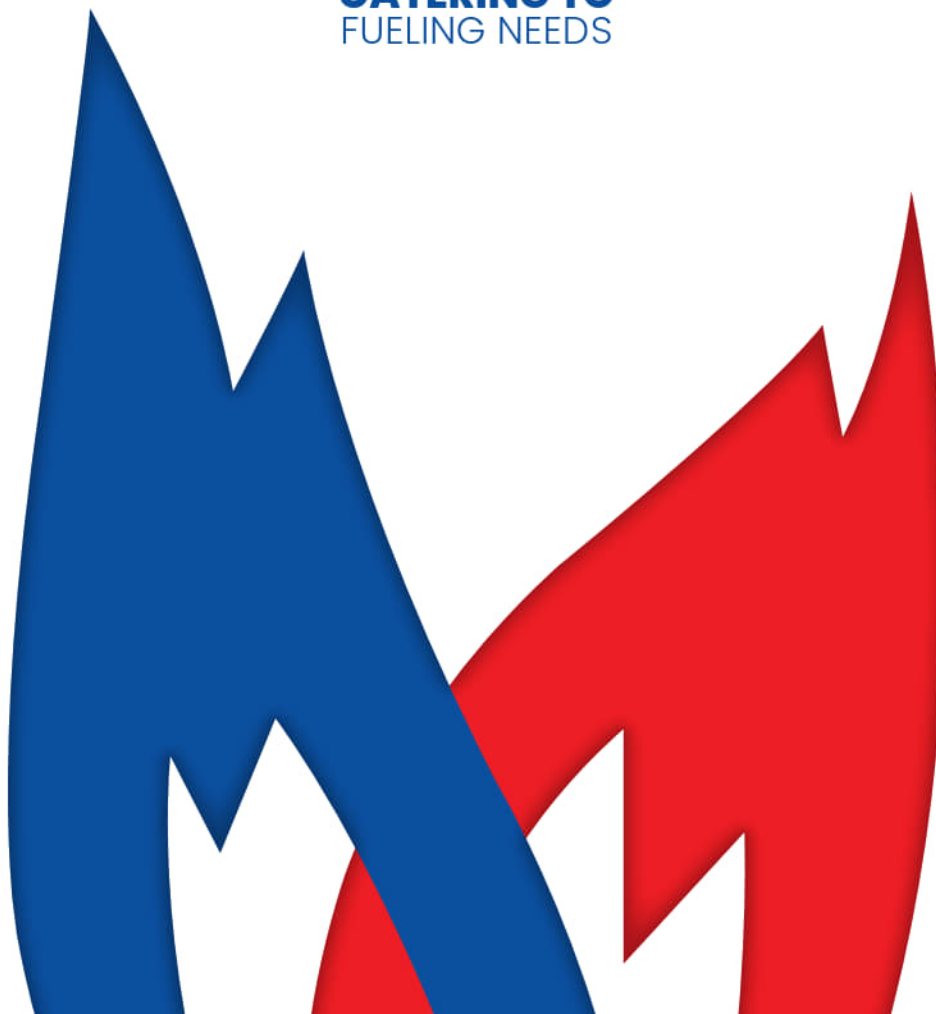




Nine Months Ended March 31, 2025

**CATERING TO
FUELING NEEDS**



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Company's Information

Board of Directors

- | | | |
|--|---|--|
| - Mr. Shaikh Abdus Sami Chairman / Independent Director | - Mr. Asad Alam Khan CEO / Director | - Mr. Saiffee Zakiuddin Director Finance |
| - Mr. Amir Aziz Director Operations Distribution & HSSE | - Mr. Ali Niazi Non-Executive Director | - Maj. Gen Rafi Ullah Khan (R) Independent Director |
| - Brig. (R) Rashid Siddiqi Independent Director | - Ms. Shahbano Hameed Non-Executive Director (NIT Nominee) | |

Management

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

Bankers

- MCB Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Habib Bank Limited
- Faysal Bank Limited
- Summit Bank Limited
- Sindh Bank Limited
- JS Bank Limited

Legal Advisors

- Mohsin Tayebaly & Co.

Auditors

- Clarkson Hyde Saud Ansari & Co.
Chartered Accountants

Tax Advisors

- Maavins Solutions

Shares Registrar

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

Registered Office

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



Director's Report

The Directors of your Company are hereby presenting the financial information of the Company for the period ended March 31, 2025.

Financial Performance

During the period under review, the sales volume of the Company at 5,740 MTs, decreased by 4,758 MTs (45.32%) compared to the corresponding period due to reduced local LPG quota and higher prices of LPG import. Net sales of the Company at Rs. 1,172.66 million decreased by Rs. 948.85 million (44.73%) due to reduction in sales volume during the period. The gross margins of the Company at Rs. 43.09 million (3.67% of sales value) was decreased by 66.16 million from last year comparative period.

Administrative expenses decreased by Rs. 9.70 million (13.16%) compared to comparative period of previous year, mainly due to decrease in litigation expenses. Distribution & marketing expenses have also decreased by Rs. 4.76 million.

Financial costs have decreased by 10.68 million due to decline in KIBOR rates. Loss before tax of the Company at Rs. 57.50 million, is increased by Rs. 33.69 million from last year comparative period.

The Company's loss per share for the period under review is at Rs. 2.69 compared to loss per share of Rs. 1.17 per share in the preceding period.

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 a 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 by the demand liability, the Company has appealed the demand before the Appellate Tribunal.

