 243.75 million), respectively.

6.7 The forced sales value as per the revaluation report as of February 15, 2022 and June 14, 2022 is as follows:

Class of asset	2024 (Rupees in '000
Freehold land	16,80C
Leasehold land	569,28

Particulars of immovable assets of the Company are as follows:

Particulars	Usage of property		Covered Area (Square feet)
Freehold land	For future business	Chak No. 245, Near Railway Station, Abbaspur, Faisalabad	104,544
Leasehold land	For future business	Commercial - cum- Residential Land Deh Okewari, Shahrah - e - Faisal Survey # 47	107,811
Leasehold land	For future business expansion	Commercial - cum- Residential Land Deh Okewari, Shahrah - e - Faisal Survey # 74	40,293

Particulars	Usage of property		Covered Area (Square feet)
Building on leasehold land	Plant site	Plot No. 70, Sector 7-D,Korangi Filling Plant-1, Adjacent to Pakistan Refinery Limited, Korangi Creek, Karachi	9,710
Leasehold land	Plant site	LPG Storage & Filling Plant, Near Railway Station, Abbaspur, Faisalabad	6,380

7 INTANGIBLE ASSETS

	Cost				Accumulated Amortisation				Net Book Value	
	As at July 01, 2023	Additions	Disposals	As at June 30, 2024	As at July 01, 2023	Charge for the year (note 8.4)	Reversal	As at June 30, 2024	As at June 30, 2024	Rate of amortisation
	(Rupees in '000)									
Goodwill	253,091	-	-	253,091	-	-	-	-	253,091	Nil
Computer software	4,272	-	-	4,272	4,200	72	-	4,272	-	20%
Rights under Supply contracts (notes 7.2)	50,150	-	-	50,150	2,506	10,030	-	12,536	37,614	20%
Trademark	8,600	-	-	8,600	-		-	-	8,600	Nil
2024	316,113	-	-	316,113	6,706	10,102	-	16,808	299,305	

	Cost				Accumulated Amortisation				Net Book Value	
	As at July 01, 2022	Additions	Disposals	As at June 30, 2023	As at July 01, 2022	Charge for the year (note 8.4)	Reversal	As at June 30, 2023	As at June 30, 2023	Rate of amortisation
	(Rupees in '000)									
Goodwill	253,091	-	-	253,091	-	-	-	-	253,091	Nil
Computer software	4,272	-	-	4,272	4,112	88	-	4,200	72	20%
Rights under Supply contracts (notes 7.2)	50,150	50,150	(50,150)	50,150	42,626	10,030	50,150	2,506	47,644	20%
Trademark	8,600	-	-	8,600	-		-	-	8,600	Nil
2023	316,113	50,150	(50,150)	316,113	46,738	10,118	50,150	6,706	309,407	

7.1 At June 30, 2023, intangible assets having cost of Rs. 4.27 million (2023: Rs. 3.84 million) are fully amortised.

7.2 Impairment review of goodwill and trademarks:

The carrying amount of goodwill has been allocated to Burshane LPG (Pakistan) Limited, which is the cash generating unit (CGU) and also the only operating and reportable segment for impairment review.

	2024	2023
	(Rupees in '000)	
Carrying amount of goodwill	253,091	253,091
Carrying amount of trademarks	8,600	8,600

The Holding Company performed its annual impairment review in June 2024 and June 2023. The Company considers the relationship between its recoverable amount and its book value, among other factors, when reviewing for indicators of impairment. At June 30, 2024, the recoverable amount of the CGU was above the book value of its net assets, indicating no potential impairment of goodwill and impairment of the assets of the operating segment. The result of this impairment test depends to a large extent on Management's assessment of future cash inflows and the discount rate used, and is therefore subject to considerable uncertainty. The recoverable amount is the higher of the 'fair value less cost to sell' and the 'value-in-use'. The assumptions are assessed at each reporting date and adjusted when appropriate.

The Holding Company uses a Discounted Cash Flow model (DCF) to determine the value in use. Cash flow projections for the first five years are based on budgeting and forecasting models endorsed by the Company's Management. After five years a terminal value calculation is applied. Within the DCF techniques the terminal value is determined by applying a perpetual growth rate to the perpetual free cash flows. With respect to the appropriateness of the future cash inflows used in the calculation management used budgets of five-year plan adopted by Management and approved by the Board of Directors, as well as by comparison with general and sector-specific market expectations.

The Holding Company applied a discount rate of 19.75% to the forecasted free cash flow based on a WACC of the Company. The WACC is an average cost of capital consisting of two parts - cost of debt and cost of equity.

As the Holding Company's capital consists of 34.47% debt and 65.53% equity. Calculating the cost of equity was done by applying the capital asset pricing model ("CAPM"). The assumptions applied in the CAPM included the following: a risk-free rate of 14% a beta of 0.93 for the Company and an equity risk premium of 8.54%. The risk-free rate was based on the yield of ten-year Pakistan Investment Bonds on the Date of Valuation as per the State Bank of Pakistan. Combining these assumptions yielded a cost of equity of 22.01%

The recoverable amount of CGU as at June 30, 2024 has been determined based on a value-in-use. The Value in Use of the Company indicated by the Discounted Cash Flow (DCF) method approximates to Rs. 690.444 million. The carrying value of net assets (including goodwill) as of the valuation date is Rs. 469.924 million. As the recoverable amount exceeds the carrying value of net assets (including goodwill), no impairment in goodwill has been identified as a result of this review.

The Holding Company tested its trademark "Burshane" as at June 30, 2024 and June 30, 2023 for impairment. Value-in-use of Rs. 243.582 million as at June 30, 2024 of the trademarks has been calculated using Relief from Royalty Method. This method considers the royalties saved by owning the intellectual property rather than licensing it. It is commonly used in the valuation of similar assets and, from a valuation perspective, appears reasonable in this case.

Key assumptions used in value in use calculations:

The calculation of value-in-use for both CGU and trademarks, is most sensitive to the following assumptions:

Sales volume growth
Discount rates
Market share during the forecast period
Royalty rate used for the forecast period
Growth rate used to extrapolate cash flows beyond the forecast period

Sales volume growth

Value in use is sensitive to sales volume growth. Sales volume growth has been assumed to increase in line with management's expectations of Holding Company's market share.

Discount rates

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Holding Company's investors. The cost of debt is based on the interest-bearing borrowings the Holding Company is obliged to service.

Market share during the forecast period

When using industry data for growth rates (as described below), these assumptions are important because management assesses how the unit's position, relative to its competitors, might change over the forecast period. Management expects the Holding Company's market share in the LPG industry to be stable over the forecast period.

Royalty rate used for the forecast period

The cash flows have been estimated using a royalty rate of 1% and have been discounted at the WACC. The royalty rate is based on that used by similar businesses.It was concluded that the carrying amount did not exceed the value-in-use. As a result of this analysis, no impairment has been identified by the Holding Company against the trademark with a carrying amount of Rs. 8.600 million as at June 30, 2024.

The implications of the key assumptions for the recoverable amount are discussed below:

Sales volume growth

Value in use is sensitive to price and cost per ton of local and imported LPG and cost pass-through. The value in use was tested at various sales volume growth levels. A decline of 3.88% or more in sales volume growth would result in impairment of the CGU.

Discount rate assumptions

A rise in pre-tax discount rate by 4.71% would result in the impairment of the CGU.

Market share during the forecast period assumptions

Management expects the Holding Company to maintain its market share based on the expected demand of the product and the ready supply base it has to service the demand.

Royalty rate assumptions

The cash flows have been estimated using a royalty rate of 1%, and have been discounted at the WACC. The royalty rate is based on that used by similar businesses.It was concluded that the carrying value did not exceed the value in use. As a result of this analysis, no impairment has been identified by the Holding Company against trademark with a carrying amount of Rs. 8.60 million as at June 30, 2024.

Growth rate assumptions

Cashflow beyond the forecast period have been extrapolated using 3% growth based on that used by the management and long term real GDP growth forecast.

7.2 During the year, the Holding Company participated in a tender offer by Oil & Gas Development Company Limited (OGDCL) in respect of purchase of LPG from Kunnar Pasaki Deep - Tando Allahyar Gas Field District Hyderabad. On successful submission of the highest signature bonus bid of Rs. 50.15 million, the Holding Company has been allotted one lot of LPG of five metric tons per day for five years from the Kunnar Pasaki Deep - Tando Allahyar.

7.3 This represents consideration paid to OPI Gas (Private) Limited in 2011 for acquisition of rights and title to "Burshane" trademarks. These trademarks are considered to have an indefinite useful life, and therefore have not been amortised. Further, no impairment has been identified in this regard.

