



BURSHANE LPG (PAKISTAN) LIMITED QUARTERLY REPORT – SEPTEMBER 2020

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Company Information

Board of Directors

Mr. Shaikh Abdus Sami
Chairman / Independent Director

Mr. Asad Alam Khan
CEO / Director

Mrs. Hamdia Fatin Niazi
Director

Mr. Darayus T. Sethna
Director

Mr. Shahriar D.Sethna
Director

Mr. Saiffee Zakiuddin
Director

Ms. Shahbano Hameed
Director (NIT Nominee)

Mr. Muhammad Khalid Dar
Director

Maj. Gen Rafi Ullah Khan (R)
Independent Director

Auditors

BDO Ibrahim & Co., Chartered Accountants.

Legal Advisors

Mohsin Tayeb Aly & Co

Tax Advisors

Maavins Solutions

Registrar & Share Registration Office

THK Associates (Pvt.) Limited

Management

Mr. Asad Alam Niazi
Chief Executive Officer

Mr. Saiffee Zakiuddin
Director Finance

Mr. Muhammad Khalid Dar
Director Marketing & Sales

Mr. Khurram Kasbati
Chief Financial Officer

Mr. Murtaza Saifuddin
Financial Controller & Company Secretary

Mr. Amir Aziz
Head of Operations Distribution & HSSE

Mr. Irfan Javaid Warsi
General Manager - Commercial & Business
Development and Human Resources (HR)

Mr. Asad Wasty
Head of Internal Audit

Bankers

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

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
Fax : + 92 21 3587 8353
www.burshane.com

Directors' Report

The Directors of your Company are hereby presenting the financial information of the Company for the first quarter ended September 30, 2020.

During the period under review, sales volume of the Company decreased by 987 MT (11%) compared to the corresponding period of the previous year and the net sales of the Company also decreased by Rs.111.60M (16.82%) due to reduced quantity sales and lower selling prices compared to corresponding period of the previous year because of lower international prices coupled with lower demand due to COVID-19 pandemic, in the local segment. The gross margins of the Company at Rs.17.03M (3.08% of Sales value) was also lower by 47.56M from last year comparative period due to decrease in sales and excess supply of LPG by the importers.

Administrative expenses increased by Rs.4.96M compared to comparative period of previous year, mainly due to increase in Litigation expenses pertaining to complaint lodged by Investigation and Intelligence (Inland Revenue) (I&I IR); however, distribution & marketing expenses have decreased by Rs.1.02M mainly due to decrease in hospitality costs due to lower LPG filling at third party Plants.

Net profit of the company at Rs.19.308M, increased by 16.69% from last year comparative period due to decrease in turnover tax rate from 1.5% to 0.25% applied from Tax year 2016 to date which resulted in reversal of tax charge which has been recorded as other income.

The Company's earnings per share for the period under review is at Re. 0.86 compared to Re. 0.12 per share in the first quarter of the previous year.

Material Changes and Commitments

The Company is negotiating reprofiling of its Demand Finance Liability of Rs 254m with National Bank of Pakistan Ltd. Under the reprofiling agreement, the company will convert its term debt into short term line and achieve reduction in mark up by utilizing the cash balance towards adjustment of its exposure on daily basis and at the same time regularize overdue into current status. Additionally, the Company has asked for an LC limit within the OD/funded facility to finance the import of LPG which shall be repaid by the cash generation of the company.

A complaint was filed by the Directorate of Investigation and Intelligence (Inland Revenue) (I & I – IR) on 31st August 2020, against the Company for alleged Tax evasion of approximately Rs 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 except MCB have removed the freeze on Company's accounts on expiry of 90 days, and we have taken up with MCB to do the same.

Another Constitutional Petition challenging the Complaint filed by I & I - IR with the special Court under the Anti Money Laundering Act 2010, has also been filed with High Court. The High Court in its first interim order has restrained all the respondents, which include FBR, I & I DG, Director, the Complaining Deputy

Director and the Special Court, from taking any further coercive action against the Company and its Directors.

The Company believes that the application filed by I & I – IR, is based on some personal Vendetta and that there is no substance in the Complaint. All the above cases are in progress with the respective courts and the Company is confident that the decisions in all these cases shall be in favor of the Company.

The Company and some of its Directors have also filed a Suit for Damages in the High Court for recovery of Rs 1 billion for damages caused to the reputation of the Company and its Directors and for mental torture caused due to appearance of the Director of I & I - IR on Dunya TV News Show named “Dunya Kamran Khan ke Saath”. This case is also under hearing with the High Court and we are confident the decision shall be in our favor.