Business Ethics

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

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

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

Composition of Board:

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

- Male: 7
- Female: 1

| Category | Name |
|-------------------------|-----------------------------|
| Independent Director | Mr. Shaikh Abdus Sami |
| | Maj. Gen (R) Rafiullah Khan |
| | Brig. (R) Rashid Siddiqi |
| Non-Executive Directors | Mr. Muhammad Ali Niazi |
| | Ms. Shahbano Hameed |
| Executive Directors | Mr. Asad Alam Niazi |
| | Mr. Saiffee Zakiuddin |
| | Mr. Amir Aziz |



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 |
| Brig. (R) Rashid Siddiqi | - | Member |
| Mr. Muhammad Ali Niazi | - | Member |

b) Human Resource and Remuneration Committee

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

Financial Highlights:

(Rs. in '000)

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

| | |
|---------------------------------|-----------|
| Net Sales | 1,172,663 |
| Gross Margins | 43,092 |
| Loss before levies and taxation | (57,497) |
| Loss after levies and taxation | (60,429) |
| Loss per share | (2.69) |

Following is the appropriation:

| | | |
|-------------------|-------|-----|
| Dividend declared | Cash | NIL |
| | Bonus | NIL |

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

Saiffee Zakiuddin
Director

Asad Alam Niazi
Director / CEO

Karachi

Dated: April 29, 2025

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

| | | (Un-audited) March 31, 2025 | (Audited) June 30, 2024 |
|---|------|-----------------------------------|-------------------------------|
| | Note | —— (Rupees in '000) —— | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 3 | 778,517 | 816,745 |
| Intangible assets | | 291,782 | 299,305 |
| Long-term investment | | 50,000 | 50,000 |
| Long-term deposit | | 3,174 | 3,174 |
| | | <u>1,123,473</u> | <u>1,169,224</u> |
| CURRENT ASSETS | | | |
| Stores and spares - net | | 8,637 | 6,038 |
| Stock-in-trade | | 22,621 | 8,197 |
| Trade debts | 4 | 96,856 | 76,722 |
| Loans and advances | | 35,743 | 19,746 |
| Deposits, prepayments and other receivables | | 36,855 | 29,509 |
| Taxation - net | | 166,092 | 162,412 |
| Cash and bank balances | | 7,346 | 3,615 |
| | | <u>374,150</u> | <u>306,239</u> |
| TOTAL ASSETS | | <u><u>1,497,623</u></u> | <u><u>1,475,463</u></u> |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital | | | |
| 90,000,000 (June 30, 2024: 90,000,000) ordinary shares of Rs. 10/- each | | <u>900,000</u> | <u>900,000</u> |
| Issued, subscribed and paid-up capital | | | |
| 22,488,890 (June 30, 2024: 22,488,890) ordinary share of Rs. 10/- each | | <u>224,888</u> | <u>224,888</u> |
| Capital reserve | | | |
| Revaluation surplus of property | | 336,715 | 336,715 |
| Other reserves | | 123,281 | 123,281 |
| Revenue reserves | | <u>(275,389)</u> | <u>(214,960)</u> |
| | | <u>409,495</u> | <u>469,924</u> |
| NON-CURRENT LIABILITIES | | | |
| Long-term loan | 5 | 39,788 | 68,710 |
| Lease liabilities | 6 | 16,871 | 23,364 |
| Cylinder and regulator deposits | | 469,995 | 478,068 |
| | | <u>526,654</u> | <u>570,142</u> |
| CURRENT LIABILITIES | | | |
| Loan from a subsidiary company | | 50,000 | 50,000 |
| Trade and other payables | 7 | 51,028 | 64,795 |
| Short-term borrowings | | 154,000 | 154,000 |
| Accrued mark-up | | 61,389 | 26,953 |
| Un-claimed dividend | | 83,050 | 83,050 |
| Short - term loan | 8 | 88,608 | 13,388 |
| Current portion of long - term loan | 5 | 62,087 | 33,165 |
| Current portion of lease liabilities | 6 | 11,312 | 10,046 |
| | | <u>561,474</u> | <u>435,397</u> |
| TOTAL EQUITY AND LIABILITIES | | <u><u>1,497,623</u></u> | <u><u>1,475,463</u></u> |
| CONTINGENCIES AND COMMITMENTS | 9 | | |

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

| | | Quarter ended | | Nine months ended | |
|--|----|-------------------|-------------------|-------------------|-------------------|
| | | March 31, 2025 | March 31, 2024 | March 31, 2025 | March 31, 2024 |
| Note | | (Rupees in '000) | | | |
| Sales - net | 10 | 483,763 | 643,248 | 1,172,663 | 2,121,515 |
| Cost of sales | | (468,909) | (636,661) | (1,129,571) | (2,012,259) |
| Gross profit | | 14,854 | 6,587 | 43,092 | 109,256 |
| Administrative expenses | | (16,686) | (19,624) | (63,996) | (73,694) |
| Distribution and marketing expenses | | (11,381) | (13,029) | (35,159) | (39,921) |
| Other income | | 13,620 | 17,253 | 46,649 | 38,249 |
| Other operating expenses | | (1,600) | (616) | (4,451) | (3,210) |
| | | (16,047) | (16,016) | (56,957) | (78,576) |
| Operating profit | | (1,193) | (9,429) | (13,865) | 30,680 |
| Finance costs | | (11,907) | (17,679) | (43,632) | (54,309) |
| Loss before levies and taxation | | (13,100) | (27,108) | (57,497) | (23,629) |
| Levy | | (1,210) | (1,608) | (2,932) | (2,644) |
| Loss after levies and taxation | | (14,310) | (28,716) | (60,429) | (26,273) |
| Loss per share - basic and diluted (Rs.) | | (0.64) | (1.28) | (2.69) | (1.17) |

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

| | Quarter ended | | Nine months ended | |
|---|-------------------|-------------------|-------------------|-------------------|
| | March 31, 2025 | March 31, 2024 | March 31, 2025 | March 31, 2024 |
| | (Rupees in '000) | | | |
| Loss after levies and taxation | (14,310) | (28,716) | (60,429) | (26,273) |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | <u>(14,310)</u> | <u>(28,716)</u> | <u>(60,429)</u> | <u>(26,273)</u> |

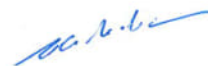
The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