		Note	2024	2023
			-------- (Rupees in '000) --------	
7.4	The amortisation for the year has been allocated as follows:			
	Cost of sales	30	10,030	10,030
	Administrative expenses	31	72	88
			10,102	10,118

8 STORES AND SPARES

		2024	2023
Stores		6,254	4,795
Spares parts		1,104	846
		7,358	5,641
Provision for obsolete items		(1,320)	(1,320)
		6,038	4,321

9 STOCK-IN-TRADE

	Note	2024	2023
Liquefied Petroleum Gas (LPG)	9.1	7,733	25,814
Low Pressure Regulators (LPR)		464	534
		8,197	26,348

9.1 This includes stock amounting to Rs. Nil (2023: Rs. 3.07 million) held with the following parties under hospitality arrangements:

	2024	2023
OPI Jamber Plant	-	41
Ravi Sahiwal	-	17
Sadiq Gas Company	-	1,875
Lite Gas Plant	-	1,002
Terra Energy (Private) Limited	-	89
Baba Fareed Gas	-	9
Bashir Gas	-	13
Ali Akbar Energy	-	21
	-	3,067

9.2 At June 30, 2024, stock of LPG held on behalf of third parties amounted to Rs. Nil (2023: Rs. 4.51 million).

10 TRADE DEBTS

	Note	2024	2023
Unsecured - considered good			
Trade debtors		99,214	107,835
Allowance for expected credit losses	10.1	(22,492)	(5,988)
		76,722	101,847

	Note	2024	2023
		-------- (Rupees in '000) --------	
10.1 Allowance for expected credit losses			
Balance as at July 01		5,988	4,617
Allowance for the year	34	16,504	1,371
Balance as at June 30		22,492	5,988

10.2 Ageing analysis of these trade debts as at the reporting date is as follows:

Upto 1 month		41,448	60,173
1 to 6 months		29,452	25,907
More than 6 months		28,314	21,755
		99,214	107,835

11 LOANS AND ADVANCES

Loans to staff		1,231	150
Advances to (Unsecured - considered good)			
Chief executive officer	12.2	-	2,555
Contractors and suppliers		18,515	33,465
		18,515	36,020
		19,746	36,170

12.2 The maximum aggregate amount due from Chief executive officer against advance from travelling at the end of any month was Rs. 2.68 million (2023: Rs. 2.56 million).

12 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Deposits	12.1	995	19,621
Prepayments		8,772	5,928
Other receivables	12.2	18,929	17,384
		28,696	42,933

12.1 This represents short term deposits in the normal course of business and does not carry any interest or mark-up.

12.2 Other receivables

OPI Gas (Private) Limited	12.3	3,642	3,642
Burshane Petroleum (Private) Limited	12.4	9,000	9,000
Others	12.5	11,392	9,847
		24,034	22,489
Allowance for expected credit losses		(5,105)	(5,105)
		18,929	17,384

12.3 This represents receivable against reimbursement of expenses incurred for debranding activities, which has not been acknowledged by the counter party, thus fully provided.

12.4 This represents amount receivable from Burshane Petroleum (Private) Limited (formerly Darian International (Private) Limited) amounting to Rs. 9 million (2023: Rs. 9 million), a related party, as consideration against use of the Holding Company's name under an arrangement entered in the year 2016.

12.5 This includes receivable against cylinder deposits of Rs. 3.72 million (2023: Rs. 3.36 million).

12.5.1 The maximum aggregate amount outstanding from subsidiary company, associated companies and other related parties at any time of the year by reference to month end balances is as follows:

	Note	2024	2023
		-------- (Rupees in '000) --------	
Other related party			
Burshane LPG (Pakistan) Limited Provident Fund		760	3,151
Subsidiary Company			
Burshane Autogas (Private) Limited		821	596
Associated Company			
Burshane Petroleum (Private) Limited		9,000	9,000
		10,581	12,747

12.5.2 The ageing analysis of receivable balances due from related parties / associated companies is as follows:

More than 6 months	-	-
More than 12 months	9,000	9,000
	9,000	9,000

13 TAXATION - NET

Advance tax	15,900	36,819
Provision for taxation	(6,085)	(8,810)
	9,815	28,009
Income tax refundable	152,705	124,696
	162,520	152,705

14 CASH AND BANK BALANCES

	Note	2024	2023
Cash in hand		188	78
Cash at banks			
saving accounts	14.1	2,828	5,652
current accounts		1,391	15,123
		4,219	20,775
		4,407	20,853

14.1 The profit rates on these saving accounts range from 7.51% to 20.50% per annum (2023: 6.83% to 22.55% per annum). These balances are held in accounts maintained under conventional banking.

15 AUTHORIZED SHARE CAPITAL

2024	2023		2024	2023
-------(Number of shares)------			-------- (Rupees in '000) --------	
90,000,000	90,000,000	Ordinary shares of Rs. 10/- each	900,000	900,000

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Number of ordinary shares of Rs. 10/- each			2024	2023
2024	2023		-------- (Rupees in '000) --------	
19,881,766	19,881,766	Fully paid in cash	198,817	198,817
76,820	76,820	Fully paid for consideration other than cash	768	768
2,530,304	2,530,304	Fully paid bonus shares	25,303	25,303
22,488,890	22,488,890		224,888	224,888

16.1 As a result of the Scheme of amalgamation, the authorised share capital of the Holding Company enhanced to Rs. 900 million divided into 90 million ordinary shares of Rs. 10 each. Further, pursuant to the effects of amalgamation, the paid-up share capital of the Holding Company reduced by 151,154 shares.

16.2 The Holding Company has completed legal formalities for cancellation of 151,154 shares and issued of new share certificates, which are appearing in the name of HTPL to the shareholders of HTPL (former Holding Company) in accordance with the Scheme. Post completion of legal formalities, Chief Executive, holds 12,327,129 [2023: 54.81% (2023: 54.81%)] ordinary shares of the Holding Company of Rs. 10 each and other directors holds 2,000 [2023: 0.01% (2023: 1.39%)] ordinary shares of the Holding Company of Rs. 10 each.

16.3 At June 30, 2024, institutions held 14.21% (2023: 14.21%) and individuals and others held the balance of 30.97% (2023: 29.59%) voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

	Note	2024	2023
		-------- (Rupees in '000) --------	

17 CAPITAL RESERVES

	Note	2024	2023
Revaluation surplus of property	17.1	336,715	336,715
Other reserves			
Reserver for amalgamation		153,458	153,458
Actuarial loss on remeasurement of retirement and other service benefits		(30,171)	(30,171)
		460,002	460,002

17.1 The revaluation surplus on property is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

18 REVENUE RESERVE

	2024	2023
General reserve	90,000	90,000
Accumulated loss	(305,122)	(231,310)
	(215,122)	(141,310)

19 LONG-TERM LOAN

	Note	2024	2023
Secured			
National Bank of Pakistan (NBP)	19.1	101,875	116,677
Current portion of long-term loan		(33,165)	(24,948)
		68,710	91,729

19.1 During 2015, long-term finance obtained, under conventional banking terms, by HTPL had been transferred to the Holding Company at the time of amalgamation (the scheme). This loan was obtained as a demand finance facility under the agreement dated April 08, 2013 from NBP and was repayable in 9 semi-annual installments of Rs. 44.44 million latest by April 01, 2018 with a grace period of six months. The loan carried mark-up at rate of 6 months KIBOR plus 2.5% to 6% per annum. This loan was secured by way of mortgage on leasehold land and charge on the Holding Company's present and future current and fixed assets as well as personal guarantee of Chief Executive of the Holding Company. In previous years, the Holding Company negotiated several offer letters from NBP.

On September 20, 2021, the Holding Company received a proposal via offer letter No. NBP/ARG/ARW(S)/BLPL/2021/770 supplemented by offer letter for the restructuring / rehabilitation scheme No. NBP/ARG/ARW(S)/BLPL/2022/08 dated January 06, 2022 and addendum to offer letter for the restructuring / rehabilitation scheme dated June 03, 2022 for the restructuring of loan from NBP which has since been accepted on June 08, 2022 by the Holding Company's management.

However, the competent authority of NBP approved the acceptance of this offer by the Holding Company and executed restructuring of long-term loan amounting to Rs. 254.44 million and its related accrued mark-up amounting to Rs. 119.39 million into three different facilities with effect from June 09, 2022, as mentioned below:

In respect Demand Finance-I (DF-I) facility:

- The part of long-term loan amounted to Rs. 100.44 million restructured as DF-I.
- Upfront payment of Rs. 25.44 million to be made immediately.
- Remaining balance of Rs. 75 million to be re-paid in 20 quarterly installments starting from September 30, 2022 with a grace period of 1 year.
- The facility carries mark-up at the rate of 3 month KIBOR + 2%, which will also be payable during the grace period.