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 I 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. Further, during the year, the Company decided that in order to retain and motivate staff, it will by the way of balloting select 1 person to perform Hajj or Umrah on Company's expense.

Composition of Board:

The total number of directors are Nine (9) and their compositions are as following:

- Male: 7
- Female: 2

Category	Name
Independent Director	Maj.Gen (R.) Rafiullah Khan (R) Mr. Sheikh Abdus Sami
Other Non-Executive Directors	Mr. Shahriar D. Sethna Ms. Hamdia Fatin Niazi Mr. Darayus T.Sethna Ms. Shahbano Hameed
Executive Directors	Mr. Asad Alam Niazi Mr. Saifee Zakiuddin Mr. Khalid Dar

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

a) Audit Committee

Maj.Gen Rafi ullah Khan (R)	-	Chairman
Mr. Shaikh Abdus Sami	-	Member
Ms. Hamdia Fatin Niazi	-	Member
Mr. Shahriar D.Sethna	-	Member
Mr. Darayaus T. Sethna	-	Member

b) Human Resource and Remuneration Committee

Maj. Gen Rafi ullah Khan (R)	-	Chairman
Mr. Darayus T. Sethna	-	Member
Mr. Asad Alam Niazi	-	Member
Ms. Hamdia Fatin Niazi	-	Member
Mr. Saiffee Zakiuddin	-	Member

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

Following are the key numbers of the results for the period	(Rs. in '000)
Net Sales	552,045
Gross Margins	17,027
Operating profits	27,567
Profit after Tax	19,308

Following is the appropriation:

Profit after Tax	19,308
------------------	--------

Appropriation:

Dividend declared	Cash	NIL
	Bonus	NIL

Shaikh Abdus Sami
Director/Chairman

Asad Alam Niazi
Director / CEO

Karachi
Dated: May 24, 2021



**BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020**

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

<u>ASSETS</u>	Note	Unaudited September 30, 2020	Audited June 30, 2020
		----- (Rupees in '000) -----	
NON-CURRENT ASSETS			
Property, plant and equipment	4	816,817	827,317
Intangible assets		313,720	328,661
Long-term investment		50,000	50,000
Long-term loans		423	488
Long-term deposits		3,174	122,761
		1,184,134	1,329,227
CURRENT ASSETS			
Stores and spares		3,830	2,215
Stock-in-trade		123,517	43,901
Trade debts		79,296	24,776
Loans and advances		49,025	53,084
Deposits, prepayments and other receivables		142,891	21,755
Taxation - net		73,179	9,295
Cash and bank balances		106,742	265,197
		578,480	420,223
		1,762,614	1,749,450
EQUITY AND LIABILITIES			
EQUITY			
Share capital		224,888	224,888
Capital reserve		336,415	336,415
Revaluation surplus of property		110,070	110,070
Other reserves		37,091	17,783
Revenue reserves		483,576	464,268
		708,464	689,156
NON-CURRENT LIABILITIES			
Liabilities under finance lease		15,627	17,511
Deferred taxation - net		-	-
Cylinder and regulator deposits		428,252	414,260
		443,879	431,771
CURRENT LIABILITIES			
Loan from a subsidiary company		50,000	50,000
Trade and other payables		114,427	138,743
Accrued mark-up on long - term loan		102,499	97,029
Un-claimed dividend		83,198	83,198
Current portion of lease liabilities		5,708	5,114
Current portion of long-term loan		254,439	254,439
		610,271	628,523
CONTINGENCIES AND COMMITMENTS	5	1,762,614	1,749,450

The annexed notes 1 to 10 form an integral part of these unconsolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
	----- (Rupees in '000) -----	
Gross Sales	654,467	759,481
Sales tax	(102,422)	(95,793)
Sales - net	552,045	663,688
Cost of sales	(535,018)	(599,101)
Gross profit	17,027	64,587
Administrative expenses	(31,627)	(26,669)
Distribution and marketing expenses	(15,817)	(16,838)
Other income	59,323	2,641
Other expenses	(1,339)	(1,061)
Operating profit	27,567	22,660
Finance costs	(6,879)	(10,094)
Profit before taxation	20,688	12,566
Taxation	6 (1,380)	(9,955)
Profit for the period	19,308	2,611
Earnings per share - basic and diluted	Rs. 0.86	Rs. 0.12