| | Nine months ended | |
|--|-----------------------------------|---------------------------|
| | March 31, 2025 | March 31, 2024 |
| | ———— (Rupees in '000) ———— | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Loss before levies and taxation | (57,497) | (23,629) |
| Adjustments for non-cash and other items: | | |
| Depreciation | 39,394 | 38,671 |
| Amortisation | 7,522 | 7,588 |
| Allowance for expected credit losses | 151 | 560 |
| Finance costs | 43,632 | 54,309 |
| Gain on sale of assets | 4,032 | (4,820) |
| Profit on saving accounts | (262) | (634) |
| Liability for cylinder deposits written back | (24,796) | (19,592) |
| | 69,673 | 76,082 |
| (Increase) / decrease in current assets | | |
| Stores and spares - net | (2,599) | (785) |
| Stock-in-trade | (14,424) | 10,300 |
| Trade debts | (20,285) | 13,119 |
| Loans and advances | (15,997) | 32,517 |
| Deposits, prepayments and other receivables | (7,346) | 10,941 |
| | (60,651) | 66,092 |
| Decrease in current liabilities | | |
| Trade and other payables - net | (13,767) | (61,542) |
| Cash flow used in operations | (62,242) | 57,003 |
| Finance costs paid | (3,967) | (40,644) |
| Taxes paid | (6,612) | (13,686) |
| Cylinder and regulator deposits - net | 16,723 | 21,298 |
| Net cash flows used in operating activities | (56,098) | 23,971 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of operating fixed assets | (1,309) | (29,748) |
| Proceeds from sale of the fixed assets | (3,890) | 4,820 |
| Interest received | 262 | 634 |
| Net cash flows from investing activities | (4,937) | (24,294) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long-term loan repaid | - | (21,792) |
| Short-term loan received | 389,300 | 128,820 |
| Short-term loan paid | (314,080) | (104,242) |
| Payment of lease liabilities - net | (10,454) | (10,759) |
| Net cash flows from financing activities | 64,766 | (7,973) |
| Net increase in cash and cash equivalents | 3,731 | (8,296) |
| Cash and cash equivalents at beginning of the period | (150,385) | (133,547) |
| Cash and cash equivalents at end of the period | (146,654) | (141,843) |
| Cash and cash equivalents at end of the period comprise of: | | |
| Cash and bank balances | 7,346 | 12,157 |
| Short-term borrowings | (154,000) | (154,000) |
| | (146,654) | (141,843) |

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2025

| | Capital Reserves | | | | | Revenue Reserves | | | Total |
|--|--|----------------------------|---------------------------------------|--|-----------|------------------|------------------|-------------|----------|
| | 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 | |
| | (Rupees in '000) | | | | | | | | |
| Balance as at July 1, 2023 (Audited) | 224,888 | 153,458 | 336,715 | (30,177) | 459,996 | 90,000 | (231,283) | (141,283) | 543,601 |
| Profit for the period | - | - | - | - | - | - | (26,273) | (26,273) | (26,273) |
| Other comprehensive income for the interim period - net of tax | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - | - | (26,273) | (26,273) | (26,273) |
| Balance as at March 31, 2024 (Un-audited) | 224,888 | 153,458 | 336,715 | (30,177) | 459,996 | 90,000 | (257,556) | (167,556) | 517,328 |
| Balance as at July 1, 2024 (Audited) | 224,888 | 153,458 | 336,715 | (30,177) | 459,996 | 90,000 | (304,960) | (214,960) | 469,924 |
| Profit for the period | - | - | - | - | - | - | (60,429) | (60,429.00) | (60,429) |
| Other comprehensive income for the interim period - net of tax | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - | - | (60,429) | (60,429) | (60,429) |
| Balance as at March 31, 2025 (Un-audited) | 224,888 | 153,458 | 336,715 | (30,177) | 459,996 | 90,000 | (365,389) | (275,389) | 409,495 |

The annexed notes from 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

1 LEGAL STATUS AND OPERATIONS

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

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

- 1.2 These unconsolidated condensed interim financial statements is separate financial statements of the Company in which investment in subsidiary is accounted for on the basis of direct equity interest and is not consolidated or accounted for using equity method.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where the provisions of, and the directives issued under, the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, and directives issued under, the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024.

2.2 Basis of measurement

In these condensed interim unconsolidated financial statements, all items have been measured at their historical cost except for freehold land and leasehold land which are stated at their revalued amounts.

2.3 Functional and presentation currency

Items included in these unconsolidated condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These unconsolidated condensed interim financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

In preparing these unconsolidated condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the Company's annual financial statements as at and for the year ended June 30, 2024.

2.5 Material accounting policies

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements of the Company for the year ended June 30, 2024.

Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax.

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". However, there is no material impact on unconsolidated condensed interim financial statement, therefore it has not been accounted for retrospectively.

| | Note | (Un-audited) March 31, 2025 | (Audited) June 30, 2024 |
|---|--------------------------------------|-----------------------------------|-------------------------------|
| | | ----- (Rupees in '000) ----- | |
| 3 | PROPERTY, PLANT AND EQUIPMENT | | |
| Operating fixed assets, at net book value | 3.1 | 756,472 | 786,382 |
| Right-of-use assets | 3.2 | 22,045 | 30,363 |
| | | <u>778,517</u> | <u>816,745</u> |

3.1 Operation fixed assets

Additions - at cost, to operating fixed assets during the period were as follows:

| | | |
|---|--------------|---------------|
| Furniture, fittings, electrical and other equipment | 459 | 289 |
| Plant & machinery | 750 | 185 |
| Office equipment | - | 155 |
| Cylinder and regulators | - | 31,703 |
| Computers and related accessories | 100 | 224 |
| | <u>1,309</u> | <u>32,556</u> |

3.2 Right-of-use assets

| | | |
|---|---------------|---------------|
| Balance at the beginning of the period / year | 30,363 | 21,043 |
| Additions during the period / year | - | 19,187 |
| | 30,363 | 40,230 |
| Depreciation charged during the period / year | (8,318) | (9,867) |
| Balance at the end of the period / year | <u>22,045</u> | <u>30,363</u> |

The right to use assets comprises of premises acquired on lease by the Company for its operations.

| | | (Un-audited) March 31, 2025 | (Audited) June 30, 2024 |
|----------|--------------------------------------|-----------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| 4 | TRADE DEBTS | | |
| | Unsecured - considered good | | |
| | Trade debtors | 119,084 | 99,214 |
| | Allowance for expected credit losses | (22,228) | (22,492) |
| | | <u>96,856</u> | <u>76,722</u> |

5 LONG-TERM LOAN

Secured

| | | | |
|------------------------------------|-----|---------------|---------------|
| National Bank of Pakistan (NBP) | 5.1 | 101,875 | 101,875 |
| Current maturity of long-term loan | | (62,087) | (33,165) |
| | | <u>39,788</u> | <u>68,710</u> |

- 5.1 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% per annum.