In respect Demand Finance-II (DF-II) facility:

- Frozen accrued mark-up amounted to Rs. 119.39 million on long-term loan restructured as DF-II.
- The Holding Company to pay an amount of Rs. 113.82 million towards frozen mark-up.
- Upfront payment of Rs. 18.52 million (including accrued mark-up amounting to Rs. 7.90 million for the period from January 01, 2022 to June 09, 2022) to be made
- Remaining amount of Rs. 95.29 million to be re-paid in 20 quarterly installments starting from September 30, 2022.
- The facility carries no mark-up.

In respect Running Finance facility:

- Another part of long term loan amounted to Rs. 154 million restructured as running
- The facility carries mark-up of 3 month KIBOR + 1.75%.

The restructuring / rehabilitation scheme of Burshane LPG (Pakistan) Limited has resulted in a loan restructuring gain, on original long tem loan and accrued mark-up thereon, of Rs. 37.76 million on effective date of loan restructuring i.e. June 09, 2022 as described below:

	Note	Rupees in '000'
Carrying amount of long term loan before restructuring		
Long-term loan	19	254,439
Accrued mark-up	27	119,392
		373,831
Loan restructured:		
Long-term loan	19	138,115
Short-term borrowings (running finance)	25	154,000
		292,115
		81,716
Less: upfront payment on account of long-term loan and frozen mark-up		43,960
Gain on loan restructuring	33	37,756

In addition, this restructuring arrangements are secured by way of the following;

- 1st charge on present and future current and fixed assets of the Holding Company of Rs. 750 million already registered at SECP;

- 1% registered mortgage of land and building of both project locations i.e. Karachi and Faisalabad mentioned in latest balance sheet, to be created as per the original offer letter by NBP for the restructuring / rehabilitation scheme No. NBP/ARG/ARW-S/BLPL/2021/770 dated September 20, 2021. However, as per the revised offer letter by NBP for the restructuring / rehabilitation scheme No. NBP/ARG/ARW-S/BLPL/2022/08 dated January 06, 2022, the existing collateral is replaced by 1% Registered mortgage and 99% equitable mortgage of Freehold Land (i.e Chak no. 245 Near Railway Station, Abbaspur, Faisalabad, forced sales value of the said location is Rs. 50 million dated December 02, 2021);

- 1% registered mortgage and balance by way of equitable mortgage on the Holding Company's owned following properties situated in Karachi by Rs. 660 million registered at SECP;

- residential / commercial land bearing No. 74 measuring 37 Ghuntas situated at Deh Okewari, Shahra-e-Faisal, Karachi valuation conducted by Luckyhiya Associates (Pvt). Ltd having market value of Rs. 89.63 million and forced sales value amounting to Rs. 71.71 million dated June 30, 2020;

- residential / commercial land bearing No. 47 measuring 2 Acre and 19 Ghuntas situated at Deh Okewari, Shahra-e-Faisal, Karachi valuation conducted by Luckyhiya Associates (Pvt). Ltd having market value of Rs. 239.83 million and forced sales value amounting to Rs. 191.86 million dated June 30, 2020;

- personal guarantee of CEO of the Holding Company;

- undertaking for routing all sales through the Holding Company's account with NBP cash management system;

- assignment of long term deposits lying with various refineries (on best efforts);

- replacement of 16,834,434 shares of HAKS Trading (Pvt). Ltd (held by NBP) with shares of Burshane LPG (Pakistan) Limited to be completed in three months under the supervision / guidance of NBP legal division as a result of name change of the organization. Further, after the conversion of said shares, shares of Burshane LPG (Pakistan) Limited to be held with NBP.

There are certain other terms and conditions attached in the aforementioned letter dated September 20, 2021 in respect of restructuring / rehabilitation of loan which the Holding Company have to comply with, some of which are mentioned below:

- Adjusted Debt to EBITDA not to exceed 4 times.
- Debt Service Coverage Ratio not to fall below 1.1.
- No new dividend to be paid / announced during rescheduling period or prior approval from NBP to be obtained.
- NBP's prior approval to be obtained for the payment of unclaimed dividend amount to the sponsoring directors.

20 LEASE LIABILITIES

	Note	2024	2023
		-------- (Rupees in '000) --------	
Balance as at July 01	20.1	20,055	28,175
Addition		19,187	2,016
Disposal		-	(2,922)
Interest expense		7,046	4,575
		46,288	31,844
Payments made during the year		(12,878)	(11,789)
		33,410	20,055
Current portion of lease liabilities		(10,046)	(4,166)
Balance as at June 30		23,364	15,889

20.1 For determining, lease liabilities, the Holding Company discounted lease payments using its incremental borrowing rate 28.48% per annum (2023: 22.25% per annum).

20.2 Represents finance lease entered into with a leasing company for vehicles. Total lease rentals due under lease agreement aggregated to Rs. 22.12 million (2023: Rs. 25.66 million) and are payable in equal monthly installments latest by September 2028. Taxes, charges, demands and levies, repair and maintenance are to be borne by the Holding Company.

20.3 Maturity analysis-contractual cash flow

	2024	2023
Less than one year	10,046	4,166
One to five year	23,364	15,889
More than five year	-	-
Total lease liability	33,410	20,055

21 DEFERRED TAXATION - NET

	2024	2023
Taxable temporary differences		
Accelerated tax depreciation and amortisation	17,541	20,856
Post employment benefits	-	122

	Note	2024	2023
		-------- (Rupees in '000) --------	
Deductible temporary differences			
Lease liabilities		(9,689)	(5,816)
Minimum turnover tax		(6,085)	(8,902)
Provisions		(8,386)	(3,600)
		(6,619)	2,660
Deferred tax asset not recognised		6,619	-
		-	2,660

21.1 Deferred tax asset have not been recognised in respect of deductible temporary differences, because the Holding Company is subject to minimum tax under section 113 of the Income Tax Ordinance (ITO), 2001.

22 CYLINDER AND REGULATOR DEPOSITS

This represents non-interest bearing deposits which are refundable on termination of distributorship agreements and / or return of cylinders and ancillary equipment as per the Group's policy.

23 TRADE AND OTHER PAYABLES

	2024	2023
Creditors	14,145	54,959
Accrued liabilities	3,230	3,768
Advances from distributors / customers - unsecured	17,704	16,770
Workers' Welfare Fund	3,017	3,017
Withholding tax payable	5,487	5,102
Sales tax payable	2,590	249
Others	18,865	20,042
	65,038	103,907

24 SHORT-TERM LOAN

	Note	2024	2023
Related party - unsecured			
Loan from Burshane Petroleum (Private) Limited	24.1	-	-
Loan from Director	24.1	13,388	-
		13,388	-

24.1 The loan was obtained from Burshane Petroleum (Private) Limited and Director amounting to Rs. 31.50 million (2023: Rs. 155 million) and Rs. 97.32 million (2023: 17) for purchase of LPG. During the reporting period, loan amounting to Rs. 106.91 million (2023: Rs. 217 million) was repaid and Rs. 8.51 million (2023: Nil) was adjusted against the sale of vehicle during the year. Loan carries rate of return of KIBOR + 2%.

25 SHORT-TERM BORROWINGS

The Holding Company has arrangement for running finance facility under mark-up arrangement from NBP amounting to Rs. 154 million along with an import LC sight.

The rate of mark-up on running finance facility is 3 months KIBOR + 1.75% per annum. The arrangements are secured by way of mortgage on leasehold land and charge on the Holding Company's present and future current and fixed assets as well as personal guarantee of Chief Executive of the Holding Company.

26 UNCLAIMED DIVIDENDS

Opening balance	83,050	83,050
Dividend paid during the year	-	-
Closing balance	83,050	83,050

26.1 These includes an amount of Rs. 59.08 million payable to the directors of the Holding Company (2023: Rs. 60.59 million payable to the beneficial owners of HTPL). However, NBP's prior approval to be obtained for the payment of unclaimed dividend amount to the sponsoring directors as disclosed in note 19.

27 ACCRUED MARK-UP

Mark-up accrued on:			
Short-term loan	27.1	2,657	-
Long-term loan		6,319	3,801
Short-term borrowings		17,977	8,085
		26,953	11,886

27.1 This represents accrued mark-up payable to Director.

28 CONTINGENCIES AND COMMITMENTS

28.1 Contingencies

28.1.1 An inspection order dated August 04, 2020 under Section 221 of Companies Act, 2017 was issued by SECP against complaint received by the Commission wherein it was alleged that the CEO and Director Finance of the Company are involved in financial irregularities of the Companies Act, 2017, which include advance made to Roots International Brands Private Limited (RIBS), an associate company, and that the bank account was being used for illegal activities by CEO and the Holding Company's Director Finance who appears to have concealed the existence of such financial transactions.