The annexed notes 1 to 10 form an integral part of these unconsolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
	----- (Rupees in '000) -----	
Profit for the period	19,308	2,611
Other comprehensive income for the period		
Items that will not be reclassified subsequently to profit or loss:		
Actuarial loss on remeasurement of retirement and other service benefits	-	-
Total comprehensive income for the period	<u>19,308</u>	<u>2,611</u>

The annexed notes 1 to 10 form an integral part of these unconsolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash (used) / generated from operations	7 (227,782)	(93,930)
Finance costs paid	(1,227)	(814)
Taxes paid	(65,264)	(10,141)
Long-term loans - net	65	148
Long-term deposits - net	119,587	-
Cylinder and regulator deposits - net	13,992	7,565
Net cash (used)/ generated from operating activities	(160,629)	(97,172)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	1,203	(5,744)
Purchase of intangible assets	-	(136)
Interest received	1,136	1,981
Net cash used in investing activities	2,339	(3,899)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of liabilities under finance lease	(165)	(921)
Net cash used in financing activities	(165)	(921)
Net (decrease) / increase in cash and cash equivalents	(158,455)	(101,992)
Cash and cash equivalents at beginning of the period	265,197	173,732
Cash and cash equivalents at end of the period	106,742	71,740

The annexed notes 1 to 10 form an integral part of these unconsolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	Capital		Reserves				Total reserves	Total equity
	Issued, subscribed & paid-up capital	Reserve on amalgamation	General reserve	Unappropriated profit	Actuarial loss on remeasurement of retirement and other service benefits	Revaluation surplus of property, plant and equipment		
	(Rupees in '000)							
Balance as at July 01, 2019	224,888	153,458	90,000	60,252	16,081	274,765	594,566	819,444
Profit for the year	-	-	-	(109,829)	-	-	(109,829)	(109,829)
Other comprehensive income for the year	-	-	-	-	(59,469)	61,650	2,181	2,181
Total comprehensive income for the year	-	-	-	(109,829)	59,469	61,650	(107,649)	(107,649)
Final dividend @ Re.1 per share	-	-	-	(22,640)	-	-	(22,640)	(22,640)
Balance as at June 30, 2020	224,888	153,458	90,000	(72,217)	(43,388)	336,415	464,268	689,156
Profit for the period	-	-	-	19,308	-	-	19,308	19,308
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	19,308	-	-	19,308	19,308
Balance as at September 30, 2020	224,888	153,458	90,000	62,909	43,388	336,415	483,576	708,464

The annexed notes 1 to 10 form an integral part of these unconsolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

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 trading of Low Pressure Regulators (LPR).

- 1.2 These unconsolidated condensed interim financial statements are 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. STATEMENT OF COMPLIANCE

- 2.1 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 which comprise of 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 directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 The preparation of this condensed interim financial information is in conformity with the approved accounting standards 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 expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

3. ACCOUNTING POLICIES

- 3.1 The accounting policies adopted in the preparation of this condensed interim information are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2020.

4. PROPERTY, PLANT AND EQUIPMENT

During the period July to September 2020, additions amounting to Rs. 1.33 million have been made.

5. CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments as disclosed in note 26.1 & 26.2 to the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2020

6. TAXATION

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

7. CASH (USED IN) / GENERATED FROM OPERATIONS

	30-Sep-20	30-Sep-19
	----- (Rupees in '000) -----	
Profit before taxation	20,688	12,566
Adjustment for non cash charges and other items:		
Depreciation	10,669	6,493
Amortisation	14,929	14,929
Finance costs	6,879	10,094
Interest income on savings bank accounts	(1,136)	(1,981)
Working capital changes		
(Increase) / decrease in current assets		
Stores and spares	(1,615)	(2,281)
Stock-in-trade	(79,616)	(35,554)
Trade debts	(54,520)	1,204
Loans and advances	4,059	(42,789)
Deposits, prepayments and other receivables	(123,803)	(73,076)
	(255,495)	(152,496)
Increase / (decrease) in current liabilities		
Trade and other payables - net	(24,316)	16,465
Cash (used in) / generated from operations	(279,811)	(136,031)
	(227,782)	(93,930)

8. TRANSACTIONS & BALANCES WITH RELATED PARTIES

The related parties comprise of associated companies, entities with common directors, major shareholders, key management employees and retirement benefit funds. Transactions and balances with Related parties and associate undertakings are given below:

8.1 Transactions with related parties

Nature of relationship	Nature of transactions	30-Sep-20	30-Sep-19
		----- (Rupees in '000) ----- (Un-audited)	
Staff Retirement Benefit / Contribution Plans	Expense/Contribution for the period	696	704
Associated Companies / Other Related Parties	Accrued profit received	833	-
Director(s)	Fee for attending meetings	950	460
		Unaudited September 30, 2020	Audited June 30, 2020
Nature of relationship	Nature of balances	----- (Rupees in '000) -----	
Former Holding Company	Dividend payable	79,857	79,857
Subsidiary	Investment in a subsidiary company	50,000	50,000
	Loan payable to a subsidiary company	50,000	50,000
	Receivables from	11	11
Staff Retirement Benefit / Contribution Plans	Net Payables	29,037	25,639
Associated Companies / Other Related Parties	Net Receivables	9,825	9,825
Key management personnel	Long-term loans	-	855

9. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information were authorised for issue on 24-May-21 by the Board of Directors of the Company.

10. GENERAL

Certain prior year's / period's figures have been reclassified for the purpose of comparison. However, there were no material reclassifications to report.

Chief Executive Officer

Chief Financial Officer

Director

**BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020**

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

<u>ASSETS</u>	Note	Unaudited September 30, 2020	Audited June 30, 2020
----- (Rupees in '000) -----			
NON-CURRENT ASSETS			
Property, plant and equipment	4	816,817	827,317
Intangible assets		313,720	328,661
Long-term loans		423	488
Long-term deposits		3,174	122,761
		1,134,134	1,279,227
CURRENT ASSETS			
Stores and spares		3,830	2,215
Stock-in-trade		123,517	43,901
Trade debts		79,296	24,776
Loans and advances		49,025	53,084
Deposits, prepayments and other receivables		142,886	21,757
Taxation - net		72,509	8,627
Cash and bank balances		108,196	266,636
		579,259	420,996
		1,713,393	1,700,223
EQUITY AND LIABILITIES			
EQUITY			
Share capital		224,888	224,888
Capital reserve		336,415	336,415
Revaluation surplus of property		110,070	110,076
Other reserves		37,692	18,371
Revenue reserves		484,177	464,862
		709,065	689,750
NON-CURRENT LIABILITIES			
Liabilities under finance lease		15,627	17,511
Deferred taxation - net		-	
Cylinder and regulator deposits		428,252	414,260
		443,879	431,771
CURRENT LIABILITIES			
Trade and other payables		114,605	138,922
Accrued mark-up on long - term loan		102,499	97,029
Un-claimed dividend		83,198	83,198
Current portion of lease liabilities		5,708	5,114
Current portion of long-term loan		254,439	254,439
		560,449	578,702
CONTINGENCIES AND COMMITMENTS	5	1,713,393	1,700,223

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
	----- (Rupees in '000) -----	
Gross Sales	654,467	759,481
Sales tax	(102,422)	(95,793)
Sales - net	552,045	663,688
Cost of sales	(535,018)	(599,101)
Gross profit	17,027	64,587
Administrative expenses	(31,627)	(26,669)
Distribution and marketing expenses	(15,817)	(16,838)
Other income	59,341	2,679
Other expenses	(1,339)	(1,061)
Operating profit	27,585	22,698
Finance costs	(6,879)	(10,094)
Profit before taxation	20,706	12,604
Taxation	6 (1,385)	(9,967)
Profit for the period	19,321	2,637
Earnings per share - basic and diluted	Rs. 0.86	Rs. 0.12

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
	----- (Rupees in '000) -----	
Profit for the period	19,321	2,637
Other comprehensive income for the period		
Items that will not be reclassified subsequently to profit or loss:		
Actuarial loss on remeasurement of retirement and other service benefits	-	-
Total comprehensive income for the period	<u>19,321</u>	<u>2,637</u>

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020	September 30, 2019
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash (used) / generated from operations	7 (227,759)	(93,934)
Finance costs paid	(1,227)	(814)
Taxes paid	(65,271)	(10,148)
Long-term loans - net	65	148
Long-term deposits - net	119,587	-
Cylinder and regulator deposits - net	13,992	7,565
Net cash (used)/ generated from operating activities	(160,614)	(97,183)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	1,203	(5,744)
Purchase of intangible assets	-	(136)
Interest received	1,136	2,019
Net cash used in investing activities	2,339	(3,861)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of liabilities under finance lease	(165)	(921)
Net cash used in financing activities	(165)	(921)
Net (decrease) / increase in cash and cash equivalents	(158,440)	(101,965)
Cash and cash equivalents at beginning of the period	266,636	175,069
Cash and cash equivalents at end of the period	108,196	73,104

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information

Chief Executive Officer

Chief Financial Officer

Director

BURSHANE LPG (PAKISTAN) LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2020

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 trading of Low Pressure Regulators (LPR).