On June 08, 2022 long term loan was restructured into Demand finance I, Demand finance II and short term borrowing, terms are as follows.

| Facility | (Rupees in '000) | Repayment term | Markup rate |
|---------------------|------------------|---------------------------|---------------|
| Demand Finance - I | 74,996 | 20 quateraly installments | Interest free |
| Demand Finance - II | 95,289 | 20 quateraly installments | 3 MK + 2% |
| Running Finance | 154,000 | revolving nature | 3 MK + 1.75% |

Payments were made in accordance with the restructured terms until December 31, 2023. However, the Company has since not made payments as outlined in the restructuring agreement. The Company is currently engaged in negotiations with National Bank of Pakistan (NBP) for a revised restructuring plan.

6 LEASE LIABILITIES

| | | | |
|---------------------------------------|-----|---------------|---------------|
| Total lease liabilities | 6.1 | 28,183 | 33,410 |
| Current maturity of lease liabilities | | (11,312) | (10,046) |
| | | <u>16,871</u> | <u>23,364</u> |

6.1 Reconciliation of total lease liabilities:

| | | | |
|--|-----|---------------|---------------|
| Balance at the beginning of the period / year | | 33,410 | 20,055 |
| Additions during the period / year | | - | 19,187 |
| Finance cost during the period / year | | 5,227 | 7,046 |
| Payments / adjustment during the period / year | | (10,454) | (12,878) |
| Balance at the end of the period / year | 6.2 | <u>28,183</u> | <u>33,410</u> |

| | | (Un-audited) March 31, 2025 | (Audited) June 30, 2024 |
|---|--|-----------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| 6.2 | Maturity analysis-contractual undiscounted cashflow | | |
| Within one year | | 11,312 | 10,046 |
| Later than one year but not later than five years | | 16,871 | 23,364 |
| More than five years | | - | - |
| Total undiscounted lease liability | | <u>28,183</u> | <u>33,410</u> |

7 TRADE AND OTHER PAYABLES

| | | | |
|--|-----|---------------|---------------|
| Creditors | | 3,337 | 14,145 |
| Accrued liabilities | | 1,801 | 2,987 |
| Advances from distributors / customers - unsecured | | 16,194 | 17,704 |
| Workers' Welfare Fund | | 3,017 | 3,017 |
| Withholding tax payable | | 6,041 | 5,487 |
| Sales tax payable | | 3,279 | 2,590 |
| Other creditors | 7.1 | <u>17,359</u> | <u>18,865</u> |
| | | <u>51,028</u> | <u>64,795</u> |

7.1 This includes amount of Rs. 2 million payable to Securities Exchange Commission of Pakistan (SECP) as disclosed in note 9.1.1 to the financial statements.

8 SHORT TERM LOAN

| | | | |
|--------------------------------------|-----|---------------|---------------|
| Related party - unsecured | | | |
| Burshane Petroleum (Private) Limited | 8.1 | 78,000 | - |
| Chief Executive Officer | 8.2 | <u>10,608</u> | <u>13,388</u> |
| | | <u>88,608</u> | <u>13,388</u> |

8.1 This loan has been obtained for the purpose of purchasing LPG. The markup on this loan is calculated as 30% of the gross profit, after deducting hospitality charges.

8.2 This loan was acquired for the purchase of LPG. During the period, additional loan of Rs. 9.80 million was acquired and Rs. 12.58 million was repaid. This loan carries markup of 3 month KIBOR + 2% per anum.

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

9.1.1 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 from 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 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.

On October 11, 2022, the Company was imposed a penalty of Rs. 2 million by the SECP. Subsequently, the Company filed a Constitutional Petition with the High Court, challenging both the constitutional and legal validity of the inspection order issued by SECP. On September 11, 2024, the Sindh High Court dismissed the petition on the grounds that it was filed on invalid grounds. Following this order, the Company has decided not to challenge the case in any other forum and to proceed with the payment of the imposed penalty.

9.1.2 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 filling plant of Faisalabad. The landlords filed an ejectment petition against the Company, which was contested in the Rent Tribunal of Faisalabad. Initially, the case did not favor the Company; however, the Company subsequently pursued the matter in a civil court, where the case was dismissed in its favor. Following this decision, the landlords escalated the matter to the High Court, where the case remains under proceedings.

9.1.3 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.

9.1.4 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.

- 9.1.5 The 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.

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.

- 9.1.6 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 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 the 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 by the demand liability, the Company has appealed the demand before the Appellate Tribunal.

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 and 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 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. The Company is in process to these notices.

9.2 Commitments

This includes post-dated cheques issued amounted to Rs. 16.81 million (June 30, 2024: Rs. 22.12 million).

10 SALES - NET

| | Quarter ended | | Nine months ended | |
|-------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | March 31, 2025 Un-audited | March 31, 2024 Un-audited | March 31, 2025 Un-audited | March 31, 2024 Un-audited |
| | Rupees in 000's | | | |
| Gross sales | | | | |
| Liquefied Petroleum Gas (LPG) | 580,634 | 747,424 | 1,402,110 | 2,425,018 |
| Low Pressure Regulators (LPR) | 21 | 59 | 68 | 162 |
| | 580,655 | 747,483 | 1,402,178 | 2,425,180 |
| Sales tax | (87,081) | (101,674) | (211,112) | (295,577) |
| Sales return | (9,011) | (2,561) | (17,219) | (8,088) |
| Advance tax | (800) | - | (1,184) | - |
| | (96,892) | (104,235) | (229,515) | (303,665) |
| | 483,763 | 643,248 | 1,172,663 | 2,121,515 |

11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

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

11.2.1 Transactions with related parties

| Nature of relationship | Nature of transactions | Nine months ended | |
|--|--|--|-------------------|
| | | March 31, 2025 | March 31, 2024 |
| | | ----- (Rupees in '000) ----- (Un-audited) | |
| Subsidiary | | | |
| Burshane Auto Gas (Private) Limited | Expenses incurred on behalf of the Company | 248 | 225 |
| Staff retirement benefit / contribution plans | | | |
| Burshane LPG (Pakistan) Limited: Provident Fund | Company's contribution for the period | 1,801 | 3,343 |
| Associate companies / other related parties | | | |
| Burshane Petroleum (Private) Limited [Formerly Darian International (Private) Limited] | Short term Loan - received | 374,500 | 31,500 |
| | Short term Loan - paid | 296,500 | 31,500 |
| | Interest expense on short term loan | 7,182 | 553 |
| | Interest paid on short term loan | 2,180 | 553 |
| Directors | | | |
| | Short term Loan - received | 14,800 | 97,320 |
| | Short term Loan - paid | 17,580 | 72,742 |
| | Interest expense on short term loan | 2,036 | 3,144 |
| | Interest paid on short term loan | 1,562 | 1,656 |

| Nature of relationship | Nature of transactions | Nine months ended | |
|---------------------------------|---|------------------------------|-----------|
| | | March 31, | March 31, |
| | | 2025 | 2024 |
| | | ----- (Rupees in '000) ----- | |
| | | (Un-audited) | |
| Key management personnel | | | |
| Chief Executive Officer | Managerial remuneration and other benefits | - | 20,343 |
| | Contribution to retirement and other service benefits | - | 2,700 |
| Executive Directors | Managerial remuneration and other benefits | 4,950 | 7,940 |
| | Advance given against salary | - | 525 |
| Directors | Fee for attending meetings | 3,000 | 2,550 |