On the conclusion of inspection, a report was issued on October 23, 2020 mentioning cognizance of offences under sections 204, 199(1), 199(2), 183(2), CEO and Director Finance of the Holding Company, during the period July 1, 2018 to June 30, 2020 and suggested that they are liable with regard to all the above non-compliances as the Board of Directors did not discuss or approve transactions with RIBS until June 26, 2020 and the predecessor auditors are liable for proceedings to be initiated under section 249 read with section 253 of the Act as they failed to highlight lack of disclosure of transactions with RIBS in notes to the financial statements for year ended June 30, 2019 especially in related parties note as required under IAS 24. The Auditor also failed to highlight the unsecured interest free loans extended without any agreement to a related party i.e., RIBS before June 03, 2019.

The Holding Company has provided the comments on findings to SECP, that the non-compliance was not intentional but was omission by mistake. The Holding Company had advanced certain amount to RIBS, However, the Holding Company has received all the monies back with mark up and therefore there is no financial loss to the Holding Company. The Board has subsequently ratified all these transactions with RIBS, and therefore to an extent the non-compliance has been addressed. It was merely an oversight of SECP compliance regulations. It has further been resolved in the Board that extra care shall be taken in future to ensure that non-compliance should not takes place.

The Holding Company has been imposed penalty of Rs. 2 million by SECP on October 11, 2022. However, the Holding Company filed a Constitutional Petition with Honorable High Court challenging the constitutional as well as legal validity of the inspection order passed by SECP.

28.1.2 The Special Sales Tax Reference Application (STRA) has been filed by the Commissioner Inland Revenue, Zone-IV, Large Taxpayers Unit Karachi in the High Court of Sindh at Karachi on December 18, 2019. During the year ended June 30, 2018, tax authorities issued Order dated May 25, 2018 and charged sales tax under section 8B of Sales Tax Act, 1990, raising sales tax demand and imposing penalties aggregating to Rs. 133.11 million and also default surcharge for tax periods from July 2014 to March 2018. Against the said Order, the Company filed appeal before Commissioner (Appeals–I), Karachi who vide Order dated July 03, 2018 vacated the whole principal amount of sales tax of Rs. 65.57 million and reduced the imposition of penalties from Rs. 67.54 million to Rs. 0.50 million only. However, the liability on account of default surcharge was maintained.

The Order of the Commissioner (Appeal) was challenged before the Hon'ble Appellate Tribunal Inland Revenue, Karachi who vide Order dated August 28, 2019 reduced the substantial amount of default surcharge to Rs. 1.34 million and maintained the amount of penalty Rs. 0.50 million. The Holding Company has paid the reduced amount of default surcharge and penalty without pursuing the matter before the High Court.

28.1.3 The captioned Special Sales Tax Reference Application (STRA) is filed by the Commissioner Inland Revenue, Zone-IV, Large Taxpayers Unit Karachi in the High Court of Sindh at Karachi. On September 28, 2018, tax authorities levied sales tax under section 8B of Sales Tax Act, 1990, raising sales tax demand along with the levy of penalty aggregating to Rs. 7.90 million for tax periods from April 2018 to May 2018.

Against the Order, the Holding Company filed appeal before Commissioner (Appeals–I), Karachi, who vide Order dated October 31, 2018 vacated the whole principal amount of sales tax of Rs. 7.67 million. However, the liability on account of default surcharge and penalty was maintained.

The Order of the Commissioner (Appeal) was challenged before the Hon'ble Appellate Tribunal Inland Revenue, Karachi who vide Order dated August 28, 2019 reduced the substantial amount of default surcharge to Rs. 0.16 million and maintained the amount of penalty Rs. 0.23 million. The Holding Company has paid the reduced amount of default surcharge and penalty without pursuing the matter further.

28.1.4 The Holding Company has filed Special Federal Excise Duty (FED) Ref. Application before the Hon'ble High Court of Sindh against the Appellate order dated April 02, 2012 of the Appellate Tribunal IR. The tax authorities at Large Taxpayers Office established a demand towards FED on the payment of license fee paid/payable by the Company in relation with the software / IT services acquired from the non-resident parent company under the tariff heading "franchise service" as per First Schedule to Federal Excise Act, 2005. At that time, Burshane LPG (Pakistan) Limited was a subsidiary of Shell Group, operating under the name of Shell LPG Pakistan Limited. The scope of services under the head 'franchise services' was not clear when the Federal Excise Act was promulgated in the year 2005 and then the jurisdictional issues also made the matter more complicated when the franchise services were subjected to Provincial sales tax by promulgation of Sindh Sales Tax on Services Act, 2011 effective July 01, 2011.

The scope of services under the head 'franchise services' was not clear when the Federal Excise Act was promulgated in the year 2005 and then the jurisdictional issues also made the matter more complicated when the franchise services were subjected to Provincial sales tax by promulgation of Sindh Sales Tax on Services Act, 2011 effective July 01, 2011.

Software licensing does not fall under the service classification "franchise services" and this aspect has been settled at the Appellate Tribunal level in reported judgments, also. Hence, the Holding Company has a strong arguable case to defend its position that the impugned demand of FED may not be warranted.

28.1.5 A complaint was filed by the Directorate of Investigation and Intelligence (Inland Revenue) (I & I - IR) on August 31, 2020, against the Holding Company for alleged Tax evasion of approximately Rs. 1.78 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 the Company's 9 bank accounts for 90 days and issuance of non bailable arrest warrants of its certain Directors. The Holding Company immediately obtained Protective Bail from the High Court and subsequently from the Special Court which was later confirmed.

The Holding 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 the Holding Company's accounts on expiry of 90 days.

The Holding Company had received notices under section 177(1) of Income Tax Ordinance (ITO), 2001 regarding audit for tax years 2018 and 2019. The Holding Company has replied and submitted relevant details and documents timely through various letters to FBR. The Holding Company has received further notices under section 122(5A) of the ITO, 2001 demanded income tax liability amounting to Rs. 609.79 million and Rs. 617.30 million for the tax year 2018 and 2019. An appeal was preferred before the Commissioner Inland Revenue – Appeal (CIR-A) whereby the CIR-A remanded back the case to the concerned Officer Inland Revenue (OIR). Thereafter, remanded back proceeding was initiated by the learned OIR, that culminated on an order under section 124/129 of the Ordinance, whereby the demanded tax liability of Rs. 172.05 million and Rs. 87.75 million for the tax year 2018 and 2019 was created. Being aggrieved, the taxpayer again preferred an appeal before CIR-A, that is currently pending.

28.1.6 The Director of Intelligence and Investigation, Inland Revenue had appeared on TV in Kamran Khan's News show on September 23, 2020, and there he discussed the case in a manner whereby the Holding Company's reputation was damaged. He tried to conduct a media trial of the Holding Company and its Directors. Additionally, the Director of Intelligence and Investigation, Inland Revenue also disclosed our tax and assets details, hence breached privacy and confidentiality laws.

The Holding Company has filed a law suit in Honorable Sindh High Court (SHC) for damages against the Director General, the Director of South Region and the Deputy Director, (the Complainant) of the Directorate of I&I, Inland Revenue for a sum of Rs. 1 billion. Nevertheless, the issue remained pending in Honorable Sindh High Court (SHC).

28.1.7 On July 31, 2015, the Holding Company received a show cause notice under Punjab Rented Premises Act, 2009, by the landlords of the property measuring 51-Kanals-03-Marlas, or thereabouts bearing Square No. 94, Killa no. 1, 2, 3, 4, 5, 6 & 7, tehsil Faisalabad, near Abbaspur railway station. The Holding Company uses this land for LPG storage and filing plant of Faisalabad. The landlords filed an ejectment petition against the Holding Company and the Holding Company has filed defending argument in the rent tribunal Faisalabad and case is under hearing stage.

28.1.8 For the tax year 2016, a notice dated June 25, 2018 was issued to the Holding Company to provide certain information / details for audit proceedings. The notice was duly complied.

Show cause notice dated June 13, 2019 was issued to amend assessment u/s 122(9) read with section 214C of the Income Tax Ordinance (ITO), 2001 which was duly responded on all the points. Subsequently, order dated August 29, 2019 passed by the DCIR raising null tax demand due to applicability of minimum tax.