1.2 Subsidiary Companies

- 1.2.1 Burshane AutoGas (Private) Limited (the Subsidiary Company) was incorporated on September 26, 2014 under the repealed Company Ordinance, 1984. The Subsidiary Company is mainly engaged in opening and managing petrol pumps and Liquefied Petroleum Gas (LPG) outlets. The Subsidiary Company's registered office is situated at Suite 101, 1st Floor, Horizon Vista, Plot No. Commercial-10, Block-4, Scheme No. 5, Clifton, Karachi. The Holding Company holds 99.99% voting rights and is committed to provide financial support to the Company as and when required.
- 1.2.2 Burshane Trading (Private) Limited (BTPL) was incorporated on October 13, 2014 under the repealed Company Ordinance, 1984, for setting up trading operations particularly in coal and other energy related products. The Subsidiary Company's registered office is situated at Suite 101, 1st Floor, Horizon Vista, Plot No. Commercial-10, Block-4, Scheme No. 5, Clifton, Karachi. No share capital has been issued or transactions undertaken by the Subsidiary Company during the period.

2. STATEMENT OF COMPLIANCE

- 2.1 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 which comprise of 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 directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.2 The preparation of this consolidated condensed interim financial information is in conformity with the approved accounting standards 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 expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

3. ACCOUNTING POLICIES

- 3.1 The accounting policies adopted in the preparation of this consolidated condensed interim information are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2020.

4. PROPERTY, PLANT AND EQUIPMENT

During the period July to September 2020, additions amounting to Rs. 1.33 million have been made.

5. CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments as disclosed in note 26.1 & 26.2 to the annual audited consolidated financial statements of the Company for the year ended June 30, 2020

6. TAXATION

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

7. CASH (USED IN) / GENERATED FROM OPERATIONS

	30-Sep-20	30-Sep-19
	----- (Rupees in '000) -----	
Profit before taxation	20,706	12,603
Adjustment for non cash charges and other items:		
Depreciation	10,669	6,493
Amortisation	14,929	14,929
Finance costs	6,879	10,094
Interest income on savings bank accounts	(1,136)	(2,019)
Working capital changes		
(Increase) / decrease in current assets		
Stores and spares	(1,615)	(2,281)
Stock-in-trade	(79,616)	(35,554)
Trade debts	(54,520)	1,204
Loans and advances	4,059	(42,789)
Deposits, prepayments and other receivables	(123,797)	(73,079)
	(255,489)	(152,499)
Increase / (decrease) in current liabilities		
Trade and other payables - net	(24,317)	16,465
	(279,806)	(136,034)
Cash (used in) / generated from operations	(227,759)	(93,934)

8. TRANSACTIONS & BALANCES WITH RELATED PARTIES

The related parties comprise of associated companies, entities with common directors, major shareholders, key management employees and retirement benefit funds. Transactions and balances with Related parties and associate undertakings are given below:

8.1 Transactions with related parties

		30-Sep-20	30-Sep-19
		----- (Rupees in '000) -----	
		(Un-audited)	
Nature of relationship	Nature of transactions		
Staff Retirement Benefit / Contribution Plans	Expense/Contribution for the period	<u>696</u>	<u>704</u>
Associated Companies / Other Related Parties	Accrued profit received	<u>833</u>	<u>-</u>
Director(s)	Fee for attending meetings	<u>950</u>	<u>460</u>
		Unaudited	Audited
		September 30,	June 30,
		2020	2020
Nature of relationship	Nature of balances	----- (Rupees in '000) -----	
Former Holding Company	Dividend payable	<u>79,857</u>	<u>79,857</u>
Staff Retirement Benefit / Contribution Plans	Net Payables	<u>29,037</u>	<u>25,639</u>
Associated Companies / Other Related Parties	Net Receivables	<u>9,825</u>	<u>9,825</u>
Key management personnel	Long-term loans	<u>-</u>	<u>855</u>

9. DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information were authorised for issue on 24-May-21 by the Board of Directors of the Company.

10. GENERAL

Certain prior year's / period's figures have been reclassified for the purpose of comparison. However, there were no material reclassifications to report.

Chief Executive Officer

Chief Financial Officer

Director