11.2.2 Balances with related parties

Balances with related parties as at the reporting period end, other than those which have been disclosed elsewhere in this unconsolidated condensed interim financial statements, are as follows:

| Nature of relationship | Nature of balances | (Un-audited) | (Audited) |
|--|---|------------------------------|-----------|
| | | March 31, | June 30, |
| | | 2025 | 2024 |
| | | ----- (Rupees in '000) ----- | |
| Subsidiary | | | |
| Burshane Auto Gas (Private) Limited | Investment in a subsidiary company | 50,000 | 50,000 |
| | Loan payable to a subsidiary company | 50,000 | 50,000 |
| | Receivable against expenses | 1,069 | 821 |
| Associated Companies / Other Related Parties | | | |
| Burshane Petroleum (Private) Limited [Formerly Darian International (Private) Limited] | Receivable against use of name "Burshane" | 9,000 | 9,000 |
| | Markup payable | 5,002 | - |
| Director | | | |
| Mr. Asad Alam Niazi | Short-term loan | 10,608 | 13,388 |
| | Markup payable | 3,131 | 2,657 |
| Key management personnel | Advance to Chief Financial Officer | 67 | 300 |

12 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

12.1 Fair value of hierarchy

At the reporting date, the Company's all assets and liabilities are carried at amortised 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 free hold 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.

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 data (unobservable inputs).

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

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 | | | |
|--------------------------------------|------------------------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Total |
| | (Rupees in '000) | | | |
| March 31, 2025 (Un-audited): | | | | |
| Assets measured at fair value | | | | |
| Property, plant and equipment | | | | |
| Freehold land | - | 16,800 | - | 16,800 |
| Leasehold land | - | 569,288 | - | 569,288 |
| | - | 586,088 | - | 586,088 |
| June 30, 2024 (Audited): | | | | |
| Assets measured at fair value | | | | |
| Property, plant and equipment | | | | |
| Freehold land | - | 16,800 | - | 16,800 |
| Leasehold land | - | 569,288 | - | 569,288 |
| | - | 586,088 | - | 586,088 |

13 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on **April 29, 2025** by the Board of Directors of the Company.

14 GENERAL

14.1 Figures have been rounded off to the nearest thousands, unless stated otherwise.


14.2 Certain corresponding figures have been reclassified for better presentation. However, there are no material reclassifications to report.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

| | | (Un-audited) March 31, 2025 | (Audited) June 30, 2024 |
|---|------|-----------------------------------|-------------------------------|
| | Note | ———— (Rupees in '000) ———— | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 3 | 778,517 | 816,745 |
| Intangible assets | | 291,782 | 299,305 |
| Long-term deposit | | 3,174 | 3,174 |
| | | <u>1,073,473</u> | <u>1,119,224</u> |
| CURRENT ASSETS | | | |
| Stores and spares - net | | 8,637 | 6,038 |
| Stock-in-trade | | 22,621 | 8,197 |
| Trade debts | 4 | 96,856 | 76,722 |
| Loans and advances | | 35,743 | 19,746 |
| Deposits, prepayments and other receivables | | 35,786 | 28,696 |
| Taxation - net | | 166,205 | 162,520 |
| Cash and bank balances | | 8,198 | 4,407 |
| | | <u>374,046</u> | <u>306,326</u> |
| TOTAL ASSETS | | <u><u>1,447,519</u></u> | <u><u>1,425,550</u></u> |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital | | | |
| 90,000,000 (June 30, 2024: 90,000,000) ordinary shares of Rs. 10/- each | | <u>900,000</u> | <u>900,000</u> |
| Issued, subscribed and paid-up capital | | | |
| 22,488,890 (June 30, 2024: 22,488,890) ordinary share of Rs. 10/- each | | <u>224,888</u> | <u>224,888</u> |
| Capital reserve | | | |
| Revaluation surplus of property | | 336,715 | 336,715 |
| Other reserves | | 123,287 | 123,287 |
| Revenue reserves | | <u>(275,551)</u> | <u>(215,122)</u> |
| | | <u>409,339</u> | <u>469,768</u> |
| NON-CURRENT LIABILITIES | | | |
| Long-term loan | 5 | 39,788 | 68,710 |
| Lease liabilities | 6 | 16,871 | 23,364 |
| Cylinder and regulator deposits | | 469,995 | 478,068 |
| | | <u>526,654</u> | <u>570,142</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 7 | 51,080 | 65,038 |
| Short-term borrowings | | 154,000 | 154,000 |
| Accrued mark-up | | 61,389 | 26,953 |
| Un-claimed dividend | | 83,050 | 83,050 |
| Short - term loan | 8 | 88,608 | 13,388 |
| Current portion of long - term loan | 5 | 62,087 | 33,165 |
| Current portion of lease liabilities | 6 | 11,312 | 10,046 |
| | | <u>511,526</u> | <u>385,640</u> |
| TOTAL EQUITY AND LIABILITIES | | <u><u>1,447,519</u></u> | <u><u>1,425,550</u></u> |
| CONTINGENCIES AND COMMITMENTS | 9 | | |