The Holding Company filed appeal to the Commissioner (Appeals) against the aforesaid order dated August 29, 2019. The said appeal was heard and order passed wherein the Commissioner (Appeals) has confirmed the certain additions made by the DCIR, whereas, he has annulled / deleted certain additions i.e. (rent, advertising expenses and financial charges - profit on debt) as such. Further, the Commissioner (Appeals) has also directed the Officer to allow credit of actual taxes paid of Rs. 23.45 million subject to due verification. Appeal effect under section 124 to be filed.

Monitoring of WHT was conducted by the DCIR by issuing a notice under section 176 dated March 28, 2018 which was duly responded. Thereafter, a show-cause notice dated February 13, 2019 was issued under section 161(1A) confronting on non-withholding of taxes on certain payments. Response was duly filed and accordingly order dated March 15, 2019 was passed under section 161 / 205 by the ACIR wherein the total tax demand of Rs. 2.05 million was raised which comprised the defaulted amount of Rs. 1.552 million; default surcharge of Rs. 0.49 million.

Against the Order, the Holding Company filed an appeal before the Commissioner (Appeals-I) which was heard and appellate order passed dated May 15, 2019 wherein Commissioner (Appeals-I) remanded back the Order of DCIR with the directions to verify supporting documentary evidences in respect of expenses claimed to be furnished by appellant company within seven days time. Following the underlying directions of Commissioner (Appeals-I) the Company has filed the details of expenses / payments in question vide our letter no. KT-AA-3707 dated May 22, 2019 to the DCIR for onward proceedings.

The Holding Company filed application dated March 25, 2021 for approval for revision of return under clause (ba) of subsection 6 of section 114 of Income Tax Ordinance, 2001, for charging minimum tax u/s 113 at the rate 0.2% instead of 1%. The commissioner audit vide his letter dated May 07, 2021 rejected the request of the Company for granting permission for revision of return. The Company has filed a petition in the Hon'ble High Court of Sindh with prayer to direct the Commissioner Inland Revenue to allow revision of return of income for the tax year 2016 and no adverse order has been passed.

	2023	2022
	-------- (Rupees in '000) --------	
28.2 Commitments		
Post-dated cheques	22,122	25,660

	Note	2024	2023
		-------- (Rupees in '000) --------	

29 SALES - NET

Gross sales			
Liquefied petroleum gas (LPG)		2,728,960	4,039,886
Low pressure regulators (LPR)		238	550
		2,729,198	4,040,436
Sales return		(13,121)	(4,907)
Sales tax		(338,575)	(501,923)
		2,377,502	3,533,606

29.1 Revenue recognised from amounts included in advance from customers at the beginning of the year amounted to Rs. 12.76 million (2023: Rs. 5.92 million).

30 COST OF SALES

	Note	2024	2023
Salaries, wages and other employees benefits	30.1	27,799	29,963
Cost of low pressure regulators sold		70	182
Stores and spares consumed	30.3	2,632	1,284
Repairs and maintenance		2,629	4,587
Travelling, conveyance and vehicle maintenance		2,222	1,690
Depreciation	6.2	7,243	8,024
Amortisation	7.4	10,030	10,030
Rent, rates and utilities		19,862	21,521
Communication charges		763	875
Printing and stationery		374	170
Legal and professional charges		2,741	384
Insurance		4,958	3,914
Signature bonus		3,718	17,165
Security		4,563	4,208
Sundry expenses		491	1,492
Manufacturing cost		90,095	105,489
Opening stock		25,814	44,370
Purchases	30.2	2,131,382	3,258,493
Closing stock	9	(7,733)	(25,814)
		2,149,463	3,277,049
		2,239,558	3,382,538

30.1 Salaries and other benefits include Rs. Nil (2023: Rs. 0.62 million) in respect of retirement and other service benefits.

30.2 This include amount of Rs. 202.47 million (2023: 247.87 million) related to purchases of LPG from Byco Petroleum Pakistan Limited (BPPL) and amount of Rs. 5.96 million (2023: 6.54 million) paid to ADEPT (Private) Limited (APL) for purchasing rights of LPG quota. On May 13, 2019, the Company entered in to agreement with Byco Petroleum Pakistan Limited (BPPL) for purchase of LPG through an arrangement. On June 6, 2019, the Holding Company entered into a joint venture agreement (the Agreement) with APL being engaged in oil and gas related business with a quota of 35 MT per day by BPPL. As per the agreement, APL consented and assigned LPG quota to the Holding Company for marketing and distribution of LPG including management of operations, maintaining of books of accounts and records under the agreement. The Board discussed these arrangements and the agreement and on September 19, 2019, the Board approved the agreement.

As per the revised agreement effective from August 16, 2020, APL is entitled to a fixed profit amounting to Rs. 4,500 (2023: Rs. 4,500) for each MT net of all taxes of LPG procured through BPPL while any other profit or loss from marketing and distribution of that LPG is accrued to the Holding Company.

	Note	2024	2023
		-------- (Rupees in '000) --------	
30.3 Stores and spares consumed			
Opening stock		4,321	4,673
Purchases		4,349	932
		8,670	5,605
Closing stock	8	(6,038)	(4,321)
		2,632	1,284

31 ADMINISTRATIVE EXPENSES

	Note	2024	2023
Salaries, wages and other employees benefits	31.1	66,286	69,765
Depreciation	6.2	11,196	11,307
Amortisation	7.4	72	88
Repairs and maintenance		2,954	1,823
Travelling, conveyance and vehicle maintenance		6,260	5,517
Rent, rates and utilities		3,352	1,929
Communication charges		1,651	2,347
Printing and stationery		924	1,059
Legal and professional charges		11,978	17,090
Insurance		3,361	1,804
Advertisement and publicity		-	285
Security		2,677	2,043
Donation	31.2	4,787	500
Sundry expenses		2,149	591
		117,647	116,148

31.1 Salaries and other benefits include Rs. Nil (2023: Rs. 4.39 million) in respect of retirement and other service benefits.

31.2 This includes Rs. 4.77 million (2023: Nil) paid to Baitussalam Welfare Trust.

	Note	2024	2023
		-------- (Rupees in '000) --------	
32 DISTRIBUTION AND MARKETING EXPENSES			
Salaries, wages and other employees benefits	32.1	12,830	13,798
Depreciation	6.2	33,774	31,602
Repairs and maintenance		106	776
Travelling, conveyance and vehicle maintenance		1,005	393
Rent, rates and taxes		1,259	784
Communication charges		339	641
Printing and stationery		68	101
Insurance		381	347
Hospitality charges		3,209	8,705
Freight and octroi		10,860	7,938
Advertisement and publicity		-	339
Security		128	165
Sundry expenses		238	291
		64,197	65,880

32.1 Salaries and other benefits include Rs. Nil (2023: Rs. 0.38 million) in respect of retirement and other service benefits.

33 OTHER INCOME

	Note	2024	2023
Income from financial assets			
Profit on saving accounts	33.1	868	1,096
Income from non-financial assets			
Rental income from storage tanks-cylinders		1,731	1,192
Gain on disposal of property, plant and equipment		13,349	1,841
Liability for cylinder deposits and regulator deposits written back	33.2	26,122	22,131
Old liabilities written back		457	3,018
Recoveries against cylinder replacement		2,367	810
Hospitality income		4,898	402
Storage income		6,988	-
Others		9,036	-
		65,816	30,490

33.1 Represents profit on bank accounts under conventional banking relationship.

33.2 During the year, the Holding Company carried out a exercise to identify cylinder and regulator deposits pertaining to cylinders issued for 10 years and above, which relates to inactive distributors / customers who are not in business with the Holding Company.

		Note	2024	2023
			-------- (Rupees in '000) --------	
34	**OTHER EXPENSES**			
	Directors' fees		3,300	3,050
	Auditors' remuneration	34.1	2,675	2,714
	Allowance for expected credit losses	10.1	16,504	1,371
			22,479	7,135
34.1	**Auditors' remuneration**			
	Statutory audit		1,596	1,392
	Half yearly review		600	600
	Other certification		320	490
	Out of pocket expenses and others		159	232
			2,675	2,714
35	**FINANCIAL COSTS**			
	Mark-up / interest on:			
	Short-term loan	35.1	4,866	2,219
	Short-term borrowings		36,991	27,732
	Long-term loan		20,572	21,411
	Lease liabilities		7,046	4,575
	Workers' Profits Participation Fund		-	38
			69,475	55,975
	Bank charges and commission		349	832
			69,824	56,807

35.1 This includes mark-up of Rs. 0.55 million (2023: 2.03 million) and Rs. 4.31 million (2023: 0.19 million) at KIBOR+2% on short-term loan obtained from Director and Burshane Petroleum (Private) Limited amounting to Rs. 31.50 million (2023: Rs. 155 million) and Rs. 97.32 million (2023: 17 million).