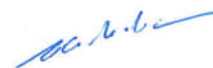
The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

| | | Quarter ended | | Nine months ended | |
|--|----|-------------------|-------------------|-------------------|-------------------|
| | | March 31, 2025 | March 31, 2024 | March 31, 2025 | March 31, 2024 |
| Note | | (Rupees in '000) | | | |
| Sales - net | 10 | 483,763 | 643,248 | 1,172,663 | 2,121,515 |
| Cost of sales | | (468,909) | (636,661) | (1,129,571) | (2,012,259) |
| Gross profit | | 14,854 | 6,587 | 43,092 | 109,256 |
| Administrative expenses | | (16,686) | (19,657) | (63,996) | (73,727) |
| Distribution and marketing expenses | | (11,381) | (13,029) | (35,159) | (39,921) |
| Other income | | 13,620 | 17,298 | 46,649 | 38,358 |
| Other operating expenses | | (1,600) | (616) | (4,451) | (3,210) |
| | | (16,047) | (16,004) | (56,957) | (78,500) |
| Operating profit | | (1,193) | (9,417) | (13,865) | 30,756 |
| Finance costs | | (11,907) | (17,679) | (43,632) | (54,309) |
| Loss before levies and taxation | | (13,100) | (27,096) | (57,497) | (23,553) |
| Levy | | (1,210) | (1,608) | (2,932) | (2,644) |
| Loss after levies and taxation | | (14,310) | (28,704) | (60,429) | (26,197) |
| Loss per share - basic and diluted (Rs.) | | (0.64) | (1.28) | (2.69) | (1.16) |

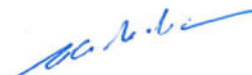
The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

| | Quarter ended | | Nine months ended | |
|---|-------------------|-------------------|-------------------|-------------------|
| | March 31, 2025 | March 31, 2024 | March 31, 2025 | March 31, 2024 |
| | (Rupees in '000) | | | |
| Loss after levies and taxation | (14,310) | (28,704) | (60,429) | (26,197) |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | <u>(14,310)</u> | <u>(28,704)</u> | <u>(60,429)</u> | <u>(26,197)</u> |

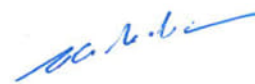
The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER




DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

| | Nine months ended | |
|--|-----------------------------------|---------------------------|
| | March 31, 2025 | March 31, 2024 |
| | ———— (Rupees in '000) ———— | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Loss before levies and taxation | (57,497) | (23,553) |
| Adjustments for non-cash and other items: | | |
| Depreciation | 39,394 | 38,671 |
| Amortisation | 7,522 | 7,588 |
| Allowance for expected credit losses | 151 | 560 |
| Finance costs | 43,632 | 54,309 |
| Gain on sale of assets | 4,032 | (4,820) |
| Profit on saving accounts | (262) | (634) |
| Liability for cylinder deposits written back | (24,796) | (19,592) |
| | 69,673 | 76,082 |
| (Increase) / decrease in current assets | | |
| Stores and spares - net | (2,599) | (785) |
| Stock-in-trade | (14,424) | 10,300 |
| Trade debts | (20,285) | 13,119 |
| Loans and advances | (15,997) | 32,517 |
| Deposits, prepayments and other receivables | (7,090) | 11,167 |
| | (60,395) | 66,318 |
| Decrease in current liabilities | | |
| Trade and other payables - net | (13,958) | (61,734) |
| Cash flow used in operations | (62,177) | 57,113 |
| Finance costs paid | (3,967) | (40,644) |
| Taxes paid | (6,617) | (13,719) |
| Cylinder and regulator deposits - net | 16,723 | 21,298 |
| Net cash flows used in operating activities | (56,038) | 24,048 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of operating fixed assets | (1,309) | (29,748) |
| Proceeds from sale of the fixed assets | (3,890) | 4,820 |
| Interest received | 262 | 634 |
| Net cash flows from investing activities | (4,937) | (24,294) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long-term loan repaid | - | (21,792) |
| Short-term loan received | 389,300 | 128,820 |
| Short-term loan paid | (314,080) | (104,242) |
| Payment of lease liabilities - net | (10,454) | (10,759) |
| Net cash flows from financing activities | 64,766 | (7,973) |
| Net increase in cash and cash equivalents | 3,791 | (8,219) |
| Cash and cash equivalents at beginning of the period | (149,593) | (132,848) |
| Cash and cash equivalents at end of the period | (145,802) | (141,067) |
| Cash and cash equivalents at end of the period comprise of: | | |
| Cash and bank balances | 8,198 | 12,933 |
| Short-term borrowings | (154,000) | (154,000) |
| | (145,802) | (141,067) |

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2025

| | Capital Reserves | | | | | Revenue Reserves | | | Total |
|--|--|----------------------------|---------------------------------------|--|-----------|------------------|------------------|-------------|----------|
| | 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 | |
| | (Rupees in '000) | | | | | | | | |
| Balance as at July 1, 2023 (Audited) | 224,888 | 153,458 | 336,715 | (30,171) | 460,002 | 90,000 | (231,310) | (141,310) | 543,580 |
| Profit for the period | - | - | - | - | - | - | (26,197) | (26,197) | (26,197) |
| Other comprehensive income for the interim period - net of tax | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - | - | (26,197) | (26,197) | (26,197) |
| Balance as at March 31, 2024 (Un-audited) | 224,888 | 153,458 | 336,715 | (30,171) | 460,002 | 90,000 | (257,507) | (167,507) | 517,383 |
| Balance as at July 1, 2024 (Audited) | 224,888 | 153,458 | 336,715 | (30,171) | 460,002 | 90,000 | (304,960) | (215,122) | 469,768 |
| Profit for the period | - | - | - | - | - | - | (60,429) | (60,429.00) | (60,429) |
| Other comprehensive income for the interim period - net of tax | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - | - | (60,429) | (60,429) | (60,429) |
| Balance as at March 31, 2025 (Un-audited) | 224,888 | 153,458 | 336,715 | (30,171) | 460,002 | 90,000 | (365,389) | (275,551) | 409,339 |

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

BURSHANE LPG (PAKISTAN) LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

1 LEGAL STATUS AND OPERATIONS OF THE GROUP

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

1.1 The Holding Company

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

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

1.2 Subsidiary Companies

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

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where the provisions of, and the directives issued under, the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, and directives issued under, the Companies Act, 2017 have been followed.

These consolidated condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Holding Company's annual financial statements for the year ended June 30, 2024.

2.2 Basis of measurement

In these condensed interim consolidated financial statements, all items have been measured at their historical cost except for freehold land and leasehold land which are stated at their revalued amounts.

2.3 Functional and presentation currency

Items included in these consolidated condensed interim financial statements are measured using the currency of the primary economic environment in which the Holding Company operates. These consolidated condensed interim financial statements are presented in Pak Rupees which is the Group's functional and presentation currency.

2.4 Use of estimates and judgments

In preparing these consolidated condensed interim financial statements, the significant judgments made by management in applying the Holding Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the Holding Company's annual financial statements as at and for the year ended June 30, 2024.

2.5 Material accounting policies

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the annual consolidated financial statements of the Holding Company for the year ended June 30, 2024.

Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Holding Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

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". However, there is no material impact on consolidated condensed interim financial statement, therefore it has not been accounted for retrospectively.

| | | (Un-audited) March 31, 2025 | (Audited) June 30, 2024 |
|---|---|-----------------------------------|-------------------------------|
| | | ----- (Rupees in '000) ----- | |
| 3 | PROPERTY, PLANT AND EQUIPMENT | Note | |
| | Operating fixed assets, at net book value | 3.1 | 756,472 |
| | Right-of-use assets | 3.2 | 22,045 |
| | | | <u>778,517</u> |

3.1 Operation fixed assets

Additions - at cost, to operating fixed assets during the period were as follows:

| | | |
|---|--------------|---------------|
| Furniture, fittings, electrical and other equipment | 459 | 289 |
| Plant & machinery | 750 | 185 |
| Office equipment | - | 155 |
| Cylinder and regulators | - | 31,703 |
| Computers and related accessories | 100 | 224 |
| | <u>1,309</u> | <u>32,556</u> |

| | (Un-audited) March 31, 2025 | (Audited) June 30, 2024 |
|--|-----------------------------------|-------------------------------|
| | ----- (Rupees in '000) ----- | |

3.2 Right-of-use assets

| | | |
|---|---------|---------|
| Balance at the beginning of the period / year | 30,363 | 21,043 |
| Additions during the period / year | - | 19,187 |
| | 30,363 | 40,230 |
| Depreciation charged during the period / year | (8,318) | (9,867) |
| Balance at the end of the period / year | 22,045 | 30,363 |

The right to use assets comprises of premises acquired on lease by the Holding Company for its operations.

4 TRADE DEBTS

| | | |
|--------------------------------------|----------|----------|
| Unsecured - considered good | | |
| Trade debtors | 119,084 | 99,214 |
| Allowance for expected credit losses | (22,228) | (22,492) |
| | 96,856 | 76,722 |

5 LONG-TERM LOAN

| | | | |
|------------------------------------|-----|---------------|---------------|
| Secured | | | |
| National Bank of Pakistan (NBP) | 5.1 | 101,875 | 101,875 |
| Current maturity of long-term loan | | (62,087) | (33,165) |
| | | <u>39,788</u> | <u>68,710</u> |

5.1 In year 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 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% per annum.

On June 08, 2022 long term loan was restructured into Demand finance I, Demand finance II and short term borrowing, terms are as follows.

| Facility | (Rupees in '000) | Repayment term | Markup rate |
|---------------------|------------------|---------------------------|---------------|
| Demand Finance - I | 74,996 | 20 quateraly installments | Interest free |
| Demand Finance - II | 95,289 | 20 quateraly installments | 3 MK + 2% |
| Running Finance | 154,000 | revolving nature | 3 MK + 1.75% |

Payments were made in accordance with the restructured terms until December 31, 2023. However, the Holding Company has since not made payments as outlined in the restructuring agreement. The Holding Company is currently engaged in negotiations with National Bank of Pakistan (NBP) for a revised

6 LEASE LIABILITIES

| | | | |
|---------------------------------------|-----|----------|----------|
| Total lease liabilities | 6.1 | 28,183 | 33,410 |
| Current maturity of lease liabilities | | (11,312) | (10,046) |
| | | 16,871 | 23,364 |

| | | (Un-audited) March 31, 2025 | (Audited) June 30, 2024 |
|--|--|-----------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| 6.1 Reconciliation of total lease liabilities: | | | |
| Balance at the beginning of the period / year | | 33,410 | 20,055 |
| Additions during the period / year | | - | 19,187 |
| Finance cost during the period / year | | 5,227 | 7,046 |
| Payments / adjustment during the period / year | | (10,454) | (12,878) |
| Balance at the end of the period / year | 6.2 | <u>28,183</u> | <u>33,410</u> |
| 6.2 Maturity analysis-contractual undiscounted cashflow | | | |
| Within one year | | 11,312 | 10,046 |
| Later than one year but not later than five years | | 16,871 | 23,364 |
| More than five years | | - | - |
| Total undiscounted lease liability | | <u>28,183</u> | <u>33,410</u> |
| 7 TRADE AND OTHER PAYABLES | | | |
| Creditors | | 3,337 | 14,145 |
| Accrued liabilities | | 1,853 | 3,230 |
| Advances from distributors / customers - unsecured | | 16,194 | 17,704 |
| Workers' Welfare Fund | | 3,017 | 3,017 |
| Withholding tax payable | | 6,041 | 5,487 |
| Sales tax payable | | 3,279 | 2,590 |
| Other creditors | 7.1 | <u>17,359</u> | <u>18,865</u> |
| | | <u>51,080</u> | <u>65,038</u> |
| 7.1 | This includes amount of Rs. 2 million payable to Securities Exchange Commission of Pakistan (SECP) as disclosed in note 9.1.1 to the financial statements. | | |
| 8 SHORT TERM LOAN | | | |
| Related party - unsecured | | | |
| Burshane Petroleum (Private) Limited | 8.1 | 78,000 | - |
| Chief Executive Officer | 8.2 | <u>10,608</u> | <u>13,388</u> |
| | | <u>88,608</u> | <u>13,388</u> |
| 8.1 | This loan has been obtained for the purpose of purchasing LPG. The markup on this loan is calculated as 30% of the gross profit, after deducting hospitality charges. | | |
| 8.2 | This loan was acquired for the purchase of LPG. During the period, additional loan of Rs. 9.80 million was acquired and Rs. 12.58 million was repaid. This loan carries markup of 3 month KIBOR + 2% per anum. | | |
| 9 CONTINGENCIES AND COMMITMENTS | | | |
| 9.1 Contingencies | | | |
| 9.1.1 | 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 Holding 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 from 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 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.