36 MINIMUM TAX DIFFERENTIAL

This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO), 2001, representing levy in terms of requirements of IFRIC 21/IAS 37 as disclosed in note 4.17.

		Note	2024	2023
			-------- (Rupees in '000) --------	
37	**TAXATION**			
	Deferred		2,660	6,807

37.1 The numerical reconciliation between average tax rate and the applicable tax rate has not been presented during the year in these consolidated financial statements as the total tax liability of the Holding Company during the year is covered under section 113 Minimum Tax of ITO, 2001 as it is a higher of Corporate rate tax and Alternate Corporate Tax.

38 LOSS PER SHARE - BASIC AND DILUTED

Loss for the year after taxation	(73,812)	(66,415)
	------- (Number in '000) -------	
Weighted average number of ordinary shares outstanding	22,489	22,489
	----------- (Rupees) -----------	
Loss per share - basic and diluted	(3.28)	(2.95)

39 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the consolidated financial statements for remunerations, including all benefits to Chief Executive, Directors and Executives of the Holding Company were as follows:

	2024				2023			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	(Rupees in '000)				(Rupees in '000)			
Managerial remuneration	27,099	10,587	19,337	57,023	27,324	10,587	18,905	56,816
Meeting fees	50	250	650	950	150	250	600	1,000
Bonus	2,252	882	1,589	4,723	3,416	1,323	2,384	7,123
Retirement benefits	1,800	-	1,328	3,128	1,960	-	1,410	3,370
Travelling and conveyance	-	-	39	39	-	-	63	63
Medical allowance	-	100	808	908	-	100	467	567
Total	31,201	11,819	23,751	66,771	32,850	12,260	23,829	68,939
Number of persons	1	1	9	11	1	1	8	10

39.1 In addition, the Chief Executive, the Directors and certain Executives were also provided with free use of the Company's maintained cars.

39.2 Fee amounting to Rs. 2.15 million (2023: Rs. 1.80 million) was paid to nine (2023: seven) non-executive directors for attending Board meetings during the year.

40 RETIREMENT AND OTHER SERVICE BENEFITS

40.1 Provident Fund

The following information is based upon the latest un-audited financial statements of the provident fund as at June 30, 2024 and June 30, 2023:

	2024	2023
	-------- (Rupees in '000) --------	
Size of the fund - total assets	10,053	6,006
Fair value of investments	9,899	5,899
Cost of investments	9,885	5,156
Percentage of investments	98.33%	85.85%

	2024		2023	
	Rupees in '000	%	Rupees in '000	%
Bank deposits	6,301	64	2,025	34
Mutual funds	3,598	36	3,874	66
	9,899		5,899	

Investments out of the Staff Provident Fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

41 TRANSACTIONS WITH RELATED PARTIES

41.1 The related parties includes staff retirement 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 Holding Company.

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

Transactions with related parties

Nature of relationship	Nature of transactions	2024	2023
		---(Rupees in '000)---	
Staff retirement benefit / contribution plans			
Burshane LPG (Pakistan) Limited Management Staff Pension Fund	Benefits paid	-	715
	Received on account of excess benefits paid	-	3,275
	Amount received against loan	-	541
Burshane LPG (Pakistan) Limited Provident Fund	Contribution paid	8,921	9,934
	Loan provided	-	2,400
	Amount received against loan	-	2,900
Associated Companies			
Burshane Petroleum (Private) Limited [Formerly Darian International (Private) Limited]	Short term loan - received *	31,500	155,000
	Short term loan - paid *	31,500	200,000
	Interest expense on short term loan	553	2,026
	Interest paid on short term loan	553	2,026
Director	Sale of vehicle	8,514	-
	Short term loan - received *	97,320	17,000
	Short term loan - paid *	72,742	17,000
	Short term loan adjusted against sale	8,514	-
	Interest expense on short term loan	4,313	193
	Interest paid on short term loan	1,656	193
	Advance against expenses	121	3,085
	Amount received against advance	-	530
Key management personnel	Loan disbursed	2,002	650
	Amount received against loan	1,075	868
	Managerial remuneration	57,023	56,816
	Bonus	4,723	7,123
	Retirement benefits	3,128	3,370
	Travelling and conveyance	39	63
	Medical	908	567

* During the year, the Holding Company obtained a loan amounting to Rs. 31.50 million (2023: Rs. 155 million) and Rs. 97.32 million (2023: 17 million) at a markup of KIBOR plus 2% from Burshane Petroleum (Private) Limited, an associate company and Director, for purchase of LPG and other terms. The loan amounting to Rs. 106.91 million (2023: Rs. 217 million) was repaid and Rs. 8.51 million (2023: Nil) was adjusted against the sale of vehicle during the year.

Balances with related parties

	Nature of transactions	2024	2023
		---(Rupees in '000)---	
Director	Dividend payable	59,082	59,082
	Short-term loan	24,578	-
	Markup payable	2,657	-
	Receivable against expenses	2,676	2,555
Associated Companies			
Burshane Petroleum (Private) Limited (Formerly Darian International (Private) Limited)	Receivable against use of name "Burshane"	9,000	9,000
Key management personnel			
Key management personnel	Short-term loan	1,077	150

41.3 Following are the related parties with whom the Holding Company had entered in to transactions or has arrangement / agreement in place.

Name	Basis of Relation	% of shareholding in the Company
AAK Commodities (Private) Limited		Nil
(Formerly ALSAA & AAK Commodities (Private) Limited)	Common directorship	Nil
A&S Corporation (Private) Limited	Common directorship	Nil
Khan International Brands (Private) Limited	Common directorship	Nil
Norinco International Thatta Power (Private) Limited	Common directorship	Nil
Burshane Petroleum (Private) Limited		Nil
(Formerly Darian International (Private) Limited)	Common directorship	Nil
AN Developers (Private) Limited	Common directorship	Nil
AN Energy (Private) Limited	Common directorship	Nil
Roots International Brands (Private) Limited	Common directorship	Nil
Pakistan LPG Marketers Association	Common directorship	Nil
N Petrochem (Private) Limited	Common directorship	Nil
Macter International Limited	Common directorship	Nil
Sana Industries Limited	Common directorship	Nil
Leather Up Limited	Common directorship	Nil
Agritech Limited	Common directorship	Nil
Burshane LPG (Pakistan) Limited Gratuity Fund	Staff Retirement Benefit Plan	Nil
Burshane LPG (Pakistan) Limited Management Staff Pension Fund	Staff Retirement Contribution Plan	Nil
Burshane LPG (Pakistan) Limited Provident Fund	Staff Retirement Contribution Plan	Nil

	Note	2024	2023
		--------- (Rupees in '000) ---------	

42 CASH GENERATED FROM OPERATIONS

	Note	2024	2023
Loss before minimum tax differential and income tax		(70,387)	(64,412)
Adjustment for non-cash and other items:			
Gain on disposal of property, plant and equipment	33	(13,349)	(1,841)
Financial charges	35	69,824	56,807
Depreciation	6.2	52,213	50,933
Amortisation	7.4	10,102	10,118
Provision for retirement and other service benefits		-	455
Allowance for the year	10.1	16,504	1,371
Liability for cylinder deposits written back	33	(26,122)	(22,131)
		109,172	95,712
Profit before working capital changes		38,785	31,300
Working capital changes	42.1	16,847	93,306
		55,632	124,606

42.1 Working capital changes

	2024	2023
Increase / (decrease) in current assets:		
Stores and spares	(1,717)	352
Stock-in-trade	18,151	18,577
Trade debts	8,621	(15,471)
Loans and advances	16,424	20,359
Deposits, prepayments and other receivables	14,237	78,621
	55,716	102,438
Decrease in current liabilities:		
Trade and other payables	(38,869)	(9,132)
	16,847	93,306

43 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets as per statement of financial position

Amortized cost

	2024	2023
Long-term loans including current portion	1,231	150
Long-term deposits	3,174	3,174
Trade debts	76,722	101,847
Deposits and other receivables	19,924	37,005
Bank balances	4,219	20,775
	105,270	162,951

	2024	2023
	--------- (Rupees in '000) ---------	
Financial liabilities as per statement of financial position		
Amortized cost		
Long-term loan including current maturity	101,875	116,677
Trade and other payables	36,240	78,769
Cylinder and regulator deposits	478,068	479,457
Accrued mark-up	26,953	11,886
Lease liabilities	33,410	20,055
Short-term loan	13,388	-
Short-term borrowings	154,000	
	643,136	686,789

44 CHANGE IN LIABILITIES ARISING FROM FINANCIAL ACTIVITIES

Description	As at July 01, 2023	Additions	Disposals	Others	Cashflows	As at June 30, 2024
	---------- (Rupees in '000) ----------					
Long-term loan	91,729	-	-	(23,019)	-	68,710
Current portion of long-term loan	24,948	-	-	30,009	(21,792)	33,165
Lease liabilities	15,889	19,187	-	(11,712)	-	23,364
Current portion of lease liabilities	3,996	-	-	18,928	(12,878)	10,046
Short-term loan	-	128,820	-	-	(115,432)	13,388
Short-term borrowings	153,701	1,247	-	-	(948)	154,000
Accrued mark-up	11,886	-	-	55,788	(40,721)	26,953
2024	302,149	149,254	-	69,994	- 191,771	329,626

Description	As at July 01, 2022	Additions	Disposals	Others	Cashflows	As at June 30, 2023
	---------- (Rupees in '000) ----------					
Long-term loan	114,345	-	-	(22,616)	-	91,729
Current portion of long-term loan	23,770	-	-	30,471	(29,293)	24,948
Lease liabilities	18,871	2,016	-	(4,998)	-	15,889
Current portion of lease liabilities	9,304	-	(2,922)	9,403	(11,789)	3,996
Short-term loan	45,000	172,000	-	-	(217,000)	-
Short-term borrowings	151,061	-	-	2,640	-	153,701
Accrued mark-up	3,205	45,674	-	-	(36,993)	11,886
2023	365,556	219,690	(2,922)	14,900	(295,075)	302,149

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

45.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders. Risk management is carried out by the Group's finance and treasury department under policies approved by the Board of Directors.

(a) Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other prices will effect the Group's income or the value of its holdings of financial instruments.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. It mainly arises when receivables and payables exist due to transactions in foreign currency.

As majority of the Group's financial assets and liabilities are denominated in Pakistani Rupees, therefore, the Group, at present, is not exposed to foreign currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is primarily exposed to interest rate risk arising from long-term loan from bank and bank deposits. Borrowing at variable rate exposes the Group to cash flow interest rate risk. The Group manages its interest rate risk by availing at fixed rate and borrowings by placing its excess funds in saving accounts in banks.

	2024	2023	2024	2023
	Effective rate		Carrying amount	
	-------- (In percent) --------		--------- (Rupees in '000) ---------	
Financial liabilities				
Variable rate instruments				
Long-term loan including current maturity	25.74%	23.98%	101,875	116,677
Short-term loan	25.74%	23.98%	13,388	-
Short-term borrowings	25.49%	23.73%	154,000	153,701
			269,263	270,378

The management of the Group estimates that 1% increase in the market interest rate, with all other factors remaining constant, would increase/decrease the Group's profit before tax by Rs. 2.72 million (2023: 2.70 million).

iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group is not materially exposed to other price risk at

(b) Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counter parties and continually assessing the creditworthiness of counter parties.

Credit risk of the Group arises from trade debts, loans, deposits and other receivables, deposits with banks and financial institutions. The Group monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying amount of financial assets expose to credit risk is as follows:

	2024	2023
	--------- (Rupees in '000) ---------	
Long-term loans including current portion	1,231	150
Long-term deposits	3,174	3,174
Trade debts	76,722	101,847
Deposits and other receivables	19,924	37,005
Bank balances	4,219	20,775
	105,270	162,951

For trade debts, the credit risk exposure is net of allowance for expected credit losses as disclosed in note 10.1.

The credit quality of Group's bank balances can be assessed with reference to external credit ratings as follows:

Name	Rating agency	Rating			
		Short term		Long term	
		2024	2023	2024	2023
Habib Bank Limited	VIS	A1+	A1+	AAA	A1+
MCB Bank Limited	PACRA	A1+	A1+	AAA	A1+
National Bank of Pakistan	PACRA	A1+	A1+	AAA	A1+
Faysal Bank Limited	PACRA	A1+	A1+	AA	A1+
Sindh Bank Limited	VIS	A1	A1+	A+	A1+
JS Bank Limited	PACRA	A1+	A1+	AA-	A1+
Meezan Bank Limited	VIS	A1+	A1+	AAA	A1+
Bank Makramah Limited	VIS	Not rated	Not rated	Not rated	Not rated

c) Liquidity risk

Liquidity risk is that the risk the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Following are the contractual maturities of the Group's financial liabilities:

	2024			2023		
	Maturity upto one year	Maturity after one year	Total	Maturity upto one year	Maturity after one year	Total
	-------- Rupees in '000 -------					
Financial liabilities						
Long-term loan including current maturity	33,165	68,710	101,875	24,948	91,729	116,677
Lease Liability	10,046	23,364	33,410	4,166	15,889	20,055
Cylinder and regulator deposits	-	478,068	478,068	-	479,457	479,457
Trade and other payables	-	36,240	36,240	-	78,577	78,577
Short-term loan	13,388	-	13,388	-	-	-
Short-term borrowings	154,000	-	154,000	153,701	-	153,701
Accrued mark-up	26,953	-	26,953	11,886	-	11,886
	237,552	606,382	843,934	194,701	665,652	860,353

45.2 Fair value of hierarchy

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction. As of the reporting date, Group's all assets and liabilities are carried at amortised cost except for those mentioned below:

The Group's freehold land and leasehold land are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent impairment losses, if any. The fair value measurement of the Group's freehold land at February 15, 2022 and leasehold land as at June 14, 2022 was carried out by M/s. K. G. Traders (Private) Limited and M/s. Luckyhiya Associate (Private) Limited (refer note 7.5).

The valuation techniques and inputs used to develop fair value measurement of aforementioned assets are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market date (unobservable inputs).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

Details of fair value hierarchy and information relating to fair value of the Group's freehold land and leasehold land are as follows:

	Fair value measurement using			
	Quoted price in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)	Total
	Rupees in '000			
Assets measured at fair value				
Property, plant and equipment				
Freehold land	-	16,800	-	16,800
Leasehold land	-	569,288	-	569,288
2024	-	586,088	-	586,088
Assets measured at fair value				
Property, plant and equipment				
Freehold land	-	16,800	-	16,800
Leasehold land	-	569,288	-	569,288
2023	-	586,088	-	586,088

46 CAPITAL MANAGEMENT

The Group finances its operations through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. The Group monitors capital using a debt equity ratio as follows:

	2024	2023
	(Rupees in '000)	
Lease liability	33,410	20,055
Cylinder and regulator deposits	478,068	479,457
Short-term loan	13,388	-
Short-term borrowings	154,000	153,701
Long-term loan including current maturity	101,875	116,677
Trade and other payables	65,038	103,907
Unclaimed dividends	83,050	83,050
Deferred taxation - net	-	2,660
Accrued mark-up	26,953	11,886
Total debt	955,782	971,393
Cash and bank balances	4,407	20,853
Net debt	960,189	992,246

	2024	2023
	---------- (Rupees in '000) ----------	
Share capital	224,888	224,888
Revenue reserves	(215,122)	(141,310)
Reserver for amalgamation	153,458	153,458
Actuarial loss on remeasurement of retirement and other service benefits	(30,171)	(30,171)
Revaluation surplus on property	336,715	336,715
Total equity	469,768	543,580
Capital	1,429,957	1,535,826
Gearing ratio	67.15%	64.61%

47 CORRESPONDING FIGURES

These corresponding figures have been reclassified and rearranged where necessary to facilitate comparison, however there has been no significant reclassification except for the following:

Description	Note	From	To	(Rupees in '000)
Reclassification of current and prior year tax expense to final taxes - levy	40	Taxation	Minimum tax differential	(8,810)

48 CAPACITY

	Note	2024	2023
		(Quantity in metric ton)	
Installed annual filling capacity		37,500	37,500
Actual utilization	48.1	30,960	30,960

48.1 This include storage and filling capacity of hospitality locations utilization. The variations are due to change in market demand.

49 NUMBER OF EMPLOYEES

	2024	2023
	No. of employees	
As at the reporting date	80	79
Average number of employees during the year	77	74

50 GENERAL

These consolidated financial statements have been rounded to the nearest thousand rupee, unless stated otherwise.

51 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorized for issue on **October 04, 2024** by the Board of Directors of the Group.

DIRECTOR	**CHIEF EXECUTIVE OFFICER**	**CHIEF FINANCIAL OFFICER**

ATTENDANCE AT BOARD AND COMMITTEES MEETINGS

Name	Board of Directors			Audit Committee			Human Resources and Remuneration committee		
	Member	Meetings	Attendance	Member	Meetings	Attendance	Member	Meetings	Attendance
Mr. Shaikh Abdus Sami	♦	4	4	♦	4	4			
Mr. Asad Alam Niazi	♦	4	1				♦	1	-
Mr. Saifee Zakiuddin	♦	4	4				♦	1	1
Maj. G. (R) Rafiullah Khan	♦	4	4	♦	4	4	♦	1	1
Maj. G. (R) Abid Latif Khan **	♦	2	2						
Brig. Rashid Siddiqi (R)	♦	4	4						
Ms. Hamdia Fatin Niazi *	♦	1	1	♦	1	1			
Mr. Ali Alam Niazi *	♦	4	3	♦	3	3			
Mr. Khalid Dar **	♦	2	2				♦	1	1
Ms. Shahbano Hameed	♦	4	4						
Mr. Osman Malik	♦	4	2						

* Ms. Hamdia Fatin Niazi resigned from the Board w.e.f. October 03, 2023 and Mr. Ali Alam Niazi was appointed in her place w.e.f. October 03, 2023.

** Mr. Khalid Dar resigned from the Board w.e.f. October 30, 2023 and Maj. G. (R) Abid Latif Khan was appointed in his place w.e.f. October 30, 2023 and resigned from the Board w.e.f. April 05, 2024.

Leave of absence was granted to Directors who could not attend the meetings.

PATTERN OF SHAREHOLDING

FOR THE YEAR ENDED JUNE 30, 2024

NO. OF SHAREHOLDERS	FROM	TO	SHARES HELD	PERCENTAGE
595	1	100	10,383	0.0462
189	101	500	70,476	0.3134
113	501	1000	103,504	0.4602
177	1001	5000	458,131	2.0371
29	5001	10000	234,712	1.0437
9	10001	15000	106,601	0.4740
4	15001	20000	74,522	0.3314
4	20001	25000	86,552	0.3849
4	25001	30000	112,164	0.4988
1	30001	35000	33,500	0.1490
1	35001	40000	39,500	0.1756
1	40001	50000	48,702	0.2166
2	50001	55000	106,236	0.4724
1	55001	60000	57,632	0.2563
1	60001	75000	71,500	0.3179
2	75001	85000	163,558	0.7273
1	85001	12000	120,000	0.5336
1	12001	145000	140,248	0.6236
1	145001	235000	233,500	1.0383
2	235001	310000	620,000	2.7569
1	310001	385000	380,569	1.6923
1	385001	1340000	1,336,033	5.9409
1	1340001	1820000	1,816,238	8.0762
1	1820001	3545000	3,544,787	15.7624
1	3545001	3740000	3,738,000	16.6215
1	3740001	8785000	8,781,842	39.0497
1,144			22,488,890	100

CATEGORIES OF SHAREHOLDING	NUMBER OF FOLIO	BALANCE SHARE	PERCENTAGE
DIRECTORS, CEO & CHILDREN	7	12,329,129	54.8232
NIT & ICP	1	9,489	0.0422
BANKS, DFI & NBFI	3	1,850,599	8.2289
MODARABAS & MUTUAL FUNDS	1	1,336,033	5.9409
GENERAL PUBLIC (LOCAL)	1097	6,765,526	30.0839
GENERAL PUBLIC (FOREIGN)	25	40,200	0.1788
OTHERS	10	157,914	0.7022
COMPANY TOTAL	1,144	22,488,890	100.0000

Shareholders holding five percent or more voting rights

DIRECTORS	7	12,329,129	54.8232
NATIONAL BANK OF PAKISTAN	3	1,826,588	8.1222
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	1,336,033	5.9409

E-DIVIDEND MANDATE LETTER

To: Date: ____________________

Subject: Bank account details for payment of Dividend through electronic mode

Dear Sir,

I/We/Messrs.,____,
being a/the shareholder(s) of Burshane LPG (Pakistan) Limited [the "Company"], hereby, authorize the Company, to directly credit cash dividends declared by it, in my bank account as detailed below:

(i) Shareholder's details:	
Name of the Shareholder	
CDC Participant ID & Sub-Account No. /CDC IAS	
CNIC/NICOP/Passport/NTN No. (please attach copy)	
Contact Number (Landline & Cell Nos.)	
Shareholder's Address	
(ii) Shareholder's Bank account details:	
Title of Bank Account	
IBAN (See Note 1 below)	
Bank's Name	
Branch Name & Code No	
Branch Address	

It is stated that the above particulars given by me are correct and I shall keep the Company, informed in case of any changes in the said particulars in future.

Yours truly,

____

Signature of Shareholder
(Please affix company stamp in case of corporate entity)

Notes:

1. Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly into your bank account.

2. This letter must be sent to shareholder's participant/CDC Investor Account Services which maintains his/her CDC account for incorporation of bank account details for direct credit of cash dividend declared by the Company from time to time.

FORM OF PROXY

The Company Secretary
Burshane LPG (Pakistan) Limited
Suite No. 101, First Floor Horizon Vista
Plot# Commercial -10,
Block -04, Scheme # 05
Clifton, Karachi. 75600

I / We ______________________ of ________________ being a member of Burshane LPG (Pakistan) Limited and holder of ordinary shares as per Share Register Folio No._______________ and / or CDC Participant I.D. No _____________ and Sub Account No. ___________________ hereby appoint Mr./Mrs./Miss ____________________________of_____________________________or falling him ________________________ of _________________ as my proxy to attend and act for me, and on my behalf, at the **Annual General Meeting** of the Company to be held at our Korangi Plant (KP1) adjacent to Pakistan Refinery Limited, Korangi Creek, Karachi on the ________________, **at** ___________ _________ and any adjournment thereof.

Dated this ______ day of ____________ 2024.

Revenue Stamp Rs. 10/=

____
(Specimen Signature of Proxy)

Folio No. __________
Participant I.D. No. _____________
Sub Account No. _______________
C.N.I.C./ Passport Number:
____

____
(Signature of Share Holder)

Folio No. ___________________________
Participant I.D. No. ___________________
Sub Account No. _____________________
C.N.I.C./ Passport Number:
____

____
(Specimen Signature of Alternate Proxy)

Folio No. ___________________________
Participant I.D. No. ___________________
Sub Account No. _____________________
C.N.I.C./ Passport Number:
____

____
(Signature of Witness 1)
Name: ___________________
C.N.I.C./ Passport Number:
____
Address: __________________________
____
____

____
(Signature of Witness 2)
Name: ___________________
C.N.I.C./ Passport Number:
____
Address: __________________________
____
____

پراکسی فارم

کمپنی سیکریٹری،
برشین ایل پی جی (پاکستان) لمیٹڈ
سویٹ نمبر 101، پہلی منزل، ہوریزن وسٹا،
پلاٹ نمبر کمرشل 10، بلاک 4 اسکیم 5
کلفٹن، کراچی 75600

میں / ہم ____________ برشین ایل پی جی (پاکستان) لمیٹڈ کے ممبر کی حیثیت سے ____________
شیئرز رجسٹرار فولیو نمبر ____________ اور / یا سی ڈی سی پارٹی سپنٹ آئی ڈی نمبر ____________ اور
نمبر ____________ عمومی شیئرز کی تحویل رکھتا ہوں۔ ____________ میں / ہم یہاں ____________
کو جمعرات، کمپنی کی کورنگی پلانٹ ملحقہ پاکستان ریفائنری لمیٹڈ، کورنگی کریک کراچی ہونے والے سالانہ اجلاس میں اپنی / ہماری غیر موجودگی میں شرکت اور ووٹ دینے کے لیے اپنا مقرر کرتا / کرتی ہوں۔

بتاریخ، ____________ 2024

10 روپے والا
ریونیو اسٹامپ

____
(پراکسی کے دستخط کا نمونہ)
فولیو نمبر ____________
پارٹی سپنٹ آئی ڈی نمبر ____________
سب اکاؤنٹ نمبر ____________
سی این آئی سی / پاسپورٹ نمبر ____________

____
شیئر ہولڈر کے دستخط
فولیو نمبر ____________
پارٹی سپنٹ آئی ڈی نمبر ____________
سب اکاؤنٹ نمبر ____________
سی این آئی سی / پاسپورٹ نمبر ____________

____
گواہ نمبر 1 کے دستخط
نام: ____________
سی این آئی سی / پاسپورٹ نمبر ____________
سی این آئی سی / پاسپورٹ نمبر ____________

____
گواہ نمبر 2 کے دستخط
نام: ____________
سی این آئی سی / پاسپورٹ نمبر ____________
سی این آئی سی / پاسپورٹ نمبر ____________

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