On October 11, 2022, the Holding Company was imposed a penalty of Rs. 2 million by the SECP. Subsequently, the Holding Company filed a Constitutional Petition with the High Court, challenging both the constitutional and legal validity of the inspection order issued by SECP. On September 11, 2024, the Sindh High Court dismissed the petition on the grounds that it was filed on invalid grounds. Following this order, the Holding Company has decided not to challenge the case in any other forum and to proceed with the payment of the imposed penalty.

9.1.2 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 filling plant of Faisalabad. The landlords filed an ejectment petition against the Company, which was contested in the Rent Tribunal of Faisalabad. Initially, the case did not favor the Company; however, the Company subsequently pursued the matter in a civil court, where the case was dismissed in its favor. Following this decision, the landlords escalated the matter to the High Court, where the case remains under proceedings.

9.1.3 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 Holding 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.

9.1.4 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.

- 9.1.5 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 Holding 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 Holding Company has a strong arguable case to defend its position that the impugned demand of FED may not be warranted.

- 9.1.6 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 Holding Company and some of its directors. The orders were pertaining to freezing of the Holding Company's 9 bank accounts for 90 days and issuance of nonailable 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, 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 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 by the demand liability, the Company has appealed the demand before the Appellate Tribunal.

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 Group's reputation was damaged and 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 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. The Company is in process to these notices.

9.2 Commitments

This includes post-dated cheques issued amounted to Rs. 16.81 million (June 30, 2024: Rs. 22.12 million).

10 SALES - NET

| | Quarter ended | | Nine months ended | |
|-------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | March 31, 2025 Un-audited | March 31, 2024 Un-audited | March 31, 2025 Un-audited | March 31, 2024 Un-audited |
| | Rupees in 000's | | | |
| Gross sales | | | | |
| Liquefied Petroleum Gas (LPG) | 580,634 | 747,424 | 1,402,110 | 2,425,018 |
| Low Pressure Regulators (LPR) | 21 | 59 | 68 | 162 |
| | 580,655 | 747,483 | 1,402,178 | 2,425,180 |
| Sales tax | (87,081) | (101,674) | (211,112) | (295,577) |
| Sales return | (9,011) | (2,561) | (17,219) | (8,088) |
| Advance tax | (800) | - | (1,184) | - |
| | (96,892) | (104,235) | (229,515) | (303,665) |
| | 483,763 | 643,248 | 1,172,663 | 2,121,515 |

11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

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

11.2.1 Transactions with related parties

| | | Nine months ended | |
|--|---------------------------------------|--|-------------------|
| | | March 31, 2025 | March 31, 2024 |
| | | ----- (Rupees in '000) ----- (Un-audited) | |
| Nature of relationship | Nature of transactions | | |
| Staff retirement benefit / contribution plans | | | |
| Burshane LPG (Pakistan) Limited: Provident Fund | Company's contribution for the period | 1,801 | 3,343 |
| Associate companies / other related parties | | | |
| Burshane Petroleum (Private) Limited [Formerly Darian International (Private) Limited] | Short term Loan - received | 374,500 | 31,500 |
| | Short term Loan - paid | 296,500 | 31,500 |
| | Interest expense on short term loan | 7,182 | 553 |
| | Interest paid on short term loan | 2,180 | 553 |
| Directors | | | |
| | Short term Loan - received | 14,800 | 97,320 |
| | Short term Loan - paid | 17,580 | 72,742 |
| | Interest expense on short term loan | 2,036 | 3,144 |
| | Interest paid on short term loan | 1,562 | 1,656 |

| Nature of relationship | Nature of transactions | Nine months ended | |
|---------------------------------|---|------------------------------|-----------|
| | | March 31, | March 31, |
| | | 2025 | 2024 |
| | | ----- (Rupees in '000) ----- | |
| | | (Un-audited) | |
| Key management personnel | | | |
| Chief Executive Officer | Managerial remuneration and other benefits | - | 20,343 |
| | Contribution to retirement and other service benefits | - | 2,700 |
| Executive Directors | Managerial remuneration and other benefits | 4,950 | 7,940 |
| | Advance given against salary | - | 525 |
| Directors | Fee for attending meetings | 3,000 | 2,550 |

11.2.2 Balances with related parties

Balances with related parties as at the reporting period end, other than those which have been disclosed elsewhere in this consolidated condensed interim financial statements, are as follows:

| | | (Un-audited) | (Audited) |
|--|--|------------------------------|-----------|
| | | March 31, | June 30, |
| | | 2025 | 2024 |
| Nature of relationship | Nature of balances | ----- (Rupees in '000) ----- | |
| Associated Companies / Other Related Parties | | | |
| Burshane Petroleum (Private) Limited [Formerly Darian International (Private) Limited] | Receivable against use of name "Burshane" | 9,000 | 9,000 |
| | Markup payable | 5,002 | - |
| Director Mr. Asad Alam Niazi | Short-term loan | 10,608 | 13,388 |
| | Markup payable | 3,131 | 2,657 |
| Key management personnel | Advance to Chief Financial Officer | 67 | 300 |

12 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

12.1 Fair value of hierarchy

At the reporting date, the Holding Company's all assets and liabilities are carried at amortised cost except for those mentioned below:

The Holding 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 Holding Company's free hold 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.

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 data (unobservable inputs).

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

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

| | Fair value measurement | | | |
|-------------------------------|------------------------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Total |
| | (Rupees in '000) | | | |
| March 31, 2025 (Un-audited): | | | | |
| Assets measured at fair value | | | | |
| Property, plant and equipment | | | | |
| Freehold land | - | 16,800 | - | 16,800 |
| Leasehold land | - | 569,288 | - | 569,288 |
| | - | 586,088 | - | 586,088 |
| June 30, 2024 (Audited): | | | | |
| Assets measured at fair value | | | | |
| Property, plant and equipment | | | | |
| Freehold land | - | 16,800 | - | 16,800 |
| Leasehold land | - | 569,288 | - | 569,288 |
| | - | 586,088 | - | 586,088 |

13 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on **April 29, 2025** by the Board of Directors of the Company.

14 GENERAL

14.1 Figures have been rounded off to the nearest thousands, unless stated otherwise.

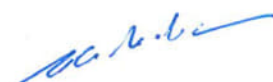
14.2 Certain corresponding figures have been reclassified for better presentation. However, there are no material reclassifications to report.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR